

Item 1: Cover Page

CORNELL CAPITAL LLC

Part 2A of Form ADV: Firm Brochure

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This brochure provides information about the qualifications and business practices of Cornell Capital LLC and its relying adviser, Cornell Capital HK Limited, and their respective affiliates, which are all operated as a single advisory business (collectively, “**Cornell**” or the “**Firm**”). If you have any questions about the contents of this brochure, please contact us at 212-818-8980. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority. The Firm is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training. Additional information about Cornell is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2: Material Changes

Cornell has amended this brochure as part of its Form ADV Annual Updating Amendment for the fiscal year-end date of December 31, 2022 by adding additional disclosures related to expenses in Item 5, side-by-side disclosures in Item 6 and risk factors in Item 7. Since the Firm's last Form ADV Other-Than-Annual Amendment, which was filed on May 19, 2022, there have been no other material changes.

Item 3: Table of Contents

Item 1: Cover Page	1
Item 2: Material Changes.....	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation	5
Item 6: Performance Based Fees and Side-by-Side Management.....	10
Item 7: Types of Clients.....	10
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss.....	10
Item 9: Disciplinary Information	32
Item 10: Other Financial Industry Activities and Affiliations	32
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	33
Item 12: Brokerage Practices	33
Item 13: Review of Accounts	34
Item 14: Client Referrals and Other Compensation.....	34
Item 15: Custody.....	34
Item 16: Investment Discretion	35
Item 17: Voting Client Securities.....	35
Item 18: Financial Information.....	35

Item 4: Advisory Business

- A. Description of Firm and Principal Owners. Cornell Capital LLC, a Delaware limited liability company, is a privately-held investment adviser founded in 2013 and indirectly wholly owned by its Chief Executive Officer, Henry Cornell. Cornell Capital HK Limited, a company incorporated in Hong Kong, is a relying adviser of Cornell Capital LLC. References to “Cornell” or “the Firm” herein include Cornell Capital LLC, Cornell Capital HK Limited and their respective affiliates, which are all operated as a single advisory business.
- B. Description of Advisory Services. Cornell provides and is expected to continue to provide investment advisory services to closed-end, private equity, and privately-placed limited partnerships. Currently, this includes Cornell Capital Partners LP (“**Fund I**”), Cornell Capital Partners II LP and Cornell Capital Partners II Parallel LP (together, “**Fund II**”), and Cornell Capital Special Situations Partners II LP (“**Special Situations Fund**,” and, together with Fund I, Fund II and certain Co-Investment Funds referred to below, “**Private Funds**” or a “**Fund**”), each of which, depending on the investment mandate for the particular Fund, may invest in a single portfolio company or multiple portfolio companies. The Private Funds may be structured as limited partnerships organized domestically or offshore. Investment advisory services provided by Cornell are provided directly to each Private Fund and not individually to the investors of the Private Fund.

Cornell has also established certain co-investment vehicles (each, a “**Co-Investment Fund**” and collectively, the “**Co-Investment Funds**”), which may, to the extent available and at the discretion of Cornell, offer co-investment opportunities alongside Fund I and Fund II.

Cornell Capital GP LP serves as the general partner for Fund I, Cornell Capital GP II LP serves as the general partner for Fund II, Cornell Capital Special Situations GP II LP serves as the general partner for Special Situations Fund, CC Co-Invest GP LLC serves as the general partner for the Co-Investment Funds that co-invest alongside Fund I and CC Co-Invest GP II LLC serves as the general partner for the Co-Investment Funds that co-invest alongside Fund II. Cornell serves as the investment adviser with discretionary authority to implement investment decisions for the Private Funds. Cornell’s investment decisions and advice with respect to the Private Funds are in accordance with the investment objectives and restrictions set forth in the constituent documents of each Private Fund. The investors in the Funds may not direct investments by the Funds, and except in limited circumstances, investors are not permitted to withdraw from a Fund prior to completion of such Fund’s winding up.

- C. Tailoring Advisory Services to Individual Needs. Cornell tailors its advisory services to the Private Funds as set forth in the constituent documents associated with each Private Fund. Investment advice is provided directly to each Private Fund and not individually to investors in the Private Funds.
- D. Wrap Fee Programs. Cornell does not participate in wrap fee programs.
- E. Regulatory Assets Under Management. As of December 31, 2022, Cornell had \$6,681,754,809 in discretionary regulatory assets under management.

Item 5: Fees and Compensation

- A. The applicable fees for each Private Fund are disclosed to investors in the constituent documents of each Private Fund. The Firm or its designee is generally entitled to receive a management fee payable quarterly by the applicable Private Fund with respect to each of the Private Fund's investors (other than any affiliated investor or as described below). The general partners of the Private Funds (the "**General Partners**") generally receive or will receive a "carried interest" or incentive allocation, in each case, from the Private Fund with respect to such Private Fund's investors (other than any affiliated investor or as described below). Incentive allocations are typically measured as a percentage of the profits of a Private Fund and are determined separately for each Private Fund at a rate generally consistent with industry standards.
- B. As more fully described in the constituent documents for each Private Fund, management fees are generally payable to Cornell quarterly in advance with fees payable on a pro-rata basis for any period that is less than a full quarterly period. The investment advisory agreement and other constituent documents generally provide for a management fee commencing on the investment date or closing date, which is initially based on a percentage of the aggregate capital commitments of the relevant Private Fund until the earlier of (a) the end of the investment period of the Private Fund and (b) activation of a successor to the Private Fund, as described in the constituent documents. Thereafter, until the final liquidating distribution of the Private Fund, a management fee is generally calculated as a percentage of the actively invested capital of the Private Fund. All management fees are determined separately for each Private Fund at a rate generally consistent with industry standards. Cornell may, in its sole discretion, permit investors who are employees, "friends and family" or Cornell personnel to invest in a Fund without being subject to the management fee or the carried interest. In addition, certain investors may be entitled to invest on a waived, reduced, or otherwise more favorable management fee and/or carried interest basis pursuant to certain Side Letters (as defined below) entered into by Cornell with such investors.

Management fees that Fund I, Fund II, and Special Situations Fund would otherwise be required to pay in any given quarter may be offset by other fees received by Cornell or another affiliated person that are associated with the acquisition, monitoring, financing, disposition, or management of a portfolio company in which such Fund invests or in connection with unconsummated transactions (e.g., break-up and topping fees, commitment fees, monitoring and director fees and acquisition, advisory, financing, divestment, and other similar fees), with any such management fee offset being determined as set forth in such Fund's constituent documents, which generally provide that offsets will be proportionate to such Fund's ownership percentage or anticipated ownership percentage in such portfolio company. If, after giving effect to any such reduction in the management fee amount for any quarterly period, any portion of such other fees for such quarterly period remains unapplied, such portion will be applied to reduce the management fee amounts for subsequent quarterly periods.

Incentive allocations are assessed periodically, typically after the receipt by the Private Funds of proceeds from a portfolio investment, and are paid out of cash otherwise distributable to Private Fund investors.

- C. The applicable expenses for each Private Fund are disclosed to investors in the constituent documents for the relevant private offering and the governing agreements of each Private Fund.

Those expenses will vary by Private Fund, but will typically include, without limitation:

- all fees, costs and expenses of organizing the Fund, including the fees, costs and expenses incurred by the Fund, the General Partner or any affiliate of the General Partner in connection with the offer, sale, marketing and private placement of the limited partner interests in the Fund (including all legal fees, costs and expenses, fees, costs, and expenses incurred in connection with negotiating and entering into and complying with side letter provisions, and travel and related costs and expenses (including expenses for travel by private aircraft, first class travel or business class travel, use of car services or reimbursement of mileage, lodging and accommodations, personal and business meals, and business entertainment), incurred in connection with the offer, sale, marketing and private placement of such interests, and costs and expenses in relation to any borrowing attributable to any of the foregoing.
- all fees, costs and expenses incurred in connection with, arising from or otherwise related to any Fund investments that are not reimbursed by portfolio companies, including all unreimbursed fees, costs and expenses incurred in connection with, arising from or otherwise related to the sourcing, evaluation, making, holding, monitoring, maintaining, financing (or refinancing), pledging, sale, proposed sale or other disposition of all or any portion of such Fund investment (including deal initiation expenses; investment banking, brokerage, syndication, hedging, advisory, consulting, valuation, appraisal, due diligence, custodial, trustee, record keeping, lending, attorney, tax, accounting, auditing, administrative, and professional fees, costs and expenses; sales and underwriting commissions and discounts; expenses related to travel with respect to such Fund investment; any fees, costs and expenses in connection with, arising from or otherwise related to, any vehicle that is formed for one or more investments; any indemnification obligation arising with respect to such proposed Fund investment; any expenses incurred in connection with potential investments that are not ultimately made; and costs and expenses in relation to any borrowing attributable to any of the foregoing.
- all fees, costs and expenses of the Fund incurred in connection with, arising from or related to the ongoing maintenance, operation and administration of the Fund that are not reimbursed by portfolio companies, including the maintenance of the Fund's books and records; legal, tax, accounting, auditing, administrative, advisory, consulting and other professional fees, costs and expenses (including fees associated with portfolio accounting system licenses and support); expenses associated with the preparation and distribution of the Fund's financial statements, reports, tax returns, Schedules K-1 (or additional or similar tax related schedules) and any other tax compliance and reports to the limited partners; fees, costs and expenses incurred in respect of third-party information systems, software and technology; the management fee; other operational and administration fees, costs and expenses; and costs and expenses in relation to any borrowing attributable to any of the foregoing.
- fees, costs and expenses incurred in connection with obtaining third-party legal, tax, accounting, auditing, administrative or other professional advice or services, and the advice of other outside advisors and consultants on behalf of the Fund;
- fees, costs and expenses incurred in connection with, related to or arising from the registration, qualification or exemption of the Fund under (or the Fund's compliance with) any applicable U.S. federal, state, local or non-U.S. laws, rules and regulations, including fees, costs and expenses (A) incurred to maintain the Fund in good standing thereunder or (B) incurred to make or maintain filings with the U.S. Securities & Exchange Commission (such

- as Form PF), U.S. Commodity Futures Trading Commission, the National Futures Association, the U.S. Treasury, the U.S. Internal Revenue Service and any other federal, state, provincial or local regulatory authority in any country or territory;
- fees, costs and expenses incurred in connection with, or arising from or otherwise related to, compliance with the Alternative Investment Fund Managers Directive and/or the law, rules or regulations implemented or promulgated in any applicable E.U. jurisdiction in relation thereto (or similar marketing-related regulations in other jurisdictions), including the fees, costs and expenses of any depositary required in connection therewith;
 - fees, costs and expenses incurred in connection with, or arising from or otherwise related to, compliance with FATCA (as defined below) and the Organisation for Economic Co-operation and Development Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard, and fees, costs and expenses related to any associated or similar legislation, regulations or guidance;
 - fees, costs and expenses incurred in connection with, or arising from or otherwise related to, the implementation and monitoring of anti-money laundering and cybersecurity policies and procedures (including any such fees, costs and expenses of the General Partner or Cornell that are incurred in connection with, arising from, or otherwise related to the General Partner’s or Cornell’s activities on behalf of the Fund), including the costs associated with the appointment of any anti-money laundering compliance officer, money laundering reporting officer and deputy money laundering reporting officer of the Fund or any alternative investment vehicle required pursuant to Cayman Islands anti-money laundering laws, regulations and guidance;
 - fees, costs and expenses incurred in connection, or arising from or otherwise related to, compliance with privacy laws, rules or regulations of any applicable jurisdiction (including any fees, costs and expenses associated with computer software used for such compliance), including the General Data Protection Regulation (EU) 2016/279, as amended, and the Cayman Islands Data Protection Law, 2017, as amended;
 - other regulatory fees, costs and expenses of the Fund (including the fees, costs and expenses of any legal inquiries and examinations, including regulatory “sweeps” to the extent relating to the Fund);
 - fees, costs and expenses incurred in connection with the collection of amounts due to the Fund from any person;
 - fees, costs and expenses incurred in connection with obtaining approvals, consents or waivers under, or effecting amendments, revisions, restatements, modifications or changes to, the partnership agreement of each Fund;
 - fees, costs and expenses incurred in connection with communications with one or more limited partners, including fees, costs and expenses incurred in connection with, arising from or otherwise related to, responding to investor inquiries, investor-specific reporting requests or due diligence requests or questionnaires or fees, costs and expenses associated with producing Institutional Limited Partners Association reporting templates or complying with similar reporting standards;
 - fees, costs and expenses incurred in connection with distributions to the limited partners, including the preparation and distribution of wire transfers, checks, financial reports, and other information provided to limited partners pursuant to the partnership agreement of each Fund;
 - fees, costs and expenses incurred in connection with holding meetings with one or more limited partners, including the annual meetings of the Fund (including any expenses related

- to travel incurred by representatives of Cornell or portfolio companies or other attendees of any such meetings, fees, costs and expenses incurred in connection with any products provided to attendees of such meetings or any presentations and media prepared in connection with such meetings and any speaker, entertainment or appearance fees);
- expenses of the advisory committee and any conflicts committee designated by the General Partner pursuant to the partnership agreement of each Fund, including reimbursement of out-of-pocket expenses of the members of those committees, including expenses related to travel of the members of such committees;
 - fees, costs and expenses incurred by the Fund, the General Partner or Cornell in connection with, or arising from or otherwise related to, negotiating and entering into, and complying with side letter provisions, including any fees, costs and expenses incurred by the Fund, the General Partner or Cornell in connection with any “most favored nations” provision election process;
 - fees, costs and expenses (including consulting fees, costs and expenses) incurred in connection with, or arising from or otherwise related to, compliance with environmental, social and governance standards or internal policies applicable to the Fund, the General Partner or Cornell in connection with, arising from or otherwise related to their respective activities on behalf of the Fund or to which they subscribe to now or in the future, including investigation, training, tracking, engagement, reporting and preparation of any documentation with respect thereto;
 - any taxes imposed on the Fund, including any taxes imposed on the Fund or the General Partner in the capacity of withholding agent with respect to a limited partner and any interest, penalties and expenses relating to any such taxes, including any fees, costs and expenses incurred in connection with tax proceedings that are characterized as Fund expenses;
 - other governmental charges levied against the Fund or payable by or with respect to the Fund or its investments;
 - fees, costs and expenses incurred in connection with, or arising from or otherwise related to, any valuation of the assets of the Fund, including the fees, costs and expenses of an independent expert;
 - fees, costs and expenses relating to any default by a limited partner;
 - fees, costs and expenses incurred in connection with transfers of interests by partners of the Fund (including any transfer that is not ultimately consummated) that are not otherwise borne by the applicable transferor or transferee;
 - fees, costs and expenses incurred in connection with, arising from or otherwise related to any action, claim, suit, investigation or proceeding by or before any court, arbitrator, governmental body or other agency involving the Fund (including the cost of any investigation and preparation) and the amount of any judgment or settlement paid in connection therewith;
 - fees, costs and expenses (including premiums, deductibles, escrow fees and seller representative fees) of any insurance policies for the direct or indirect benefit of the Fund, the General Partner or Cornell or any of their respective affiliates in connection with, arising from or otherwise related to their respective activities on behalf of the Fund (including, in each case, activities by their respective affiliates or their respective shareholders, partners, members, officers, directors, managers, employees and agents) and for directors’ and officers’ liability insurance or other similar insurance policies, including errors and omissions, cyber, representation and warranty and other insurance, whether in the form of insurance

- policies or fidelity bonds, in each case to the extent related to activities on behalf of the Fund or a Fund investment;
- fees, costs and expenses incurred to purchase, implement, maintain and upgrade computer software and hardware for use in preparing and distributing the Fund's financial statements, reports, tax returns and Schedules K-1 (or additional or similar tax-related schedules) and any other tax compliance and reports, as well as fees, costs and expenses incurred in connection with providing the limited partners on-line or electronic access to information and reporting relating to the Fund (including any upgrades and customizations related thereto);
 - any principal, interest, fees, costs or other expenses incurred (including interest expenses) in relation to any borrowing or in connection with or incidental to the incurrence or refinancing of any credit facility or other indebtedness, loan servicing (assets and liabilities), guarantees or other obligations of the Fund permitted by the partnership agreement of each Fund;
 - the fees, costs and expenses of any hedging transactions;
 - any fees, costs and expenses related to the making of temporary investments;
 - any indemnification obligation and any other indemnity, contribution or reimbursement obligations of the Fund with respect to any person (including any placement agent), whether payable in connection with an action, claim, suit, investigation or proceeding by or before any court, arbitrator, governmental body or other agency involving the Fund or otherwise;
 - fees, costs and expenses of attending industry conferences (including expenses related to travel) or obtaining third-party research, data, analytics, business intelligence (including any "expert networks"), modeling, structuring, pricing and execution services (including the fees, cost and expense of any subscriptions and any computer terminals for the delivery of such services) that are related to the Fund's investment activities or maintenance, operation and administration (including any fees, costs and expenses incurred in obtaining industry or market data for purposes of benchmarking the investment performance history of the Fund, irrespective of whether such information is also used for the benefit of the General Partner, Cornell or any of their respective affiliates);
 - the Fund's share of any fees, costs and expenses of the types described above relating to an aggregator or similar vehicle formed for the purpose of investment by the Fund and co-investors, including expenses that the Fund would otherwise not have borne but for the participation of co-investors (by way of example only and without limitation, the incremental aggregator-level auditing and reporting, accounting and other administrative expenses); and
 - fees, costs and expenses incurred in connection with the termination, winding up and dissolution of the Fund.

Detailed information regarding the fees and expenses charged to each Private Fund is provided in the constituent documents of each Private Fund. Investors in a Private Fund should review all fees and expenses charged by Cornell, its affiliates, and others to fully understand the total amount of fees and expenses to be paid by the Private Fund and, indirectly, the investors in such a Private Fund.

- D. Generally, management fees are payable quarterly, in advance. Cornell will generally be required to refund to the Private Fund any unearned management fees in respect of any quarterly period that is shorter than a full calendar quarter or in respect of which the Firm is not serving as the manager of the Private Fund.

- E. Cornell and/or supervised persons do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6: Performance Based Fees and Side-by-Side Management

As stated in Item 5 above, Cornell is generally eligible to earn performance-based carried interest or incentive allocation based on the profits derived from a Private Fund's investments. Such carried interest or incentive allocation is based on investment profits and, as a result, may create an incentive for Cornell to make investments on behalf of a Private Fund that are riskier or more speculative than would be the case in the absence of such incentive allocation.

Cornell seeks to address this through allocation policies that provide that transactions and investment opportunities will be allocated to a Private Fund in connection with investment guidelines and governing documents, as well as other factors that do not include the amount of performance based compensation received by Cornell or any Cornell personnel. Cornell also seeks to address this by careful vetting of investment opportunities by Cornell's investment professionals, disclosure of investments to investors in each Private Fund by way of periodic reports, and the investment by a number of Cornell's investment professionals in the Private Funds (in an effort to align Cornell's and each Private Fund's interests).

Item 7: Types of Clients

Cornell provides investment advisory services to pooled investment vehicles that invest in portfolio companies. Investors in the pooled investment vehicles managed by Cornell may include high-net-worth individuals and a variety of institutional investors (e.g., trusts, employee benefit plans, endowments, foundations, sovereigns, corporations, and other types of entities, including private funds of funds). Some of the Firm's clients are privately offered funds, which will typically be structured as limited partnerships that are exempt from registration as investment companies under U.S. law by virtue of Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"). To qualify for the 3(c)(7) exemption, all investors in the privately offered funds are required to be "qualified purchasers" (as defined in the Investment Company Act) and must satisfy such other investor qualification requirements in order to satisfy applicable securities laws. In addition, the privately offered funds rely on Regulation D, promulgated under the Securities Act of 1933, which requires all investors to be "accredited investors".

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

- A. The Firm seeks to invest in attractive companies across a wide range of industries and geographies. Cornell's objective is to partner with management teams by providing patient, and long-term capital as well as strategic and operational guidance to enhance value creation for all stakeholders. The Firm targets leading businesses at attractive valuations and identifies such opportunities through its analysis of the sector and market opportunities and its deep global network of relationships with companies and individuals.

Cornell generally seeks to invest in equity securities of private companies. Cornell may also invest

in public companies, and in debt or hybrid securities of public or private companies. Investments in public companies are intended as investments, rather than trading positions.

Potential investments undergo an intensive due diligence review process that includes an evaluation of the target company's financial and strategic positioning, management team, commercial and industry factors, operations, accounting, and legal matters, as well as other customary diligence undertakings. Cornell may work with specialized professional service firms, third-party consultants, and other appropriate resources to identify and assess the investment risks specific to each investment.

Investing in securities involves the risk of loss that clients should be prepared to bear.

- B&C. Investing in the Private Funds involves a number of risks. An investment in a Private Fund may be deemed a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in the respective Private Fund and are capable of bearing illiquidity for substantial periods of time. No guarantee or representation is made that a Private Fund will achieve its investment objectives or that investors will receive a return of their capital, and the investment strategy offered by Cornell could lose money over short or even long periods. With respect to any Private Fund, prospective and existing investors are advised to review the constituent documents and other materials for full details on each Private Fund's investment, operational, and other actual and potential risks.

The descriptions contained below are a brief overview of different material risks related to Cornell's investment strategy and potential conflicts of interest that may arise in connection with the activities of Cornell and its affiliates, on the one hand, and the Funds on the other hand; however, it is not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise.

Limited Number of Investments

Some of the Firm's Private Fund clients only make a single investment and, as a consequence, the returns realized by the investors in such a Private Fund would be adversely affected in a material manner by the unfavorable performance of such investment.

No Assurance of Investment Return

There is no assurance that the Private Funds will be able to generate returns for their investors or that the returns will be commensurate with the risks of investing in the types of companies and transactions in which the Private Funds will invest. There can be no assurance that the Private Funds' investment objectives will be achieved or that there will be any return of capital. Therefore, an investor should only invest in the Private Funds if the investor can withstand a total loss of its investment.

Highly Competitive Market for Investment Opportunities

The business of identifying and structuring private equity investments is highly competitive and involves a high degree of uncertainty. Cornell will be competing for investments with other investment funds, as well as individuals, financial institutions, other institutional investors, and strategic corporate investors. Over the past several years, an increasing number of investment funds have been formed with similar investment objectives to Cornell's, and many such existing funds have grown in size. These and other investors may make competing offers for investment opportunities identified by Cornell which may affect Cornell's ability to participate in attractive investment opportunities. Even where successful in executing a definitive agreement with respect to an investment opportunity, completing the transaction may be subject to conditions and uncertainties, only some of which are foreseeable or within Cornell's control. In addition, the availability of investment opportunities generally will be subject to market conditions as well as, in some cases, the prevailing regulatory or political climate.

Enhanced Scrutiny and Regulations of the Private Funds and Financial Services Industries

The growth of the private funds industry, the increasing size and reach of transactions, as well as the increased attention to private funds, prompted governmental and public attention to the private funds industry and its practices in the past several years. In particular, the Dodd-Frank Act requires registration with the SEC of advisers to private funds whose assets under management exceed \$150 million (with certain limited exceptions) and imposes reporting and record-keeping obligations with respect to the private funds they advise. The Dodd-Frank Act also imposes a number of restrictions on the relationship and activities of banking organizations with private equity and hedge funds and other provisions that affect the private funds industry, either directly or indirectly.

In addition, as alternative asset managers have become influential participants in the U.S. and global financial markets and economy generally, the private funds industry has been subject to criticism by some politicians, regulators, and market commentators. In Germany, for example, U.S. and UK private equity firms are perceived by some as having been responsible for high levels of domestic unemployment. There have been similar concerns expressed in other European countries. Various federal, state and local agencies examined the role of placement agents, finders, and other similar private funds service providers in the context of investments by public pension plans and other similar entities, including investigations and requests for information. Furthermore, elements of organized labor and other representatives of labor unions embarked on a campaign targeting private equity firms on a variety of matters of interest to organized labor, including with respect to affording favorable treatment or significant deference to organized labor and labor unions in dealings with portfolio companies. There can be no assurance that the foregoing will not have an adverse impact on the Funds, the General Partners, Cornell, or any of their respective affiliates or otherwise impede the Funds' activities.

This increased political and regulatory scrutiny of the private funds industry was particularly acute during the global financial crisis. For example, in addition to the U.S. and European legislation described above, other jurisdictions proposed modernizing financial regulations that called for, among other things, increased regulation of and disclosure with respect to, and possibly registration of, hedge funds and private equity funds. There is a risk that regulatory agencies in

the United States, Europe, or elsewhere may continue to adopt burdensome laws (including tax laws) or regulations, or may implement changes in law or regulation, or may pursue interpretation or the enforcement thereof, which are specifically targeted at the private funds industry.

With respect to interpretation and enforcement in the United States, the SEC stated publicly in recent years that its Division of Examinations intensified efforts to examine private fund advisers, with a focus on issues of concern identified in the course of presence exams of newly registered advisers that occurred shortly after the enactment of the Dodd-Frank Act. Such issues included, among others, the disclosure and allocation of fees, costs and expenses; marketing practices; portfolio management; conflicts of interest; safety of client assets; and valuation. Consistent with such efforts, the SEC dramatically increased its pursuit of enforcement actions against private fund managers. Such actions alleged a variety of conduct, including undisclosed or unapproved related-party and affiliate transactions, as well as undisclosed fees, costs and expenses, and other undisclosed conflicts of interests. Industry observers are uncertain as to whether the enforcement trend is likely to continue.

There can be no assurance that the Funds, the General Partners, Cornell, or any of their respective affiliates will avoid regulatory examination and possible enforcement actions. Recent SEC enforcement actions and settlements involving U.S.-based private fund advisers have involved a number of issues, including the undisclosed allocation of the fees, costs, and expenses related to unconsummated co-investment transactions (i.e., the allocation of broken deal expenses), undisclosed legal fee arrangements affording the applicable adviser with greater discounts than those afforded to funds advised by such adviser and the undisclosed acceleration of monitoring fees.

The SEC has proposed a number of new rules and amendments to existing rules under the Advisers Act (the “**Proposed Private Funds Rules**”) including new requirements related to quarterly statements, financial statement audits, prohibited activities and the preferential treatment of certain investors. The Proposed Private Funds Rules include a requirement for detailed quarterly disclosure to investors of private fund performance, fees and expenses (including disclosure of the compensation paid to the Investment Adviser and its affiliates) and additional portfolio investment-level disclosure. Advisers would also be prohibited from charging certain types of fees and expenses to private funds or their portfolio companies, seeking reimbursement, indemnification, exculpation, or limitation of liability related to certain actions of the adviser and allocating fees or expenses related to a portfolio investment on a non-pro rata basis among multiple private funds invested in the same portfolio investment. The Proposed Private Funds Rules would also prohibit granting certain types of preferential terms regarding redemption or information about portfolio holdings or exposures to only certain investors entirely (e.g., through side letters) and prohibit granting other preferential terms to only certain investors unless disclosed in writing to current and prospective investors. The SEC has also proposed changes to Form PF (the “**Proposed Form PF Amendments**”) which would, among other things, require advisers to private equity funds to gather and report more information regarding fund strategies, use of leverage, fund investments in different levels of a single portfolio company’s capital structure, and portfolio company restructurings or recapitalizations. The Form PF Amendments would also require that advisers report certain events to the SEC within one business day of their occurrence. A separate cybersecurity rule proposal (the “**Proposed Cybersecurity Rules**”) and, together with the Proposed Private Funds Rules and the Proposed Form PF Amendments, the “**Proposed Rules**”) would require advisers to adopt and implement formal

cybersecurity policies, report significant cybersecurity incidents to the SEC, and provide enhanced disclosure of cybersecurity risks and incidents to investors. For further discussion of risks related to cybersecurity, please see the sections entitled “*Cybersecurity Threats*” and “*Data Privacy and Security Laws and Regulations*” below.

The respective final rules adopted by the SEC could (but are not expected to) differ significantly from the Proposed Rules. In any event, there can be no guarantee as to the content of the final versions of the Proposed Rules. If adopted as proposed, the Proposed Rules are expected to increase the cost of operating the Fund and the time and resources that Funds, the General Partners, Cornell, and each of their respective affiliates and employees will be required to devote to reporting and compliance matters. In addition, if adopted as proposed and without the benefit of any “grandfathering” with respect to fund arrangements in place prior to the date of such adoption, the Proposed Rules could require the General Partners to amend the Funds’ partnership agreements in order to comply with the Proposed Rules. The effect of the Proposed Rules on the Funds, the General Partners, Cornell, and each of their respective affiliates and employees could be substantial and adverse.

In summary, regulation generally as well as regulation more specifically addressed to the private funds industry, including tax laws and regulation, whether in the United States or abroad, could increase the cost of acquiring, holding, or divesting the Funds’ investments, the profitability of such enterprises and the cost of operating the Funds. Additional regulation could also increase the risk of third-party litigation. The transactional nature of the business of the Funds exposes the Funds, the General Partners, Cornell, and each of their respective affiliates generally to the risks of third-party litigation.

Future Legal, Tax and Regulatory Risks for Private Equity Funds

Future legal, tax and regulatory changes could occur that may adversely affect a Fund or Cornell. The regulatory environment for private equity funds is evolving, and changes in regulations that impact private equity funds may adversely affect the value of investments held by a Fund and the ability of a Fund to pursue its investment strategy. In light of the heightened regulatory environment in which the Funds and Cornell operate and the ever-increasing regulations applicable to private investment funds and their investment advisors, it has become increasingly expensive and time-consuming for the Funds, Cornell, and their affiliates to comply with applicable regulatory obligations. The Funds may also be adversely affected by changes in the enforcement or interpretation of existing laws, rules, and regulations, including tax laws, by federal, state, and non-U.S. agencies, courts, authorities, or regulators. The effect of any future regulatory changes on the Funds or Cornell could be substantial and potentially adverse.

Reliance on the Partners and Investment Professionals

The successful investment by a Private Fund will depend upon, among other things, the skill and expertise of Cornell’s partners and Cornell’s other investment professionals. There can be no assurance any of the foregoing will continue to be associated with the Private Funds throughout the life of the Private Funds. The unavailability of Cornell’s partners or Cornell’s other investment professionals to manage the Private Funds could have a material adverse effect on the Private Funds or portfolio companies. Investors in the Private Funds will have no right or power to

participate in the management, disposition, or other realization of any investment, the day-to-day operations of the Private Funds, or any other decisions regarding the Private Funds' business and affairs. Investors should expect to rely solely on Cornell's ability with respect to the Private Funds' operations.

Cybersecurity Threats

Cybersecurity incidents, cyber-attacks and other breaches have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency and sophistication in the future. Cybersecurity risks for investment funds have increased significantly in recent years because of, among other things: the proliferation of Internet and telecommunications technologies to conduct financial transactions; the ability and degree to which investment managers collect and maintain confidential, proprietary, sensitive, personal and other nonpublic information, as well as publicly available data that may be organized in a manner that is not publicly available; and the increased sophistication and activities of organized crime, hackers, terrorists and other external parties, including foreign state actors and state-supported actors. Accordingly, Cornell, the Funds, and the portfolio companies have faced and will face risks due to cybersecurity threats. Such threats include and have included attempts to gain unauthorized access to confidential, proprietary, sensitive, personal and other nonpublic information, including, without limitation, information regarding Cornell's, the Funds', and the portfolio companies' investment activities, or to render data or systems unusable, which could result in significant losses. Any cybersecurity incident, cyber-attack or other breach experienced by Cornell, the Funds, any portfolio companies, or any of their respective third-party service providers could lead to the loss of confidential, proprietary, sensitive, personal and other nonpublic information or capabilities essential to Cornell's, the Funds', and the portfolio companies', or any of their respective third-party service providers', operations, and could have a material adverse effect on their reputations, financial positions, results of operations or cash flows, and could lead to financial losses from remedial actions, loss of business, potential liability, exposure to legal claims, regulatory intervention or reputational damage, including losses which may be in excess of, or not covered by, such entity's insurance policies. Cornell, the Funds, and the portfolio companies may have to make a significant investment to fix or replace any inoperable or compromised systems or to modify or enhance their cybersecurity controls, procedures and measures. Similarly, the public perception that Cornell, the Funds, or any portfolio companies have been the target of a cybersecurity threat, even if unsuccessful, also could have a material adverse effect on their reputations and lead to financial losses from loss of business, depending on the nature and severity of the threat.

Cybersecurity attacks are evolving and may be difficult to detect for long periods of time, and include, but are not limited to, computer viruses, malicious software, destructive code, phishing attacks, ransomware attacks, social engineering, attempts to gain unauthorized access to data, or other electronic security breaches or similar events, including those perpetrated by criminals or nation state actors, that could lead to: disruptions in critical systems, network access or business operations; unauthorized collection, monitoring, use or release of confidential, proprietary, sensitive, personal and other nonpublic or otherwise protected information; or obstruction, deletion, loss, destruction or corruption of information and data. Cybersecurity attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on systems or websites rendering them unavailable or incidental, intentional or improper disclosure of data by employees, service providers or agents.

Although Cornell, the Funds, and the portfolio companies have implemented, and their service providers may implement, various controls, procedures and measures designed to manage risks relating to these types of events, including business continuity systems, and data security systems, such measures could be inadequate and, if their systems are compromised, they could become inoperable for extended periods of time, or cease to function properly or fail to adequately secure confidential, proprietary, sensitive, personal and other nonpublic information, including personal information relating to limited partners (and the beneficial owners of limited partners) or investors and the intellectual property and trade secrets of Cornell, the Funds, and any portfolio companies. These problems could arise in Cornell's, the Funds', and any portfolio company's internally developed systems and the systems of third-party service providers, upon which Cornell, the Funds, and any portfolio companies rely, which systems may be inadequate to prevent, detect or recover from a cybersecurity attack. While Cornell, the Funds, and the portfolio companies perform cybersecurity diligence on their key service providers, it is important to note that if a service provider fails to adopt or adhere to adequate cybersecurity procedures, or if despite such procedures its networks or systems are breached, information relating to client transactions or personal information of limited partners or investors may be lost or improperly accessed, used or disclosed.

Data Privacy and Security Laws and Regulations

Compliance with current and future data privacy and security laws and regulations could significantly impact current and planned data privacy and security related practices, the collection, use, sharing, retention, safeguarding and other processing of personal information, and certain of Cornell's, the Funds', the General Partners' and any portfolio company's, and any of their respective affiliates', current and planned business activities. Any failure or perceived failure to comply with such laws and regulations could result in fines, sanctions or other penalties, which could materially and adversely affect results of operations and overall business, as well as have an impact on reputation. As data privacy and security laws and regulations are implemented, interpreted and applied, compliance costs may increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

The U.S. and international legal and regulatory landscape governing data privacy and security is in a period of considerable flux. In recent years, state legislatures have passed a number of important new laws, including the California Consumer Privacy Act, as amended by the California Privacy Rights Act (collectively, "CCPA"), which provides California residents with certain individual privacy rights and imposes data privacy and security obligations on covered companies. A number of other states have enacted, or are considering enacting, comprehensive data privacy laws. In addition, laws in all 50 U.S. states require businesses to provide notice under certain circumstances to consumers whose personal information has been disclosed as a result of a data breach, including the New York SHIELD Act.

At the federal level, the United States Congress is also considering various proposals for data privacy and security legislation. Cornell, the Funds, the General Partners and any portfolio companies, and any of their respective affiliates, are or may be subject to the rules and regulations promulgated under the authority of the Federal Trade Commission, which regulates unfair or deceptive acts or practices, including with respect to data privacy and security. Additionally, the Gramm-Leach-Bliley Act of 1999 (along with its implementing regulations) restricts certain collection, storage, use, disclosure and other processing of personal

information, requires notice to individuals of privacy practices and provides individuals with certain rights to prevent the use and disclosure of certain nonpublic or otherwise legally protected information. These rules also impose requirements for the safeguarding and proper destruction of personal information through the issuance of data security standards or guidelines.

Internationally, many jurisdictions have established their own data privacy and security legal frameworks with which Cornell, the Funds, the General Partners and any portfolio companies, and any of their respective affiliates, may need to comply, including, but not limited to, the EU, which has adopted the General Data Protection Regulation (EU 2016/679) (the “**GDPR**”). The GDPR seeks to harmonize national data protection laws across the EU, while at the same time, modernizing the law to address new technological developments. The GDPR is binding on data controllers and data processors in all EU member states, without the need for implementation in each member state. The GDPR notably has extra-territorial reach, such that it applies to data controllers and data processors either with an establishment in the EU, or which offer goods or services to EU data subjects or monitor EU data subjects’ behavior within the EU. The regime imposes stringent operational requirements on both data controllers and data processors, and imposes significant penalties for non-compliance, with fines of up to 4% of total annual worldwide turnover or €20 million (whichever is higher), depending on the type and severity of the violation. In addition, following Brexit, the U.K. General Data Protection Regulation (i.e., a version of the GDPR as implemented into U.K. law) (the “**UK GDPR**”) went into effect, which exposes us to burdens and risks comparable to the GDPR.

The cumulative effects of the CCPA, the GDPR, the UK GDPR and other recently adopted data privacy and security laws and regulations include an increased ability of individuals, relative to companies, to control the use of their personal information; increased obligations of companies to maintain the privacy and security of personal information; and increased exposure to regulatory action, litigation, fines, damages or reputational harm for companies that do not afford individuals their specified privacy rights, that experience data breaches or that do not maintain cybersecurity practices at certain required levels. The global data protection landscape is currently unstable, resulting in possible significant operational costs for internal compliance and risk to our business. Cornell, the Funds, the General Partners and any portfolio companies, and any of their respective affiliates, will endeavor to implement and maintain systems designed to promote compliance with the CCPA, the GDPR, the UK GDPR and these other laws and regulations, both those adopted to date and those that may be adopted in the future, but there can be no assurance that these systems will be effective in mitigating the business impact of individuals’ increased privacy rights or in ensuring compliance with the CCPA, the GDPR, the UK GDPR and such other laws and regulations. In the event of regulatory action, litigation, fines, damages or reputational harm due to noncompliance with such data privacy and security laws or a data breach, there could be a business impact on Cornell, the Funds, the General Partners and any portfolio companies, and any of their respective affiliates.

Financial and Business Risk

Investments made by the Funds will generally involve a significant degree of financial and/or business risk. Portfolio companies may face competition, changing business or economic conditions, or other developments that may adversely affect their performance. Certain of the Funds’ investments may be in businesses with little or no operating history. Portfolio companies

may be highly leveraged and therefore may be more sensitive to declines in revenues, increases in expenses, adverse business, political or financial developments, or economic factors such as a significant rise in interest rates, a severe downturn in the economy, or deterioration in the condition of such companies or their industries. Business risks may be more significant in smaller portfolio companies or those that are embarking on a build-up or operating turnaround strategy. If, for any of these reasons, a portfolio company is unable to generate sufficient cash flow to meet principal or interest payments on its indebtedness or make regular dividend payments, the value of such Fund's investment in such portfolio company could be significantly reduced or even eliminated.

In addition, general fluctuations in the market prices of securities may affect the value of the investments held by the Funds. Instability in the securities markets may also increase the risks inherent in the Funds' investments.

ESG Considerations

Cornell expects to take into account environmental, social and governance ("ESG") factors into account when discovering, developing, negotiating, evaluating, acquiring, structuring, holding, carrying, monitoring, managing, and disposing of portfolio investments. Although compliance with such factors could result in higher ESG compliance expenses or costs or the forgoing of certain opportunities, Cornell believes that ESG factors affect investment performance and effectively managing these issues can protect and enhance the long-term value of portfolio companies. There are no universally accepted ESG standards and not all investors in the Funds may agree on the appropriate ESG standards to apply in a particular situation. The General Partner of a Fund will apply ESG standards and considerations at its sole discretion. In either case, an adverse impact on the results of a Fund's portfolio investments cannot be excluded.

Illiquid and Long-term Investments

The Private Funds' investments will include investments in portfolio companies for which no public market may exist. Although the Private Funds' investments may generate some current income, the return of capital and the realization of gains, if any, from the Private Funds' investments will generally occur only upon the partial or complete disposition or refinancing of such investment. Generally, there will be no public market for the investments held by the Private Funds at the time of its acquisition. To the extent that the Private Fund's investments are not publicly traded, the Private Funds may be unable to liquidate the investment for a significant period of time and may be unable to do so at a profit.

Investments Longer than Term

A Fund may make investments which may not be advantageously disposed of prior to the date such Fund will be dissolved, either by expiration of such Fund's term or otherwise. Although Cornell expects that investments will be disposed of during a reasonable wind-up period following the dissolution of a Fund or be suitable for in-kind distribution during such wind-up period, a Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as such Fund seeks to wind up its affairs.

Follow-On Investments

A Fund may be called upon to provide follow-on funding for its portfolio companies or may have the opportunity to increase its investment in such portfolio companies. There can be no assurance that such a Fund will wish to make follow-on investments or that it will have sufficient funds to do so. Any decision by a Fund not to make follow-on investments or its inability to make them may have a substantial negative impact on a portfolio company in need of such an investment or may diminish such Fund's ability to influence the portfolio company's future development.

Side Letters

A Fund's general partner expects from time to time to enter into letter agreements or other similar arrangements (collectively, "**Side Letters**") with one or more investors that have the effect of establishing rights under, or altering or supplementing the terms of the governing documents of a Fund or any subscription agreement of, such Fund. As a result of such Side Letters, certain investors may receive additional benefits that other investors will not receive, including, without limitation, with respect to the right to make additional capital commitments to such Fund or other funds affiliated with Cornell, the right to receive reports from such Fund on a more frequent basis or to receive reports that include information not provided to other investors (including valuation and other information relating to the investments of such Fund), the right to bear a reduced carried interest and/or management fee, the right to receive a rebate of a portion of any carried interest and/or management fee, the calculation of the clawback amount of such Fund's general partner, the right to receive a share of the revenues and/or carried interest, the right to be excused from participating in certain investments, accommodations of regulatory, legal or tax considerations, which may include the right to withdraw from such Fund under certain circumstances and the restriction of voting rights with respect to "key person" votes and otherwise, and such other more favorable terms as may be negotiated between such Fund and such investor. The other investors will have no recourse against such Fund, such Fund's general partner, or any of their affiliates in the event that certain investors receive additional or different rights or terms as a result of such Side Letters.

Use of Leverage

The General Partner of a Private Fund is permitted to, directly or indirectly, through an investment vehicle or at the portfolio company level, incur a substantial amount of leverage in connection with the acquisition, ownership, financing or recapitalization of investments. Furthermore, the Private Fund may also incur indebtedness in connection with a working capital facility or otherwise, for the purpose of financing an investment or meeting other obligations prior to the receipt of capital contributions from limited partners. This leverage will increase the exposure of such investments to adverse economic factors such as significantly rising interest rates, severe economic downturns or deteriorations in the condition of the portfolio company or its industry. The percentage of leverage will vary depending on the Private Fund's ability to obtain credit facilities and the lender's and rating agencies' estimate of the stability of the particular portfolio company's cash flow. The Private Fund or the portfolio company may be required to maintain minimum average cash balances in connection with borrowings under a credit facility. In the event a portfolio company is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of the investment in the portfolio

company could be reduced significantly or even eliminated. The return on investments may be reduced to the extent that changes in market conditions increase the cost of financing relative to the income that can be derived from the assets acquired. In addition, use of leverage may cause the Private Fund to prematurely harvest investments and may have potential adverse tax consequences. Borrowings under a proposed credit facility may be secured by, among other things, the Interests, assets of the Private Fund, including the limited partners' obligations to make capital contributions. Any inability of the Private Fund to repay such borrowings could enable a lender to take action against any limited partner in order to require a limited partner to fund its entire remaining capital commitment to account for such shortfall. Fees and expenses incurred by a Private Fund in connection with any such leverage, including any interest payments, will be borne by such Private Fund. Borrowings by a Private Fund have the potential to diminish returns (or increase losses on capital) to the extent overall returns are less than the Private Fund's cost of funds.

The extent to which a Private Fund uses leverage may have the following consequences, among others, to the investors in the Private Fund: (i) greater fluctuations in the net asset value of the Private Fund's assets; (ii) use of cash flow (including capital contributions) for debt service; (iii) to the extent that Private Fund's revenues are required to meet principal payments, the investors may be allocated income (and therefore tax liability) in excess of cash distributed; (iv) in certain circumstances, the Private Fund may be required to dispose of the investment at a loss or otherwise on unattractive terms in order to service its debt obligations or meet its debt covenants; and (v) the use of leverage can, under certain circumstances, limit the ability of the General Partner of a Private Fund to consent to transfers of investors' interests in the Private Fund. There can be no assurance that a Private Fund will have the sufficient cash flow to meet its debt service obligations. As a result, the Private Fund's exposure to foreclosure and other losses may be increased due to the illiquidity of its investments.

Reliance on Management of Operating Companies

Cornell expects to obtain rights to participate substantially in the conduct of the management of many of the Funds' portfolio companies. Cornell will typically designate directors to serve on the boards of directors of portfolio companies. However, management will be primarily responsible for the operations of the company on a day-to-day basis. In addition, the designation of representatives and other measures contemplated could expose the assets of a Fund to claims by a portfolio company, its security holders, and its creditors, including claims that such Fund is a controlling person and, thus, liable for securities laws and other legal violations of a portfolio company. These measures also could result in certain liabilities in the event of the bankruptcy or reorganization of a portfolio company and could result in claims against a Fund if the designated directors violate their fiduciary or other duties to a portfolio company or fail to exercise appropriate levels of care under applicable corporate or securities laws, environmental laws or other legal principles and could expose a Fund to claims that it has interfered in management to the detriment of a portfolio company. While Cornell intends to operate the Funds in a way that will minimize the exposure to these risks, the possibility of successful claims cannot be precluded.

Pandemics and Other Public Health Crises

Pandemics and other widespread public health emergencies have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which could result in significant losses to a Fund.

An ongoing outbreak of COVID-19 has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations, and deaths. The ultimate impact of COVID-19 — and the resulting precipitous decline in economic and commercial activity across nearly all of the world's largest economies — on global economic conditions, and on the operations, financial condition, and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects are possible, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity. The extent of COVID-19's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative, financial, and monetary policy interventions designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained and economies are able to "re-open," it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to a Fund. The extent of the impact on a Fund and such Fund's investments' performance will depend on many factors, all of which are highly uncertain and cannot be predicted. These same factors may limit the ability of a Fund to source, diligence, and execute new investments and to manage, finance, and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal, and regulatory frameworks in ways that are adverse to the investment strategy such Fund intends to pursue, all of which could adversely affect such Fund's ability to fulfill their investment objectives. In addition, the operations of a Fund, such Fund's investments, the General Partners, and Cornell may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements, and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Political Risks

The political systems of many countries in the emerging markets have been undergoing a variety of transitions. The developing political systems of emerging markets countries are susceptible to civil and ethnic unrest and wars, popular dissatisfaction with privatization efforts, abrupt

changes in political and economic power, and changes in government institutions and policies, any of which could adversely affect private investors. The process of political development is ongoing, and investors should bear in mind that the outcome is unpredictable.

Actions in the future of one or more of the governments of the countries in the emerging markets could have a significant effect on the economy of such country, which could in turn adversely affect private sector companies, market conditions, and prices and yields of securities in the Private Funds' portfolios. Political and economic instability in emerging markets could adversely affect the Private Funds' investments. Economic or diplomatic sanctions may be in place or may be imposed in or with respect to, certain countries in which Private Funds invest or in which portfolio companies do business, which is likely to limit the liquidity of the affected investments or negatively impact the value of the Private Funds' investments. Private Funds may be subject to the risk of the possibility of expropriation or confiscatory taxation with respect to investments in certain countries. Restrictions imposed or actions taken by foreign governments could include exchange controls, seizure or nationalization of foreign deposits or securities accounts, and adoption of other governmental restrictions that could adversely affect the prices of securities held by Private Funds or the ability to repatriate profits on investments or even the capital invested, which could adversely impact Private Funds. Investments in such circumstances are speculative and involve the potential loss by an investor of the entire amount invested. Despite the risks involved, Cornell does not intend to obtain political risk insurance.

Russia-Ukraine Conflict

Russia launched a large-scale invasion of Ukraine on February 24, 2022 and, in response, the United States, the European Union and other governments have imposed economic sanctions on certain Russian individuals, including Russian government officials and other government-linked individuals, and Russian corporate entities and financial institutions, banned certain Russian financial institutions from global payments systems that facilitate cross-border payments and have taken other economic and political measures. It is possible that such governments could institute broader sanctions or impose other economic and political measures on Russia, which could result in the immediate freeze of Russian securities and/or funds invested in prohibited assets and/or other consequences. The extent and duration of the military action, the possibility of the conflict expanding beyond Ukraine and Russia, and resulting sanctions and other economic and political measures and future market disruptions in the region and worldwide are impossible to predict, but could be significant and have a severe adverse effect on the region and collateral effects globally, including significant negative impacts on the global economy and the markets for certain securities and commodities, such as oil and natural gas, as well as other sectors and may also have an impact on a company's revenue growth, operational losses and liabilities and reduction in available capital. Such effects and impacts could have a material adverse effect on the Funds and their investments.

Political Tensions between the United States and China

Political tensions between the United States and the People's Republic of China ("PRC") have escalated since the COVID-19 outbreak, the PRC National People's Congress' passage of Hong Kong national security legislation, the executive orders issued by former U.S. President Trump in August 2020 that prohibit certain transactions with ByteDance Ltd., Tencent Holdings Ltd. and the respective subsidiaries of such companies, and the executive order issued by former U.S.

President Trump in November 2020 that prohibits U.S. persons from transacting publicly traded securities of certain “Communist Chinese military companies” named in such executive order. Furthermore, in January 2021, the Chinese government announced sanctions against outgoing secretary of state Mike Pompeo and other high-ranking officials under former U.S. President Trump. Tensions continued to rise when, in May 2022, U.S. President Biden said that the United States would intervene militarily to defend Taiwan if China invades Taiwan by force, when in August 2022, the PRC responded to the visit by Speaker of the United States House of Representatives Nancy Pelosi to Taiwan by taking various actions including canceling dialogue with the U.S. on military issues, climate change and other topics and launching military exercises off the coast of Taiwan, and when in September 2022, the Biden administration announced a \$1.09 billion arms sale to Taiwan. Rising political tensions could reduce levels of trade, investments, technological exchanges and other economic activities between the two major economies, which would have a material adverse effect on global economic conditions and the stability of global financial markets. Cornell maintains offices in New York and Hong Kong. It’s investment strategy includes an evaluation of investments that have cross border opportunities in North America and Asia, including China. Any of the foregoing factors could have a material adverse effect on the Funds’ investments.

LIBOR Risk

Following announcements by the Financial Conduct Authority (“FCA”), which regulates the London Interbank Offered Rate (“LIBOR”), and ICE Benchmark Administration Limited, the administrator of LIBOR, the publication of most non-U.S. dollar LIBOR settings ceased as of the end of December 2021. While certain U.S. dollar LIBOR settings are expected to continue to be published until June 30, 2023, U.S. and other regulators have issued guidance instructing banks to cease entering into new contracts referencing U.S. dollar LIBOR no later than December 31, 2021. The Federal Reserve Bank of New York currently publishes the Secured Overnight Financing Rate (“SOFR”) based on overnight U.S. Treasury repurchase agreement transactions, which has been recommended as the alternative to U.S. dollar LIBOR by the Alternative Reference Rates Committee convened by the Federal Reserve Board and the Federal Reserve Bank of New York. As of the date hereof, it is unknown whether SOFR will attain market acceptance in the loan market as a replacement for LIBOR and, because SOFR differs fundamentally from LIBOR, there is no assurance that SOFR will perform in the same way as LIBOR would have performed at any time. If SOFR does not prove to be a viable alternative to LIBOR in the loan market and no other viable alternative is adopted, it could cause a disruption in the credit markets generally. Such disruptions related to loans in the marketplace could have a material adverse effect on the ability of the Funds to make investments in the future and which may have a material adverse effect on the investment returns of the Funds.

Any transition away from LIBOR to one or more alternative benchmark rates is complex and could have a material adverse effect on the value of the Funds’ investments, including as a result of changes in the (i) business, financial condition and results of operations of the Funds’ portfolio companies, (ii) pricing and/or availability of investments and/or (iii) negotiations and/or changes to the documentation for certain of the Funds’ investments and/or prospective investments, as well as the pace of such changes, disputes and other actions regarding the interpretation of current and prospective loan documentation, basis risks between investments and hedges, basis risks within investments (e.g., securitizations), costs of modifications to processes and systems, and/or costs of administrative services and operations, including monitoring of recommended

conventions and benchmark rates, or any component of or adjustment to the foregoing.

Restrictions on Transfer or Withdrawal

The interests in the Funds represent highly illiquid investments and should only be acquired by investors able to commit their funds for an indefinite period of time. Investors will not be permitted to transfer their interests in the Funds without the consent of the relevant Fund general partner. Furthermore, the transferability of such interests will be subject to certain restrictions contained in the governing documents of a Fund and the subscription agreements for such Fund and may be affected by restrictions on resales imposed under federal and state securities laws. A public market does not currently exist for interests in the Funds and one is not expected to develop. Investors may not withdraw capital from a Fund. Consequently, an investor may not be able to liquidate its investment prior to the completion of the winding-up of a Fund.

Business with Portfolio Companies and Investors

A portfolio company of a Fund (including any officer of such portfolio company) could from time to time provide services to another portfolio company of such Fund or to another pooled investment vehicle and/or client account managed by Cornell (including co-investment vehicles) (which portfolio company could be charged for such service), or to Cornell, such Fund's general partner or their affiliates. Such arrangements are intended to be entered into on an arm's-length basis as the parties deem appropriate. In addition, Cornell or its affiliates could from time to time utilize the services of one or more investors and their affiliates on an arm's-length basis, as the parties deem appropriate.

Carried Interest

A General Partner's carried interest with respect to a Private Fund could create an incentive for such a General Partner to make more speculative investments for such a Private Fund than it would otherwise make in the absence of such performance-based arrangements. In addition, the method of calculating a General Partner's carried interest could result in conflicts of interest between such a General Partner, on the one hand, and the limited partners of the applicable Private Fund, on the other hand, with respect to the management and disposition of investments, including the timing and sequence of such dispositions.

Holding Period for Carried Interest

Each General Partner is an entity that is treated as a partnership for U.S. federal income tax purposes, and it is expected that the members of each Private Fund's investment team will hold direct or indirect equity interests in the General Partner of such Private Fund. In general, the character of the income allocated to a General Partner by the applicable Private Fund as carried interest will flow through to the owners of the General Partner. However, while gain from the sale of a capital asset is generally treated as long-term capital gain if the asset has been held for more than one year at the time of disposition, gain that is allocated as carried interest will generally be treated as long-term capital gain only if the relevant asset has been held for more than three years at the time of the disposition. Long-term capital gain recognized by an individual is subject to U.S. federal income tax at rates that are substantially lower than the rates applicable to ordinary income and short-term capital gain.

As a result, conflicts of interest could arise between the interests of the direct and indirect owners of the General Partners, on the one hand, and the interests of the limited partners of the Funds, on the other hand, in connection with the General Partners' investment-related determinations. Specifically, the direct or indirect owners of a General Partner may have an incentive to cause the applicable Fund to hold an investment for more than three years, even if a favorable disposition opportunity arises prior to that time, or to make other decisions intended to mitigate the consequences of the rule applicable to gain that is allocated as carried interest, including decisions with respect to the discovery, development, negotiation, evaluation, acquisition, structuring, restructuring, holding, carrying monitoring, management, disposition or monetization of investments. Prospective investors should expect that a General Partner's determinations could be influenced, in part, by the tax treatment of capital gain that is allocated as carried interest.

Other Fees

Cornell or its affiliates or employees expect to receive (i) fees or amounts paid in connection with the acquisition, termination, cancellation, or abandonment of any Fund investment or proposed Fund investment that is not ultimately consummated, including any transaction, closing, advisory, "break-up" or "topping" fees and (ii) fees paid by a portfolio company or any affiliate of a portfolio company, including any monitoring fees, advisory fees, director's fees or consultant fees.

When any of the above fees arise from a transaction where a Fund invested, or proposes to invest, alongside co-investors (including management or service providers participating in any incentive compensation plan), the amount of such fees that are allocable to such Fund will be determined in good faith by the Fund general partner, based on the Fund's equity or other applicable ownership percentage of the portfolio company (or affiliate of the portfolio company) with respect to which such fee is received or the Fund's proposed equity or other applicable ownership percentage of the applicable proposed Fund investment, in each case taking into account ownership interests held by any co-investor and by management or service providers participating in any incentive compensation plan (with the satisfaction of any vesting or performance criteria applicable to any such ownership interests being determined in good faith by the Fund general partner). Accordingly, Cornell or its affiliates are expected to receive and retain fees that are allocable to such other co-investors (other than such Fund) that will not reduce the obligations of the investors of such Fund to make capital contributions in respect of management fees.

Diverse Membership

The investors of the Funds are expected to include taxable and tax-exempt entities and persons from jurisdictions outside of the United States. Such persons will have conflicting investment, tax, and other interests with respect to their investments in a Fund. The conflicting interests of individual investors will relate to or arise from, among other things, the nature of investments made by a Fund, the structuring or the acquisition of investments, and the timing of disposition of investments. As a consequence, conflicts of interest will arise in connection with the decisions made by Cornell, including with respect to the nature or structuring of investments that could be more beneficial for one investor than for another investor, especially with respect to

investors' individual tax situations. In selecting and structuring investments appropriate for the Funds, Cornell will consider the investment and tax objectives of the Funds and their partners as a whole, not the investment, tax, or other objectives of any investor individually.

Allocation of Investment Opportunities

Cornell will conduct the investment programs of certain Private Funds in a similar manner. Accordingly, there are expected to be investment opportunities that are suitable to one or more of the Private Funds. Cornell will make allocation decisions between or among the relevant Private Fund in its discretion, consistent with its fiduciary duties and contractual commitments, and taking into account the respective investment programs, current portfolios, and available capital commitments of such Private Funds (and any other factors it may deem relevant).

Co-Investment Opportunities

Cornell expects to exercise its discretion to offer one or more investors or third parties certain opportunities to co-invest with a Fund ("**Co-Investment Opportunities**") on such terms as may be agreed among such parties. The allocation of any such Co-Investment Opportunities will not necessarily be in proportion to the commitments of such investors, could involve different terms and fee structures, and could reduce the amount the Fund might otherwise be capable of investing. In these cases, while Cornell will seek to act in the best interest of the applicable Funds, it could be argued that a Fund received a smaller allocation in the particular investment than it otherwise would have received if Cornell had not provided the third party with the Co-Investment Opportunity. In using its discretion to make Co-Investment Opportunity allocations, a Fund general partner will consider any factors it deems relevant in determining such allocations, including, without limitation, the potential co-investors size, sophistication, tenure as an investor with Cornell generally, commitment to making co-investment funds available, ability to consummate Co-Investment Opportunities within a specified time frame, interest in pursuing Co-Investment Opportunities or Fund investments or strategic expertise.

From time to time, in order to facilitate the acquisition of a portfolio company, a Fund will also make (or commit to make) an investment in such company with a view to selling a portion of such Fund's interest in the applicable Fund investment to co-investors after the consummation of the Fund's investment. In such event, the Fund will bear the risk that any or all of the excess portion of such investment is unable to be sold or is only able to be sold on less favorable terms and that, as a consequence, the Fund would hold a larger than desired investment in such portfolio company, or could realize lower than expected returns from such Fund investment. The Fund will also bear the risk that any co-investors acquiring a portion of a portfolio company after closing could acquire such interest on terms that do not reflect the then-current value of the portfolio company. In addition, the Fund could borrow to fund the portion of a Fund investment that it intends to sell to co-investors. If the prospective co-investors do not ultimately invest in the portfolio company or if the Fund seeks to, but is unable to sell or dispose of a portion of the Fund's interest in a particular Fund investment, the Fund will bear the interest and other expenses relating to any such borrowings, as well as the various fees, costs, and expenses related to such Fund investment. Even if prospective co-investors ultimately invest in the portfolio company, they could refuse to bear any portion of the interest or other expenses related to such borrowings, as well as any of the other various fees, costs, and expenses related to such Fund investment. The Fund general partner will generally seek to charge co-investors "cost of carry"

on the amounts paid by co-investors for such warehoused investments, although co-investors will be free to determine whether or not they agree to bear such “cost of carry”, even if the Fund general partner determines that it should be charged. In such cases, the Fund general partner can determine in its discretion to syndicate such investment to co-investors without charging any such “cost of carry.” The proceeds of the sale of any such warehoused investment, including any “cost of carry” collected by the Fund, will be distributed pursuant to the Fund’s distribution waterfall.

Certain fees, costs, and expenses will be incurred for the benefit of the Fund and the benefit of co-investors. Any such fees, costs, and expenses incurred for the benefit of the Fund and co-investors in respect of any completed Fund investment and not reimbursed by the applicable portfolio company will be borne entirely by the Fund unless such co-investors agree otherwise. For example, co-investors are generally not obligated to contribute additional amounts toward their share of the applicable portfolio company’s fees, costs, and expenses, including liabilities and obligations. The foregoing also applies to guarantees provided by the Fund to secure portfolio company obligations. In such cases, the entirety of the financial burden of such guarantees will be borne by the Fund and not the co-investors, unless such co-investors agree otherwise. In addition, co-investors will generally not bear any portion of any unreimbursed “broken-deal” expenses and, to the extent not borne by such co-investors, such fees, costs, and expenses will instead be borne by the Fund.

The terms of any Co-Investment Opportunity, including any management fees, the carried interest, and the reimbursement for the expenses applicable to such Co-Investment Opportunity, if any, will be negotiated by the Fund general partner and the potential co-investor on a case-by-case basis in their respective sole and absolute discretion. Such co-investments might not be subject to management fees, carried interest, or the reimbursement of expenses for the benefit of the Fund general partner, Cornell, or either of their respective affiliates, or could be subject to different or differently calculated management fees, carried interest or reimbursements for expenses for the benefit of the Fund general partner, Cornell or either of their respective affiliates, in any event, as compared to what the investors are subject to under the Fund’s governing documents, and could be subject to commitment fees, transaction fees, and other similar fees in the sole discretion of the Fund general partner for the benefit of the Fund general partner, Cornell or either of their respective affiliates. Therefore, it is possible that certain terms and fee structures offered with respect to these Co-Investment Opportunities to co-investors could be more favorable than those offered to investors in the Fund.

Participation by an investor in a Co-Investment Opportunity, whether directly or through a co-investment vehicle, will be entirely the responsibility and investment decision of such investor, and none of the Fund, the Fund general partner, Cornell, or any of its affiliates will assume any risk, responsibility or expense, or be deemed to have provided any investment advice, in connection therewith.

Conflicts with Portfolio Companies

Cornell investment professionals are expected to serve as directors of certain portfolio companies and, in that capacity, will be required to make decisions that they consider to be in the best interests of the portfolio company and all of its stakeholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of the portfolio company,

actions that may be in the best interest of the portfolio company may not be in the best interests of a Fund, and vice versa. Accordingly, in these situations, there will be conflicts of interests between such an individual's duties as an officer or employee of Cornell and such individual's duties as a director of the portfolio company. In general, such positions are important to a Fund's investment strategy and could have the effect of enhancing the ability of Cornell to manage investments. However, such positions could also have the effect of impairing the ability of Cornell to cause such Fund to sell the related securities when, and upon the terms, it otherwise desires. In addition, such positions could place Cornell personnel in a position where they must make a decision that is either not in the best interests of such Fund or not in the best interests of the shareholders of the portfolio company. Should such personnel make a decision that is not in the best interest of the shareholders of a portfolio company, such a decision could subject Cornell and such Fund to claims that they would not otherwise be subject to as an investor, including claims of breach of the duty of loyalty, securities claims and other director-related claims. In addition, because of the potential conflicting duties, Cornell could be restricted in choosing portfolio investments, which could negatively impact returns received by the Fund.

Use of Advisors, Senior Advisors and Other Service Providers

The Funds and their portfolio companies will engage certain advisors and other service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment firms, and investment or commercial banking firms) that will also provide services to or have a business, personal, financial or other relationships with Cornell or its affiliates. Such advisors and service providers will in some cases be investors in a Fund, affiliates of Cornell, sources of investment opportunities, or co-investors or commercial counterparties. Cornell intends to select these advisors and other service providers based on a number of factors, including expertise and experience, knowledge of related or similar products, quality of service, reputation in the marketplace, and price. These service providers will have a business, financial, or other relationships with Cornell, which could influence Cornell's selection of these service providers for the Funds. The Funds are expected to pay customary compensation to the advisors and other service providers selected by Cornell, which could charge different rates to different recipients based on the specific services provided, the personnel providing the services, or other factors. As a result, the rates paid with respect to these advisors and other service providers by a Fund or its portfolio companies, on the one hand, could be more or less favorable than the rates paid by Cornell or its affiliates on the other hand. It is possible that during the course of their engagement by the Funds, such advisors or other service providers could also provide advice or services for the benefit of Cornell, which would not be separately tracked, and Cornell would not bear its allocable portion thereof.

Cornell has retained certain senior advisors, and expects to retain additional senior advisors, to garner the insights and connections of experienced industry executive members with a broad network and expertise relevant to the Funds' investments. The senior advisors will have the opportunity to become limited partners in the Funds, and Cornell expects to waive the management fee and the carried interest with respect to the senior advisors. Senior advisors will serve as directors, advisors or consultants of, or otherwise provide services to, a portfolio company of the Funds and will provide services to the Funds. The General Partners will also determine the nature, form and amount of compensation of any such senior advisor, the nature of which can be performance-based or not performance-based, and which, for any period, can be fixed (regardless of the amount of work performed by the senior advisor during such period)

or variable (depending on the amount of work performed by the senior advisor during such period). Senior advisor compensation can include cash compensation (i.e., salary and/or bonus), securities, options, profits interests, one-time or periodic fees (including retainer fees, engagement fees, success-based fees or board fees), expense reimbursements, co-investment rights with respect to one or more portfolio investments, employee benefits or other similar forms of compensation, whether paid in cash or in kind, and will generally be borne by the applicable portfolio company or the Fund and will not be considered transaction fees. Accordingly, conflicts will arise between such individual's duties as a director, advisor or consultant of a portfolio company and its interests as a service provider and/or limited partner of the Funds.

Because the fees, costs and expenses associated with the engagement, retainer or employment of a senior advisor will generally not be borne by the General Partners, Cornell or any of their respective affiliates, Cornell will have an incentive to engage a prospective Cornell employee as a senior advisor, rather than as a Cornell employee. This incentive is heightened by the flexibility afforded to the General Partners and Cornell in connection with how to structure any such engagement, retainer or employment, which will include permitting such executive to exhibit indicia similar or comparable to that of a Cornell employee (by way of example, but not limitation, allowing such senior advisors to possess business cards containing the name or logo of Cornell, allowing them to possess and use computer hardware, a mobile telephone, a dedicated telephone number (or extension), or an electronic mail address similar to ones used by other Cornell employees; permitting them access to (and use of) Cornell's office space and office files (including electronic files); and permitting them to attend the manager's investment committee meetings). The General Partners intend to make all senior advisor engagement, retainer or employment decisions in good faith and only to the extent that any such senior advisor possesses substantial, significant or otherwise relevant experience or expertise to serve as consultants to the General Partners, the Funds or any portfolio company.

Portfolio Concentration

Although the constituent documents of a Fund may limit the percentage of capital commitments that will be invested in any single portfolio company, diversification is generally not a requirement of any Fund. Accordingly, a Fund's investments could include a small number of large positions. While this portfolio concentration can enhance total returns to the limited partners in the Fund, if any large position has a material loss, then returns to the limited partners will be lower than if they had invested in a well-diversified portfolio.

Litigation Risk

The General Partners and Cornell are subject to substantial litigation risks and may face significant liabilities and damage to their professional reputations as a result of litigation allegations and negative publicity. Such risks include potential regulatory and enforcement actions, litigation against the members of the board of directors of a portfolio company (which may include employees or agents of Cornell), litigation by shareholders or debt holders of portfolio companies and litigation with counterparties to transactions entered into by portfolio companies, the Funds, the General Partners or Cornell. The General Partners and Cornell are also exposed to risks of litigation or investigation in the event of any transactions that presented conflicts of interest that were not properly addressed. While the General Partners and Cornell,

including their partners, members, officers, employees and affiliates, are generally indemnified to the fullest extent permitted by law with respect to their conduct in connection with the management of the business and affairs of the Funds, such indemnity generally does not extend to claims resulting from or primarily relating or attributable to actual fraud, gross negligence, willful misconduct, bad faith or material breach of the applicable partnership agreement or violation of any U.S. federal securities laws. If any lawsuit resulted in a finding of substantial legal liability, the lawsuit could materially adversely affect the business, financial condition or results of operations of the General Partners, Cornell and the Funds or cause significant reputational harm, which could seriously impact their business.

Risks in Effecting Operating Improvements

The success of the Funds' investment strategy may depend, in part, on the ability of the Funds to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing restructuring programs and operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that the Funds will be able to successfully identify and implement such restructuring programs and improvements.

Uncertainty of Financial Projections

Cornell will generally establish the pricing of transactions and the capital structure of portfolio companies on the basis of financial projections for such portfolio companies. Projected operating results will normally be based primarily on management judgments. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General economic, political and market conditions, which are not predictable, can have a material adverse impact on the reliability of such projections.

Valuation

The Funds expect to make investments for which market values based on publicly available quotations are not available. Valuations of such investments that are determined by the General Partner may vary from similar valuations performed by independent third parties for similar types of investments. Inaccurate valuations may, among other things, prevent the Funds from effectively managing its investment portfolio and risks, or affect the diversification and risk management of the Funds. Additionally, the General Partners have a conflict of interest with respect to such valuations because the compensation paid or allocated by the Funds to the General Partners and their affiliates will depend in part on the value of the investments. The General Partners have adopted a formal valuation policy which sets forth the policies and procedures to be taken by the General Partners in performing valuations of the Funds' investments from time to time.

Risk of Non-U.S. Investments

The Funds are expected to make investments in a number of different countries, some of which may prove unstable. Depending on the country in which a portfolio company is located, such investments may involve a number of risks, including the risk of adverse political developments

such as nationalization, confiscation without fair compensation or war, and the risk of regulations which might prevent the implementation of cost cutting or other operational improvements.

Because the Funds are expected to make investments in a number of different countries, any fluctuation in exchange rates will affect the value of investments and the calculation of the General Partners' carried interest. The Funds may employ hedging techniques designed to reduce the risk of adverse movements in currency exchange rates.

Investments in non-U.S. corporations or assets may require significant government approvals under corporate, securities, exchange control, foreign investment and other similar laws. Such investments may also give rise to taxes in local jurisdictions, which may not give rise to any corresponding credit or tax benefit to a limited partner. In addition, some governments from time to time may impose restrictions intended to prevent capital flight, which may, for example, involve punitive taxation (including high withholding taxes) on certain securities or assets.

Reliance on Management of Operating Companies

The General Partners will monitor the performance of investments in operating companies either through interaction with the board of directors of the company and/or by maintaining an ongoing dialogue with the company's management team. However, management will be primarily responsible for the operations of the company on a day-to-day basis. Although it is the intent of the Funds to invest in companies with strong operating management, there can be no assurance that the existing management team, or any new one, will be able to operate the company successfully.

Public Company Holdings

The Funds' investment portfolio could contain a limited amount of public securities. Such Funds investments will subject the Funds to risks that differ in type or degree from those involved with investments in privately-held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation against such companies' board members, including any affiliates of the General Partners who serve on such boards, and increased costs associated with each of the aforementioned risks.

Minority Investments

The Funds may make minority equity investments in entities where the Funds do not control or influence the business or affairs of such entities. Under such circumstances, there is the possibility that the entity in which the applicable Fund's investments are made may have economic or business interests or goals that are inconsistent with those of the Fund, and the Fund may not be in a position to limit or otherwise protect the value of the Fund's investment in the entity. Although the Fund may seek board representation in connection with its investments, there is no assurance that such representation, if sought, will be obtained. In such cases, the Fund will be significantly reliant on the existing management and board of directors of such companies, which may include representation of other financial investors with whom

the Fund is not affiliated and whose interests may conflict with the interests of the Fund.

CFIUS & Other National Security Regulatory Considerations

The composition of a Fund's investors may present legal issues for the Fund's investment in certain types of target companies in the United States and potentially other countries, including issues under the law and regulations related to the U.S. interagency Committee on Foreign Investment in the United States. Such issues may prevent the Fund from making certain acquisitions or investments; may delay and increase the costs associated with certain acquisitions and investments; may limit the ability of the Fund to receive information concerning certain investments in which the Fund has invested; and may prevent a limited partner from co-investing in certain target companies or limit the information it may receive concerning certain Fund investments. There can be no assurance that the Fund will be successful in pursuing particular acquisitions or investments

The information contained in this Brochure cannot disclose every potential risk associated with an investment strategy, or all the risks applicable to Cornell or a particular security or investment. Investors should carefully read the Private Fund's constituent documents before making an investment in a Private Fund.

Item 9: Disciplinary Information

Cornell is not aware, after having conducted a reasonable inquiry into the Firm and its management persons, of any legal or disciplinary events that would be material to a client's or prospective client's evaluation of Cornell's advisory business or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

- A. Neither Cornell nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Cornell 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. Employees of Cornell may serve as directors and officers of, and provide advice to, publicly traded companies, private companies, and various predecessor entities. Investors in a Private Fund should be aware that receipt of material non-public information by Cornell's related persons regarding these companies could preclude Cornell and any Private Fund from effecting transactions in the securities of such companies. Compensation for directorships with a portfolio company will be treated as provided in the relevant Private Fund's constituent documents.

Certain of the related persons of Cornell may have personal investments in companies, limited partnerships, or limited liability companies, including other partnerships, and investment funds. To the extent that conflicts arise, they are reviewed by Cornell's compliance personnel. Additionally, pursuant to the constituent documents of each Private Fund, the General Partner

may form an advisory committee of representatives of investors (the “**LP Advisory Committee**”). The LP Advisory Committee will, upon the General Partner’s request, review and approve or disapprove any potential conflicts of interest in any proposed transaction or relationship between the Private Fund, the portfolio company, or any of its respective subsidiaries, on the one hand, and the General Partner or any Cornell affiliate on the other hand. The LP Advisory Committee may also advise on other matters as set forth within the constituent documents of each Private Fund. However, the LP Advisory Committee will not possess or exercise any power that would constitute participation in the control of the business of a Private Fund.

- D. Cornell does not recommend or select other investment advisers for its clients.

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

Cornell has adopted a formal compliance code of ethics that includes a securities trading procedures, insider trading policies and procedures, and procedures to address “pay to play” rules and regulations. Among other things, the code of ethics requires that employees act with integrity, place the interests of clients above their own, avoid actual and potential conflicts of interest, and comply with applicable provisions of all laws.

The policies also require employees to pre-clear certain personal securities transactions, report personal securities transactions on at least a quarterly basis, and provide Cornell with a detailed summary of certain holdings annually. Cornell regularly reviews its compliance systems and procedures with experienced compliance consultants.

A copy of Cornell’s code of ethics will be provided to any investor or prospective investor upon request.

Item 12: Brokerage Practices

- A. Cornell primarily focuses on making private investments in portfolio companies on behalf of the Private Funds, and as a result, it does not ordinarily deal with any financial intermediary such as a broker-dealer, and the Private Funds do not ordinarily incur commissions in connection with such investments. To the extent Cornell transacts in public securities on behalf of a Private Fund, generally as part of a private equity transaction or as a result of the Private Fund’s ownership of such securities as a result of a portfolio company executing a public offering, in situations where Cornell may need to select a broker-dealer, Cornell will consider the broker’s execution capabilities, including block positioning, research, financial stability, ability to maintain confidentiality, delivery and ability to obtain the best execution for all client securities transactions. Cornell has the authority to select the executing broker or dealer for any transaction and negotiate the commission rates or commission equivalents charged for transactions. Cornell does not have any agreements in place that require Cornell to give any specified amount of brokerage to any broker-dealer.

Cornell does not utilize soft dollar arrangements outside of routinely available research provided by trading counterparties. Cornell does not direct trading activity in lieu of payments for research or other services. The receipt of such research will be in accordance with the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934.

- B. Generally, only one Private Fund at a time has an active investment period (other than any

Private Funds that are specifically formed to co-invest alongside other Private Funds). With respect to investment opportunities that arise during overlaps in investment periods, the Firm intends to allocate such opportunities among the applicable Private Funds based on the Firm's allocation principles, which will be based on factors that the Firm reasonably determines in good faith to be fair and reasonable, as described in the applicable governing documents.

Item 13: Review of Accounts

- A. As noted above, Cornell primarily focuses on private investments in portfolio companies. The portfolio investments of the Private Funds are reviewed by Cornell's investment professionals on at least a quarterly basis. The valuation of the Private Funds' investments is reviewed quarterly in accordance with the Firm's Valuation Policy.
- B. Cornell will continuously monitor portfolio investments on behalf of the Private Funds.
- C. Cornell provides quarterly and annual reports (including annual audited and quarterly unaudited financial statements) to investors in each Private Fund in accordance with the terms of the constituent documents of the relevant Private Fund.

Item 14: Client Referrals and Other Compensation

- A. As previously noted, the receipt of any other fees or compensation by Cornell or its affiliates in connection with the acquisition, monitoring, financing, disposition, or management of a portfolio company on behalf of Fund I, Fund II, or Special Situations Fund, as well as any fees received by Cornell with respect to any unconsummated transactions related to such Funds, may be utilized to offset the management fees paid by such Fund's investors, with any such management fee offset being determined as set forth in such Fund's constituent documents, which generally provide that offsets will be proportionate to such Fund's ownership percentage or anticipated ownership percentage in such portfolio company.
- B. During a fundraising cycle, Cornell will generally compensate placement agents who introduce investors that commit capital to a Fund. Any fees and expense reimbursements payable to any such placement agents are generally borne by Cornell through an offset against management fees payable by the relevant Fund.

Item 15: Custody

Cash, cash equivalents and, generally, certificated securities of clients are held in custody by unaffiliated broker/dealers or banks that serve as qualified custodians; however, Cornell may be deemed to have access to client accounts since its affiliates serve as the General Partners of the Private Funds. Investors of each Private Fund will not receive statements from the custodian. Instead, each Private Fund is subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to the investors in each Private Fund. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of each Private Fund's fiscal year-end.

Item 16: Investment Discretion

Cornell serves as the investment adviser with discretionary authority to implement investment decisions for each Private Fund. Cornell's investment decisions and advice with respect to the Private Funds is subject to each Private Fund's constituent documents.

Item 17: Voting Client Securities

The Private Funds may have the opportunity to vote on a variety of corporate actions with respect to their portfolio companies. As part of the services provided by Cornell, the Firm has adopted voting policies and procedures, which include voting of proxies by Cornell's Chief Executive Officer. These proxy voting policies and procedures are designed to confirm that Cornell votes the proxies of each Private Fund in the best overall interests of the Private Fund. Cornell maintains a record of all proxy votes cast on behalf of the Private Funds. The investors in each Private Fund may contact Cornell for a copy of the policy or information with respect to a specific proxy vote.

Item 18: Financial Information

- A. Cornell does not require prepayment of fees from clients more than six months in advance.
- B. Currently, Cornell and its affiliates are not aware of any financial condition that is likely to impair Cornell's ability to meet its contractual obligations and commitments to clients.
- C. Cornell has never been the subject of a bankruptcy petition.