
True Green Capital Management LLC

Part 2A of Form ADV: Firm Brochure



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March 31, 2023

Item 1 Cover Page

This brochure, dated March 31, 2023 (the “Brochure”), provides information about the qualifications and business practices of True Green Capital Management LLC. If you have any questions about the contents of this Brochure, please contact us at: (855) 335-5900, or by email at: investorrelations@truegreencapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration with the SEC or a state securities authority does not imply a certain level of skill or training.

Additional information about True Green Capital Management LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 Material Changes

Item 2 discusses only material changes made since an adviser's last Annual Updating Amendment to its brochure. This Brochure contains several changes from our previous brochure, which was filed on November 18, 2022, including, but not limited to updates to risk factors and conflicts. In addition, True Green Capital Management LLC ("TGC" or the "Firm") routinely makes updates throughout the brochure to improve and clarify the description of its business practices, compliance policies, and procedures, as well as to respond to evolving industry best practices.

TGC will update this Brochure no less than annually.

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	4
Item 6 Performance-Based Fees and Side-By-Side Management	7
Item 7 Types of Clients.....	7
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss.....	8
Item 9 Disciplinary Information	22
Item 10 Other Financial Industry Activities and Affiliations	22
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	23
Item 12 Brokerage Practices	25
Item 13 Review of Accounts	25
Item 14 Client Referrals and Other Compensation.....	26
Item 15 Custody	26
Item 16 Investment Discretion	26
Item 17 Voting Client Securities.....	27
Item 18 Financial Information.....	27

Item 4 Advisory Business

TGC, a Delaware limited liability company, is an investment adviser located in Westport, Connecticut. TGC was formed in 2011. TGC lists its principal owners as any person directly owning 25% or more of TGC as disclosed on Schedule A of Form ADV, Part 1A. TGC's principal owners are Panagiotis Ninios and Bruce Wiegand.

TGC provides investment advisory services to pooled investment vehicles. Currently, the Firm provides investment advisory services to seven (7) pooled investment vehicles: True Green Capital Opportunity Partnership, L.P. ("TGCOP"); True Green Capital Fund III, L.P. and its feeder fund, True Green Capital Leveraged Feeder Fund III, L.P. (together, "Fund III"); True Green Capital Fund IV, L.P. and its two feeder funds, True Green Capital Leveraged Feeder Fund IV, L.P. and True Green Capital Feeder Fund IV, L.P. (collectively, "Fund IV"); and True Green Capital Parallel Fund IV, L.P. ("Fund IV – Parallel"). Unless otherwise noted herein in this Form ADV, Part 2A, each a "Client," and collectively together with the feeder funds, the "Clients." The Clients are structured as Delaware limited partnerships and are exempt from registration under the Investment Company Act of 1940, as amended (the "Investment Company Act"). The general partner of each Client is an affiliate of TGC.

TGC provides discretionary and non-discretionary investment advisory services to the Clients. The Firm focuses on investments in distributed power generation in commercial and industrial photovoltaic ("PV") solar projects and related technologies.

Investment advisory services are tailored and provided directly to the Clients and not to the needs of individual investors in the Clients. TGC manages the Clients in accordance with the investment objectives and limitations set forth in each Client's offering memoranda, governing documents, subscription agreements, side letters, and any investment management agreement between TGC and the Client, as applicable (collectively, the "Governing Documents"). TGC's advisory services for each Client are detailed in the Client's Governing Documents and are further described below under "Item 8. Methods of Analysis, Investment Strategies and Risk of Loss."

TGC has and could in the future enter into agreements, commonly known as "side letters," with certain investors under which TGC waives or modifies certain investment terms for those investors, without obtaining the consent of any other investor in the Clients.

TGC does not participate in wrap fee programs.

As of December 31, 2022, the Firm had approximately \$993,615,000 in discretionary assets under management and \$21,700,000 in non-discretionary assets under management, a portion of which are non-securities investments and as such are not included in the Firm's calculation of its regulatory assets under management in Form ADV, Part 1A.

Item 5 Fees and Compensation

The specific manner in which the Firm charges fees is described in each Client's Governing Documents. The fees payable to TGC can vary from Client to Client and could be different from the fees and compensation payable in respect of any prior or successor client. All investors should review the Governing Documents of the relevant Client in conjunction with this Brochure for complete information on the fees and compensation payable with respect to that particular

Client. In exchange for the investment advisory services provided to the Clients, the Firm receives a management fee (the “Management Fee”), payable in advance in United States Dollars on a quarterly basis. The Management Fee will not be refunded or prorated.

The Firm intends to deliver this Brochure only to “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act and “accredited investors” within the meaning of Regulation D of the Securities Act of 1933, as amended (the “Securities Act”); and therefore, is not required to disclose its Clients’ fee schedules.

As described below and in more detail in each Client’s Governing Documents, the Management Fee will be reduced by the amount of (i) any placement fees paid by each Client; (ii) any organizational expenses paid by each Client in excess of an aggregate limit; (iii) certain alternative fees (described below); and (iv) certain other related costs and expenses that are incurred by the Clients (as described in the applicable Governing Documents of each Client; and excluding any Origination Fees and Asset Management Fees as defined below and in the applicable Governing Documents). Please see “Item 12. Brokerage Practices” of this Brochure for more information about the Firm’s brokerage arrangements for its Clients.

Typically, a Client bears all costs and expenses of its operation as set forth in the relevant Client’s Governing Documents.

The general partners have, and could in the future, at times, in lieu of the Management Fees payable in respect of an investor, agree to alternative fee structures and arrangements with such investor in consideration of the services provided by the Firm to a Client pursuant to the Client’s Governing Documents in respect of such investor. Any such alternative fees generally will constitute Client expenses and be borne by and charged to a Client. The general partners, in their sole discretion, have and could in the future from time to time agree with the Firm to waive or charge a reduced Management Fee with respect to the commitments of one or more investors, and no Management Fee shall be payable with respect to commitments made by the general partners, the Firm, any principal owner or key person, any TGC affiliate (including any special limited partner) or any employees thereof. Please see the Side Letter subsection in “Item 8. Methods of Analysis, Investment Strategies and Risk of Loss” and “Item 10. Other Financial Industry Activities and Affiliations” of this Brochure for more information about a general partner’s potential varying fee structures or economic arrangements.

As described below and further set forth in the Governing Documents of each Client, TGC or its affiliates at times are entitled to charge origination fees and asset management fees to portfolio investments of the Clients.

Origination Fees. If, with respect to any particular investment, TGC or an affiliate has provided significant services in connection with its identification and acquisition (including project origination and development, and arrangement services with respect to project debt or tax equity), TGC is entitled to a one-time origination fee, as determined by the general partner in its sole discretion but subject to certain restrictions set forth in the relevant Client’s Governing Documents, payable by or on behalf of the Client to TGC or its applicable affiliate.

Asset Management Fees. Upon closing an acquisition or otherwise acquiring rights to purchase, invest in or develop a project, TGC, or an affiliate, actively manages and monitors the project’s development and commercial, operational and financial performance and provides primary

operational functions to such project. TGC typically provides each such project with general corporate administrative services, accounting/back office functions, invoicing and account collection, customer acquisition and servicing, engineering services, construction and operations and maintenance services and oversight, contract compliance, and legal and regulatory counsel. TGC, or an applicable affiliate, typically will charge each project the asset management fee for providing such services in lieu of (i) the applicable project company hiring and compensating personnel to provide such services and (ii) paying similar fees to third parties to provide such services to the applicable project. The general partner of each Client will reasonably determine the asset management fee payable with respect to any particular project consistent with prevailing market rates and taking into account the scope of TGC's or an applicable affiliate's services to the project. Such fees are benchmarked and disclosed to each Client's advisory board or similar body, as appropriate, no less than on an annual basis.

As described in more detail in the Governing Documents, each Client shall bear and be charged with all of their respective organizational expenses, which includes all costs and expenses pertaining to the organization of the Client and the general partner and the offering and sale of investor interests to prospective investors, and the organization of and the offering of interests in any feeder entity or any blocker fund (but excluding any parallel investment vehicle and alternative investment vehicle), including, without limitation, any related legal payments and travel expenses; provided that any organizational expenses which exceed any aggregate limit set forth in each Client's Governing Documents, will, if paid by the Client, increase the total management fee offset dollar for dollar. As referenced above, in accordance with each Client's Governing Documents, fees of placements agents as well as any organizational expenses paid by each Client in excess of an aggregate limit; certain alternative fees; and certain other related costs and expenses that are incurred by the Clients will be offset against the Management Fee payable by such Client.

As permitted by each Client's Governing Documents, the Clients are responsible for all of their respective costs and expenses of operating the Clients (collectively, "Client Expenses"), including, without limitation, organizational expenses (as described above); placement fees payable by the Clients to placement agents approved by the general partners (placement fees paid by the Clients will be offset against the Management Fee payable by such Client); reasonable fees and expenses of custodians, counsel, prime brokers, banks, tax advisors, auditors, administrators, consultants, compliance firms, information technology providers, depositaries and accountants and other similar advisors; reasonable costs and expenses incurred in identifying, evaluating, arranging, negotiating, structuring, trading, or settling any transaction contemplated for investment by the Clients (regardless of whether such transaction is subsequently consummated), including without limitation any travel, legal, tax and accounting expenses in connection therewith; reasonable out-of-pocket costs, fees and expenses of monitoring, holding, hedging, valuing or selling portfolio investments, including record-keeping expenses; reasonable out-of-pocket costs of reporting to the investors, tax returns and Schedule K-1s and of any meetings of the general partners and the investors, and of any meeting of the Investor Advisory Board (as defined in the Governing Documents); any taxes, fees or other governmental charges levied against the Clients or on its income or assets or in connection with its business or operations; the management fee (or alternative fees); any origination fees and asset management fees; costs and expenses of computer software specific to the affairs of the Clients; insurance; costs of any audit, investigation, proceedings, litigation and threatened litigation; indemnification obligations; liquidation expenses; capital payments, interest and other expenses in respect of indebtedness

for borrowed money; extraordinary expenses including fees and expenses associated with any tax or other audit, investigation, proceeding, regulatory matter, settlement or review of the Clients; costs and expenses related to the Clients' compliance with applicable laws. In addition to operating expenses borne directly by the Clients, the project companies in which the Clients invest will be responsible for all of their own expenses, including fees and expenses of operations and maintenance providers, any third party operating partners representing the Clients' interests on-site at any of the Clients' projects, and any expenses associated with customer acquisition and servicing, whether the same are incurred through third parties or in the form of asset management fees.

Except as set forth in the Clients' Governing Documents, TGC will be responsible for its own day-to-day operating expenses, such as compensation of its staff and the cost of office space, office equipment, communications, utilities and other such overhead expenses.

Please refer to each Client's Governing Documents for further information regarding the fees and expenses of TGC and the Clients.

TGC does not accept direct compensation for the sale of securities or other investment products. One supervised person is affiliated with a broker-dealer and receives such compensation but TGC does not use that broker-dealer to effect trades for its Clients.

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

Each Client's general partner is an affiliate of TGC and receives performance-based compensation, referred to as a "carried interest," from the Clients or underlying investors. Performance-based compensation will be paid in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Please refer to each Client's Governing Documents for further information regarding the performance-based fees.

The principals as well as certain employees of TGC receive the carried interest received by the general partners of the Clients.

Performance-based fees or carried interest allocation arrangements received by the general partners create an incentive for TGC to make more speculative portfolio investments on behalf of the Clients than it would otherwise make in the absence of such performance-based arrangement. TGC, however, subjects each prospective investment to a rigorous due diligence process and an approval procedure that includes approval by the relevant principals, and each of the relevant principals has a meaningful personal investment in the Clients. The Firm is committed to fulfilling its fiduciary duty to its Clients to act at all times in their best interest. Please refer to each Client's Governing Documents for further information regarding risk factors and conflicts of interest.

Item 7 Types of Clients

TGC provides discretionary and non-discretionary investment advice to Clients, which are generally pooled investment vehicles. The Clients are offered to investors that include, without limitation, high-net worth individuals, pension plans, trusts, financial institutions, endowments and other U.S. and non-U.S. entities. Each investor is required to meet certain suitability requirements. Interests in the Clients are sold only to investors who meet qualification requirements under applicable securities laws.

An investment in a Client should be based on a prospective investor's careful analysis of its overall portfolio and its own objectives and needs in the areas of diversification, liquidity, return on investment and risk management.

Certain Clients require minimum investment commitments from investors as outlined in such Clients' Governing Documents, subject to reduction at the discretion of each Client's general partner.

The Firm and its personnel manage assets for one or more Clients employing an investment strategy investing in parallel with the strategy of another Client (each, a "Parallel Client"). Parallel Clients generally make the same portfolio investments on a pro rata basis, however, depending on the terms of their respective Governing Documents, certain Parallel Clients could be excused from a particular portfolio investment. As such the investment portfolio of one Parallel Client could diverge from the investment portfolio of another Parallel Client. Where such a right exists, one Parallel Client's exclusion from an investment will increase the participation of another Parallel Client in that investment. As a consequence, the aggregate returns realized by either Parallel Client could be adversely affected in a material manner by the performance of any such excused investment.

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

As more fully described in each Client's Governing Documents, the Clients' investment objective is to target long-term capital appreciation and income generation primarily through privately originated investments in solar energy power generation and related opportunities, with a focus on power generation infrastructure.

In pursuit of this objective, the Firm will primarily focus on distributed PV solar opportunities in late-stage development and construction-ready projects, and operating assets on a controlled basis primarily in the United States where the Firm believes it has developed a core expertise since its inception in 2011. The Firm also targets non-U.S. markets including the United Kingdom and certain European Union countries as part of its strategy to participate in evolving markets that the Firm believes are ahead of the U.S. in their adoption of distributed power generation and to inform TGC's views of the future direction of the U.S. market. In addition, and in support of the Clients' investment activities, (i) TGC arranges for debt financing on potential investments through directly negotiated construction financing, tax equity bridge loans and long-term financing, (ii) TGC arranges tax equity investments in the Clients' eligible projects and (iii) Clients are entitled to make loans to project companies.

Clients could also invest in other distributed power generation technologies that are complementary to solar power generation and that TGC believes will present compelling investment opportunities as the distributed renewable power market evolves, including, but not limited to battery and other storage systems. Any such other distributed power generation technologies could be subject to federal and other acquisition, power sales, and other regulatory requirements that differ from those to which solar investments are subject.

TGC also targets investments in companies that are active in the solar PV sector that present Clients with strategic distributed PV project investing opportunities. In addition, TGC makes direct investments in Solar Renewable Energy Credits ("SRECs") and other environmental attributes associated with solar power generation projects.

In connection with the Clients' portfolio investments, the Clients have implemented a portfolio hedging program, which includes sales of SRECs generated by the projects or the use of prepayment strategies, options or swaps on SRECs, in managing exposure to SRECs.

Certain Risk Factors:

An investment in a Client involves a significant degree of risk, with the possibility of partial or total loss of contributed capital. Set forth below is a summary of select material risks associated with an investment in a Client. This list is not meant to be exhaustive, and a more detailed description of these and other risks is provided in the Governing Documents for each Client.

General Risk of Loss. There can be no assurance that a Client will achieve its investment or performance objectives, including the identification of suitable investment opportunities and the achievement of targeted returns, or that a Client will be able to fully invest its capital commitments. A Client could lose some or all of its invested capital, and prospective investors should not subscribe for interests unless they can readily bear the consequences of such loss. The past investment performance of the general partner, the Firm, their affiliates or employees could not be indicative of the future performance of the Clients.

Operating Expenses. Operating expenses that are necessary for a Client's proper operation could be a high percentage of a Client's net asset value and, even if a Client's strategy is successful, the Client could still not be profitable. The nature of the Clients' investment program necessarily entails significant costs in establishing and monitoring investments.

Key Personnel. A Client generally is dependent on the services of the Firm and its executive officers, members of the Investment Committee, general partner and key personnel. The loss of an executive officer, member of the Investment Committee or a key person's services could have a material adverse effect on a Client's performance. There can be no assurance that the Firm will be successful.

General Economic Conditions. The success of any investment activity is influenced by general economic conditions that generally affect the level and volatility of equity prices, energy prices, credit spreads, interest rates and the extent and timing of investor participation in the markets for both equity and interest-rate-sensitive securities. Unexpected volatility or illiquidity in the markets in which a Client directly or indirectly holds positions could impair the Client's ability to carry out its business and could cause the Client to incur losses.

Public Health Emergencies. Any public health emergency, including, without limitation, any outbreak, re-outbreak or mutation of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on a Client and its investments and could adversely affect TGC's ability to fulfill a Client's investment objectives. The extent of the impact of any public health emergency on a Client's investments and operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, unemployment levels, consumer confidence and spending levels, and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency could materially and

adversely impact the value and performance of a Client's investments, TGC's ability to source, manage and divest investments on behalf of a Client, and the ability to achieve a Client's investment objectives, all of which could result in significant losses to investors in Clients. In addition, the operations of a Client's portfolio companies, or TGC, could be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity or the personnel of any such entity's key service providers.

Market Downturn. Deterioration of the global credit markets could make it more difficult for sponsors to obtain financing for their investments. The Clients' ability to make investments and to generate attractive investment returns could be adversely affected to the extent the Clients are unable to obtain favorable financing terms for its investments. There can be no assurances that conditions in the U.S. economy and financial markets will not worsen. A worsening of general economic and market conditions would likely affect the level and volatility of securities or investments prices and the liquidity of the Clients' investments, which could impair the Clients' profitability, result in losses and impact the investors' investment returns. A recession, slowdown or sustained downturn in the United States or the global economy or a weakening of credit markets (including a perceived increase in counterparty default risk) could have a pronounced impact on the Clients and the Clients' investments and could adversely affect the Clients' profitability and ability to execute on its business plans, satisfy existing obligations, make and realize investments successfully, originate or refinance credit or draw on existing financings and commitments (including, in the case of the Clients, commitments from Partners). Ten years of sustained low interest rates around the world coupled with significant quantitative easing measures have generally resulted in falling yields and an increase in asset prices as well as increased borrowing against such assets. These factors together with the high levels of private and public debt that continue to persist within the global banking system lead TGC to believe that the global economy remains fragile and susceptible to significant potential price dislocations caused by political and macroeconomic shocks, including those caused by the end of quantitative easing programs, the return of inflation and attendant rising interest rates. Further changes in stock prices, interest rates, currency exchange rates, or commodity prices could result in changes in the broader marketplace that adversely affect the value of Client investments.

Environmental, Social and Governance Matters. As an investor, owner and operator in renewable power generation and related assets, TGC believes that environmental, social and governance ("ESG") factors are an essential part of the day-to-day management of its people, portfolio, and operations. As an overarching principle, we invest in renewable power generation, making a zero-carbon footprint an inherent ESG goal of the Firm. While ESG considerations are only one of the many factors the Firm will consider in making an investment, there is no guarantee that the Firm will successfully implement and make investments that create positive ESG impact while also achieving expected financial returns. Successful ESG efforts on the part of the Firm will depend on the Firm's skill in properly identifying and analyzing material ESG and other factors and their impact-related value, and there can be no assurance that the strategy or techniques employed will be successful. Considering ESG qualities when evaluating an investment could result in the selection or exclusion of certain investments based on the Firm's view of certain ESG-related and other factors and carries the risk that the Firm could underperform funds that do not take ESG-related factors into account.

Consideration of ESG risk factors could affect the Firm's exposure to certain investments, sectors, regions, countries or types of investments, which could negatively impact the Firm's performance. Considering ESG criteria in investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by the Firm, or any judgment exercised by the Firm, will reflect the beliefs or values of any particular investor. In evaluating investment opportunities, the Firm is dependent upon certain information and data obtained through voluntary or third-party reporting that could be incomplete, inaccurate or unavailable, which could cause the Firm to incorrectly assess an investment's ESG impact and/or related risks and opportunities. ESG-related practices differ by region, industry and issue and are evolving accordingly, and the Firm's assessment of such practices could change over time.

Climate Change. The Firm's Clients could acquire investments that are located in, or have operations in, areas that are subject to climate change. Any investments located in coastal regions could be affected by any future increases in sea levels or in the frequency or severity of hurricanes and tropical storms, whether such increases are caused by global climate changes or other factors. There could be significant physical effects of climate change that have the potential to have a material effect on the Clients' investments operations and performance. Physical impacts of climate change could include increased storm intensity and severity of weather (e.g., floods or hurricanes), sea level rise, fires, and extreme and changing temperatures.

As a result of these impacts from climate-related events, the Clients could be vulnerable to the following: risks of property damage to the Clients' investments; indirect financial and operational impacts from disruptions to the operations and performance of the Clients' investments from severe weather; increased insurance premiums and deductibles or a decrease in the availability of coverage for investments in areas subject to severe weather; decreased net migration to areas in which investments are located, resulting in lower than expected demand for the products and services of the Clients' investments; increased insurance claims and liabilities; increase in equipment costs impacting operational and performance returns; incorrect long-term valuation of an investment due to changing conditions not previously anticipated at the time of the investment; and economic distributions arising from the foregoing.

Unpredictability of Distributions. Other than distributions sourced from regular operating profits of underlying investments, return of capital and realization of gains, if any, on investments will generally occur only upon the refinancing of equity investments made by a Client, repayment of project loans or other disposition by a Client of investments, which could not occur (if at all) for many years after the Client's initial investments or the Client's acquisition of such portfolio investments. Such distributions are likely to be variable and unpredictable and could occur earlier or later than anticipated by the general partner or the Firm. There can be no assurance that the operation of a Client will be profitable, that a Client will be able to avoid losses or that cash from its investments will be available for distribution to investors. A Client will have no source of funds from which to pay distributions to the investors other than income and gain received on its investments and the return of capital.

Limited Cash Available for Distribution. A Client's investment policies should be considered speculative, as there can be no assurance that the Firm's assessments of the short-term or long-term prospects of investments will generate a profit. An investment in a Client could not be suitable for investors seeking current income for financial or tax planning purposes. Although the general partner will distribute all Client cash receipts (excluding certain proceeds and cash

receipts described in the partnership agreement), after deduction for payments for operating cash expenses of the Client, payments required to be made in connection with any loan to the Client or any other loan secured by a lien on any Client assets, payments to tax equity investors in Client investments, payments for certain tax liability distributions, capital expenditures and any other amounts set aside for the restoration, increase or creation of reasonable reserves, in each case for that period ("cash available for distribution"), to investors on a semi-annual basis, or more frequently as the general partner determines in its sole discretion, the general partner is entitled to withhold from any distribution amounts necessary to create, in its discretion, appropriate reserves for expenses and liabilities of the Client as well as for any required tax withholdings. Additionally, all distributions of cash available for distribution will be subject to any restrictive covenants included in the respective credit agreements between the Client and/or a special purpose vehicle ("SPV") and its leverage providers as well as restrictions that could be imposed on the Client by tax equity providers. The ability of the Client to generate and/or distribute proceeds depends on the amount of income earned and capital appreciation generated by the relevant investment, as well as expenses incurred. If an investment does not generate income sufficient to meet operating expenses, including any amounts owed under any tax equity or lending arrangements employed, the Client will be unable to distribute any cash available for distribution and the success of the Client will be adversely affected.

Reinvestments. The general partner will be permitted to make further investments with the proceeds of the full or partial sale or liquidation of all or any portion of a portfolio investment, whether such amount is distributed to the investors subject to recall or not, but only to the extent of the capital contributions made to fund such portfolio investment; and subject to any applicable limitations described in more detail in each Client's Governing Documents. To the extent such amounts are reinvested, an investor will remain exposed to reinvestment and other risks associated with such investments. Investors will need to reserve capital to fund recalls. A failure to fund a capital call could result in penalties under a Client's Governing Documents.

Illiquidity of Interests. Interests will not be registered under the Securities Act or the securities laws of any state or other jurisdiction and, therefore, cannot be sold or otherwise transferred unless they are subsequently registered under the Securities Act and other applicable securities laws or an appropriate exemption from registration exists. The general partner does not intend to effect any such registration. There is no public market for the interests and one is not expected to develop. Subject to certain exceptions set forth in a Client's Governing Documents, an investor is not permitted to transfer its interest in a Client. Additionally, with certain exceptions as described in a Client's Governing Documents, absent prior approval of the general partner, investors are not permitted to withdraw all or any portion of their respective capital contributions or gains thereon prior to the liquidation of a Client. Therefore, each prospective investor should consider its investment in a Client to be illiquid.

Although investments by a Client could generate some current income, the full return of capital and the realization of gains, if any, from an investment is generally not expected to occur until the partial or complete disposition of such investment. While an investment could be sold at any time, it is not generally expected that this will occur for a number of years after the investment is made. It is unlikely that there will be a public market for the investments held by a Client at the time of their acquisition. A Client will generally not be able to sell these investments publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases a Client could be prohibited by

contract, tax or regulatory reasons from selling certain investments for a period of time. There can be no assurances that private purchasers of a Client's investments will be found.

Aggressive Investment Program. The nature of the Clients' investment program is to provide higher leverage financing structures in exchange for superior investment returns. Accordingly, higher leverage financing also contains a higher level of risk. While the Firm believes it possesses the requisite record of accomplishment and skills for successful investment decisions, changes in market conditions and the energy industry could adversely affect an investment or investments. The possibility of partial or total loss of capital exists and investors should not purchase interests in Clients unless they can readily bear the consequences of such loss.

Changes in Applicable Law. A Client must comply with various legal requirements, including requirements imposed by the securities laws, commodities laws, tax laws, energy laws and pension laws in various jurisdictions. Should any of those laws change over the scheduled term of a Client, the legal requirements to which a Client and the Firm could be subject could differ materially from current requirements. Such changes could also adversely affect a Client. Energy and utility regulatory requirements, and the availability of exemptions from power sales rate regulation, from the regulation of investments and of financings in the electric sector, and the regulations relating to electrical interconnection all change frequently. Some of these changes result from legislation, and others result from a state's utility commission ("BPU") and/or Federal Energy Regulatory Commission ("FERC") rulemaking and adjudicatory proceedings. BPU and FERC rulemaking and adjudicatory proceedings involve many parties, and the commencement and results of such proceedings cannot readily be predicted. A Client could ultimately invest in larger generating assets, and in other electricity generation and transmission facilities that do not hold "Small Power QF" (as defined in a Client's Governing Documents) or other exemptions or immunities from FERC regulations. These potential future investments could be subject to FERC's merger, acquisition, divestiture, and power sales regulations that change frequently, and to ongoing public disclosures regarding their business affairs; at present, a Client's investments are not subject to these FERC requirements.

Co-Investments. The general partner, the Firm and their affiliates will be authorized to, in their discretion, offer the right to participate, directly or indirectly, in co-investment opportunities to one or more (but not necessarily all) investors and/or their affiliates, as well as to other private investors, groups, partnerships, corporations, other entities and/or individuals, even in situations where a Client is not fully invested in the applicable investment opportunity. Such co-investment opportunities will be allocated in a manner in which the general partner, the Firm or their affiliates determine in their sole discretion, provided that the general partner, the Firm or their affiliates shall take into account certain regulatory considerations, as set forth in a Client's Governing Documents. Co-investors could demand a significant level of control over the joint investment and could not, in all cases, have the same economic interests or objectives as a Client.

Reliance on Certain Information. The Firm could elect to invest on the basis of information and data publicly filed or made directly available to the Firm by sponsors of energy projects, suppliers, governments or through other sources. Although the Firm evaluates all such information and data and seeks independent corroboration when it considers it appropriate and when it is reasonably available, the Firm is not in a position to confirm the completeness, genuineness or accuracy of such information and data.

Side Letters. The general partner, on its own behalf or on behalf of a Client, without the approval of any investor or any other person, has entered into certain side letters or other supplemental agreements with one or more investors that have the effect of establishing rights under, or altering or supplementing the terms of, or providing an interpretation of, certain provisions of a Client's Governing Documents (each such side letter, agreement or contract, a "Side Letter"), including, without limitation, varying fee structures or economic arrangements, allowing for varying arrangements with respect to the scope and frequency of information provided about the Client or its assets, adjustments to otherwise applicable Client distributions or providing for more favorable transfer terms. Any terms contained in a Side Letter to or with a Side Letter grantee will govern with respect to such Side Letter grantee notwithstanding the provisions of the Governing Documents. The general partner will make available to each investor a compilation of all of the substantive provisions (except as provided in a Client's Governing Documents) of all such Side Letters promptly after the offering expiration date and investors are permitted to obtain certain of the rights under such Side Letters to the extent provided in a Client's Governing Documents. However, unless otherwise agreed by the general partner in writing, an investor will be unable to elect to receive the benefit of such Side Letters and, as a result of such Side Letters, certain investors could receive additional rights or benefits which other investors will not receive. Investors will have no recourse against a Client, the Firm and/or any of their affiliates in the event that certain investors receive additional and/or different rights and/or terms as a result of such Side Letters.

Risks Specific to Investments in Solar Projects. Investments in solar projects are subject to various risks, including adverse changes in national and international economic and political conditions; adverse local market conditions; the financial conditions of buyers and sellers of any investments; changes in the availability of debt financing; changes in interest rates, real estate taxes and other operating expenses; environmental laws and other governmental rules, monetary and fiscal policies, including tariffs and other trade regulations, tax credits, net metering, and tax rates; scarcity of materials and equipment failure; environmental claims arising in respect of land acquired with undisclosed or unknown environmental problems or as to which inadequate reserves had been established; energy prices; risks and operating problems arising out of the presence of certain construction materials; as well as force majeure acts, terrorist events, under-insured or uninsurable losses and other factors that are beyond the control of the general partner, the Firm and the Clients.

Highly Competitive Market for Investment Opportunities. Identification and completion of attractive investments in a competitive market inherently involves a significant degree of uncertainty. A Client will be competing for investments with many other alternative energy investment vehicles, as well as individuals, financial institutions and other institutional investors. Furthermore, many alternative energy funds and publicly traded vehicles have been formed over the past several years (and many existing funds have grown in size) for the purpose of investing in privately held entities that are engaged in the development of alternative energy. Additional funds and vehicles with similar investment objectives could be formed in the future by other parties. Some of these additional funds could have greater resources and a Client could not be able to compete successfully for investments. Furthermore, competition for investments could lead to the price of such investments increasing, or their yields decreasing, which could further limit a Client's ability to generate returns. There can be no assurance that the Firm will be able to locate, complete and exit investments that satisfy a Client's objectives, or realize the value of such investments.

Contingent Liabilities on Disposition of Investments. In connection with the disposition of an investment, a Client could be required to make certain representations and warranties about such investment. A Client could also be required to indemnify the purchasers of such investment in case any such representations and warranties are inaccurate. These arrangements could create contingent liabilities of a Client, for which the general partner could establish reserves or escrow accounts thereby resulting in deferred distributions to investors and, if applicable, the general partner.

Valuation. The determination of the fair value of any investment or any other Client asset will be made in good faith by the general partner from time to time. Prospective investors should be aware that situations involving uncertainties as to the valuation of any of a Client's assets could have an adverse effect on a Client's net assets if the determination of the general partner regarding appropriate valuations should prove incorrect.

Trading in Commodity Interests and Swap Agreements. A Client could trade options, swaps or other derivatives that trade on an exchange or that are privately negotiated (over-the-counter, or "OTC" trades). Swaps (which include options on commodities, physical forwards between non-commercial market participants (but does not include physical forwards between commercial market participants) and interest rate swaps are regulated by the Commodity Futures Trading Commission ("CFTC"). Equity options and security-based swaps are regulated by the SEC. The prices of commodities contracts and derivative instruments, including options, and payments pursuant to swap agreements, could be highly volatile and are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events.

Clients could purchase or sell options on securities and options on commodities on exchanges and in over-the-counter markets, subject to mandatory exchange trading and central clearing requirements applicable to certain specified categories of swaps including certain classes of interest rate swaps. The seller of a put option which is covered (e.g., the seller has a short position in the underlying instrument) assumes the risk of an increase in the market price of the underlying instrument above the sales price (in establishing the short position) of the underlying instrument, plus the premium received, and gives up the opportunity for gain on the underlying instrument below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent amount of the investment with an exercise price equal to or greater than the exercise price of the put written, the position is "fully hedged" if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying instrument below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option. If the buyer of the put holds the underlying instrument, the loss on the put will be offset in whole or in part by any gain on the underlying instrument.

The seller of a call option which is covered (e.g., the seller has a long position in the underlying instrument) assumes the risk of a decline in the market price of the underlying instrument below the value of the underlying instrument less the premium received, and gives up the opportunity for gain on the underlying instrument above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying instrument above the exercise price of the option. The buyer of a call option

assumes the risk of losing its entire investment in the call option. If the buyer of the call sells short the underlying instrument, the loss on the call will be offset, in whole or in part, by any gain on the short sale of the underlying instrument.

Options could be cash settled, settled by physical delivery or by entering into a closing purchase transaction. In entering into a closing purchase transaction, a Client could be subject to loss to the extent that the premium paid for entering into such closing purchase transaction exceeds the premium received when the option was written.

Clients could enter into swap agreements which could be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements could increase or decrease the exposure of a Client to long-term or short-term interest rates, mortgage securities, corporate borrowing rates, or other factors such as security prices, baskets of equity securities, or inflation rates. Swap agreements can take many different forms and are known by a variety of names. A Client is not precluded from any particular form of swap or option agreement if the Firm determines it is consistent with the investment objective and policies of a Client.

Swap agreements tend to shift investment exposure from one type of investment to another. Depending on how they are used, swap agreements could increase or decrease the overall volatility of the portfolio of a Client. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from a Client. If a swap agreement calls for payments or collateral transfers by a Client, a Client must be prepared to make such payments and transfers when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by a Client.

The CFTC and certain commodity exchanges have established limits referred to as speculative position limits or position limits on the maximum net long or net short position which any person or group of persons could hold or control. Limits on trading in equity options contracts also have been established by the various equity options exchanges. The CFTC has also proposed to extend the federal position limit regime to include swaps on physical commodities, including energy, metals and agricultural commodities. It is possible that trading decisions could have to be modified and that positions held could have to be liquidated in order to avoid exceeding such limits. Such modification or liquidation, if required, could adversely affect the operations and profitability of a Client.

The CFTC has also adopted requirements for firms to post and collect initial and variation margin with respect to swaps that are not required to be cleared. It is possible that those requirements, in particular the initial margin requirements which are effective on a rolling basis dependent on notional exposure, could affect the pricing, cost, and availability of uncleared swap transactions to a Client.

Clients could enter into other types of derivative financial instruments developed in the future, some of which could involve risks different from the risks described above.

Forward Trading. Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers and other commercial market

participants act as principals in these markets, negotiating each transaction on an individual basis. Trading in physical commodity forward contracts between commercial market participants, and trading in “spot” commodity contracts is substantially unregulated (except to the degree that physical power sales could be regulated by the FERC or a BPU); there is no limitation on daily price movements and speculative position limits are not currently applicable. Client project companies are likely to qualify as commercial market participants in physical commodity forward contracts related to the sale of SRECs, and thus these companies’ forward contract transactions related to the sale of SRECs will not be regulated as swaps. The principals who deal in the physical or deliverable forward markets are not required to continue to make markets in the commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain commodities or have quoted prices with an unusually widespread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such trading to less than that which the Firm would otherwise recommend, to the possible detriment of a Client. In respect of such trading, a Client would be subject to the risk of counterparty failure or the inability or refusal by a counterparty to perform with respect to such contracts. Market illiquidity or disruption could result in substantial losses to a Client.

Counterparty Risk. A Client could effect certain of its transactions on “over-the-counter” or “interdealer” markets, subject to the CFTC requirement that certain categories of interest rate swaps could not be traded or carried by a Client bilaterally in the OTC market. Swaps, options and other customized instruments that are permitted to be traded and carried bilaterally in the OTC market are subject to the risk of non-performance by the counterparty. In addition, with respect to centrally cleared options and swaps, a Client also is subject to the risk of the failure of any of the exchanges on which a swap or option contract trades or of the related clearinghouses that serve as the central counterparty to cleared swaps and options, and is subject to the risk of insolvency of the clearing member firm through which a Client clears its options or swaps. The participants in OTC markets that are not registered with the CFTC as swap dealers are typically not subject to the same degree of credit evaluation and regulatory oversight as are registered swap dealers or clearing members of “exchange based” markets. To the extent that a Client trades in swaps with a counterparty that is not a registered swap dealer or on a non-collateralized basis a Client is exposed to a greater risk that an OTC counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing a Client to suffer a loss. The same risk exists with regard to counterparties to a forward agreement entered into by a Client.

A Client relies on counterparties in its leverage arrangements. There is no assurance of securing leverage from a counterparty. Additionally, even if a leverage arrangement is secured through a commitment letter or otherwise, there can be no assurance that the counterparty will not terminate such arrangement or default on its obligation.

Such “counterparty risk” is accentuated for contracts with longer maturities where events could intervene to prevent settlement, or where a Client has concentrated its transactions with a single or small group of counterparties. The Firm is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. The Firm

has limited internal credit function to evaluate the creditworthiness of its counterparties, but relies on its experience with such counterparties and their general reputation as participants in these markets. The ability of a Client to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement of OTC contracts could increase the potential for losses by a Client.

Use of Leverage. As discussed further in the applicable Client's Governing Documents, a Client (directly or indirectly, through its indirect investment in an underlying SPV) could borrow a substantial amount based on the projected cash flow of its assets and modify such leverage when, in the sole opinion of the general partner, doing so would be advantageous for a Client. If the actual cash flow from the assets securing such borrowings fail to cover the cost of the borrowings, a Client will experience net interest losses and could experience net losses. In addition, through decreases in the cash flow from a Client's assets, increases in interest rate volatility, availability of financing in the market, circumstances then applicable in the lending market and other factors, a Client could not be able to borrow the amount of funds it believes to be optimal, which could cause a Client to be less profitable than it might be otherwise.

Additionally, the ability of a Client to achieve its investment objectives depends not only on its ability to borrow money in sufficient amounts and on favorable terms but also on a Client's ability to renew or replace on a continuous basis its maturing short-term borrowings. A Client has not entered into any agreements under which a lender would be required to enter into new borrowing agreements during a specified period of time; however, a Client could enter into one or more such agreements in the future if the general partner believes it would be favorable to a Client. In the event a Client is not able to renew or replace maturing borrowings, a Client could be required to sell assets under adverse market conditions and could incur losses as a result. In addition, in such event, a Client could be required to terminate hedge positions, which could result in further costs to a Client.

An event or development such as a sharp rise in interest rates or increasing market concern about the value or liquidity of, or cash flow resulting from, a type or types of assets in which a Client's portfolio is concentrated will reduce the market value of, and/or cash flow generated by, the assets, which would likely cause lenders to require additional collateral and/or additional cash flow generating assets. At the same time, the market value of, and/or cash flow generated by, the assets in which a Client's liquidity capital is invested could have decreased. A number of such factors in combination could cause difficulties for a Client, including a possible liquidation of a portion of a Client's portfolio of assets at disadvantageous prices with consequent losses, which could have a materially adverse effect on a Client and its solvency.

A majority of a Client's borrowings will be collateralized borrowings the availability of which are based on the projected cash flows of a Client's assets pledged to secure the specific borrowings, availability of financing in the market generally, circumstances then applicable in the lending market and other factors. The cost of borrowings generally corresponds to SOFR plus or minus a margin. The margins on such borrowings over or under SOFR or such other short-term indices vary depending upon the lender, the nature and liquidity of the underlying collateral, the movement of interest rates, the availability of financing in the market and other factors.

In addition, leverage could result in additional risks to a Client due to covenants, requirements, parent guarantees, sponsor indemnities or other restrictions placed upon a Client by lenders. Under the terms of certain financing arrangements, the investors could be required to provide certain financial information to lenders and to execute certain documents in connection with such facility.

As discussed further in the applicable Client's Governing Documents, the general partner and the Firm could effectuate a Client's investment strategies by originating or purchasing the investments either directly or indirectly through one or more SPVs which are expected to be wholly-owned by a U.S. holding company of which a Client is the sole equity holder. As such, in the event an investment held by an SPV produces insufficient cash flow to collateralize a borrowing, there is a possibility that a lender would require assets of the holding company or of the entire Client to be pledged. Accordingly, an SPV's default under a particular debt facility could result in the loss by a Client of all of its assets.

Bridge Financings. From time to time, a Client could lend to projects on a short-term basis or otherwise invest on an interim basis in projects in anticipation of a future issuance of equity or long-term debt securities or other refinancing or syndication. Such bridge investments would typically be convertible into a more permanent, long-term security; however, for reasons not always in a Client's control, such long-term securities issuance or other refinancing could not occur and such bridge loans could remain outstanding. In such event, the interest rate on such loans or the terms of such interim investments could not adequately reflect the risk associated with the position taken by a Client.

Lack of Diversification. A Client targets the most compelling investment opportunities. Accordingly, from time to time these opportunities could be in one state or region, and/or in a particular type of asset or energy technology, and as such, there could be a lack of geographical or sectoral diversification. There is no assurance as to the degree of diversification that will actually be achieved in a Client's investments in terms of geographic region or asset type. Consequently, the aggregate return of a Client could be adversely affected by the unfavorable performance of even a single investment. If a Client makes an investment in a single transaction with the intent of refinancing or selling a portion of the investment, there is a risk that a Client will be unable to successfully complete such a financing or sale. This could lead to increased risk because of a Client having an unintended large investment and reduced diversification.

Hedging Risks. Developing an effective asset/liability management strategy is complex and no strategy can completely insulate a Client from risks associated with interest rate changes. In addition, there can be no assurance that a Client's hedging activities will have the desired beneficial impact on a Client's results of operations or financial condition. Hedging typically involves costs, including transaction costs that increase dramatically as the period covered by the hedge increases and that also increase during periods of rising and volatile interest rates. The Firm could increase its hedging activity on behalf of a Client, and thus increase its hedging costs, during such periods when interest rates are volatile and hedging costs have increased.

In the event that a Client purchases interest rate agreements to hedge and the provider of the interest rate agreements becomes financially unsound or insolvent, a Client could be forced to unwind its interest rate agreements with such provider and could take a loss on such interest rate agreements. Although the Client intends to purchase interest rate agreements only from

financially sound institutions and to monitor the financial strength of such institutions on a periodic basis, no assurance can be given that the Firm can avoid such third-party risks.

Joint Ventures. While the Firm believes most of the investments will be in controlling interests in project companies holding distributed PV solar generation, a Client could also invest in other distributed power generation technologies in the U.S. that are complementary to solar power generation. Such investments could be as a minority or fractional interest in a company, the day-to-day operations of which will be the responsibility of such company's management team and, therefore, a Client is subject to the risk that a portfolio company could make business decisions with which the Firm disagrees, and the stockholders or management of such company could take risks or otherwise act in ways that do not serve a Client's interests.

As a result, a portfolio company could make decisions that could decrease the value of a Client's investment and, in turn, have a material adverse effect on the value of the investor's interests in a Client. Although the Firm will be responsible for monitoring the performance of each investment and intends to invest in companies operated by strong management teams, there can be no assurance that the companies' existing management teams, or any successors, will be able to operate the company in accordance with a Client's plans and/or objectives. Such investments could involve risks not present in investments where third parties are not involved, including the possibility that a joint venture partner of a Client could: (i) experience financial, legal or regulatory difficulties; (ii) at any time have economic or business interests or goals which are inconsistent with those of a Client; (iii) have a different view than a Client as to the appropriate strategy for an investment or the disposition of an investment; or (iv) take action contrary to a Client's investment objectives. In addition, a Client could in certain circumstances be liable for the actions of any third-party joint venture partner. Joint ventures inherently involve a lesser degree of control over business operations, which could result in an increase in the financial, legal, operational or compliance risks associated with a project, including, but not limited to, variances in accounting internal control requirements. Further, disagreements or disputes between a Client and a joint venture partner could result in litigation, which could increase Client expenses and potentially limit the time and effort that the Firm's officers and directors are able to devote to a Client's business, all of which could have a material adverse effect on the business, financial condition and results of operations of a Client.

Other Activities. Subject to the limitations set forth in a Client's Governing Documents, the Firm and its affiliates could engage in a broad range of investment, investment advisory and other activities. The Firm and its affiliates will continue their investment, investment advisory and other activities (including acting as general partner or advisor to any existing fund and collective investment vehicles). Further, subject to the terms and conditions set forth in a Client's Governing Documents, the Firm and its affiliates could give advice, and take action, with respect to any existing fund and collective investment vehicles that could differ from the advice given, or the timing or nature of action taken, with respect to the Clients.

Material Nonpublic Information. A Client, its general partner, and the Firm could acquire confidential or material nonpublic information that they will not be able to use for the benefit of a Client. Accordingly, a Client could not be able to initiate a transaction that it otherwise might have initiated.

Non-U.S. Investments. A Client could invest in projects operating and/or organized in certain European countries. Such investments will involve risks not typically associated with investments in the United States, including, without limitation, risks relating to: (i) the costs and difficulties of managing foreign operations, (ii) currency exchange matters and costs associated with conversion of investment principal and income from one currency into another, which could expose a Client to potential losses arising from changes in foreign currency exchange rates; (iii) differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets, rudimentary anti-fraud and anti-insider trading legislation and less government supervision and the absence of uniform accounting and financial reporting standards and disclosure requirements; (iv) certain economic and political risks, including potential restrictions on foreign investment and repatriation of capital or assets and the risks of political, economic, or social instability; (v) possible significant government approvals under corporate, securities, exchange control, non-U.S. investment, and other similar laws and regulations; (vi) differences in financing and structuring alternatives and exit strategies from those commonly used in the United States; (vii) expropriation, confiscatory taxation and nationalization, (viii) the possible imposition of foreign taxes on income and gains recognized with respect to such securities; (ix) inflation matters, including rapid fluctuations in inflation rates, and (x) unreliable governmental subsidies, risks of increased regulation and approvals, and governmental policies limiting returns to foreign investors and otherwise disrupting investment. The foregoing factors could increase transaction costs and adversely impact the value of a Client's investments outside of the United States. There are no guaranties that TGC and the Clients will be able to identify and mitigate each of these risks in a timely and efficient manner, and a failure could result in losses to the Clients.

Business Continuity and Disaster Recovery. The Firm's and the Clients' business operations could be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster (e.g., tornadoes, floods, hurricanes and earthquakes), epidemics and pandemics, terrorist attacks or other circumstances resulting in property damage, network interruption and / or prolonged power outages. Although the Firm has implemented various measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. If such business operations are disrupted or suspended for extended periods of time, the Clients could be adversely affected.

Cyber Security Breaches and Identity Theft. TGC, the Clients and its service providers' information and technology systems are subject to a number of different threats or risks that could adversely affect the Clients and its investors. Although TGC has implemented various measures to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Clients and its investors, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, TGC, the Clients and/or service providers could have to make a significant investment to fix or replace them. For example, these systems are subject to damage or interruption from computer viruses, network failures, computer and telecommunication failures, security threats (including ongoing cyber security threats to and attacks on information technology infrastructure), infiltration by unauthorized persons and other security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Third parties could also attempt to fraudulently induce employees, customers, third-party service providers or other users of the general partners' and TGC's systems to disclose sensitive information, including nonpublic

personal information related to investors (and their beneficial owners) and material nonpublic information in order to gain access to the general partners' or TGC's data or that of the Clients' investors. If unauthorized parties gain access to such information and technology systems, they could be able to steal, publish, delete or modify private and sensitive information, including nonpublic personal information related to investors (and their beneficial owners of investors) and material nonpublic information. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in TGC's, its Clients' and/or a service provider's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors), material nonpublic information and the intellectual property and trade secrets and other sensitive information of TGC and/or its affiliates. Breaches such as those involving covertly introduced malware, impersonation of authorized users and industrial or other espionage could not be identified even with sophisticated prevention and detection systems, potentially resulting in further harm and preventing them from being addressed appropriately. Any such failure or unauthorized disclosure of data could harm TGC's, the Clients' and/or a service provider's reputation and require a significant investment to remedy the effects of any such failures, subject any such entity and their respective affiliates to legal claims, increased costs, financial losses, reputational harm, adverse publicity, regulatory intervention, and otherwise affect their business and financial performance. The costs related to cyber or other security threats or disruptions could not be fully insured or indemnified by other means.

The service providers of TGC and the Clients are subject to the same information security threats. If a service provider fails to adopt or adhere to adequate data security policies, or if the service provider's network is breached, information relating to the transactions of the Clients and personally identifiable information of the investors (and beneficial owners thereof) could be lost or improperly accessed, used, or disclosed.

Item 9 Disciplinary Information

There is no disciplinary information to report for TGC or for its management persons.

Item 10 Other Financial Industry Activities and Affiliations

Neither the Firm nor any of its affiliates are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

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

The general partner of each Client is an affiliated entity of the Firm and certain of the Firm's employees have a financial interest in these entities.

Neither the Firm nor any of its affiliates recommend or select other investment advisers for the Clients. Each of the Clients for which TGC or its related persons serve as investment manager, has entered into and expects in the future to enter into agreements, or "side letters," with certain prospective or existing investors whereby such investors, including in some cases investors that are affiliated with TGC or its related persons, are subject to terms and conditions that are more advantageous than those set forth in the Governing Documents for the particular Client and which

apply to other investors in the Client. For example, a side letter could provide for special rights to make future investments in a Client, other investment vehicles or managed accounts; provide a waiver or rebate in fees to be paid by the investor and/or other terms; include rights to receive reports from a Client on a more timely or frequent basis or that include information not provided to other investors (including, without limitation, more detailed information regarding portfolio investments) and such other rights as negotiated by TGC, on behalf of the Clients, with an investor. The determination of whether to enter into a side letter is solely at the discretion of TGC and could, among other things, be based on the size of the investor's investment in a Client or affiliated investment entity or other similar commitments by an investor to a Fund. In some cases, a side letter that benefits a party to that side letter could work to the detriment of other investors. Absent an agreement to the contrary or as required by applicable law, TGC is not generally obligated to inform other investors of the terms of any side letter or offer equally favorable terms to such other investors, but in many cases TGC has agreed to provide investors in its Clients "most favored nation" protection based on the size of an investor's capital commitment to such Client.

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

Pursuant to Rule 204A-1 under the Advisers Act, TGC adopted a Code of Ethics (the "Code") to ensure that TGC fulfills its role as a fiduciary to the Clients. The interests of the Clients must always be recognized, respected, and have precedence over TGC's Access Persons (as defined in the Code). The Code requires that Access Persons and certain associated persons act in the best interests of the Clients to the exclusion of contrary interests, act in good faith and in an ethical manner, avoid conflicts of interest with the Clients to the extent reasonably possible, and identify and manage conflicts of interest to the extent they arise. Access Persons are also required to comply with applicable provisions of federal securities laws and make prompt reports of any actual or suspected violations of such laws by TGC or its personnel. The Code subjects each Access Person and certain associated persons to appropriate restrictions on activities and securities trading, and provides information on certain prohibited transactions, TGC's internal review and compliance procedures, including quarterly and annual reporting requirements, and rules of business conduct, all intended to detect and prevent or mitigate conflicts of interest. The Code also includes policies and procedures designed to prevent the misuse of material nonpublic information in TGC's possession. Compliance with the Code and applicable securities laws is a basic condition of employment with TGC and each Access Person and/or affiliated person is obligated to individually read and retain a copy of the Code as well as certify that he or she has read and understands the Code. TGC reviews compliance with the Code on an ongoing basis, and Access Persons and certain affiliated persons can be subject to disciplinary actions as severe as dismissal for certain infractions. Any exceptions from the policies and procedures set forth in the Code can be granted by the Chief Compliance Officer where permitted by law and considered by the Chief Compliance Officer not to be inconsistent with the interests of TGC or the Clients.

TGC and its affiliated persons on occasion come into possession of material nonpublic or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, TGC and its affiliated persons are prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, including the Clients. Accordingly, should TGC or any of its affiliated persons come into possession of material nonpublic or other confidential information with respect to any public company, they would be prohibited from using such information on behalf of the Clients or disclosing it to the Clients' investors, and they will have no responsibility or

liability for failing to use or disclose such information. Similar restrictions could be applicable as a result of TGC's personnel serving as directors of public companies and might restrict disposition of such companies' securities by the Clients.

All Access Persons and certain affiliated persons are required to submit an initial, and thereafter annual, securities holdings report as well as quarterly transaction reports or equivalent electronic feeds or brokerage statements, detailing Securities (as defined in the Code) held, purchased or sold during the relevant period. In addition, all Access Persons must pre-clear securities trades in certain public and/or private personal securities transactions, including an initial public offering or a private placement, to ensure that conflicts of interest are adequately identified and addressed in a timely manner. Further, all Access Persons are prohibited from transacting in securities maintained on TGC's restricted list.

The requirements of the Code to report and pre-clear trades do not apply to (i) purchases or sales in any discretionary managed account over which an Access Person has no direct or indirect influence or control, or ability to direct any investment decision, (ii) purchases that are part of any automatic dividend reinvestment plan or direct investment program, (iii) purchases effected upon the exercise of rights issued by an issuer pro-rata to all holders of a class of securities to the extent such rights were acquired from such issuer, and sales of such rights, and (iv) purchases and sales of open-end mutual funds, money market funds, direct obligations of the U.S. federal government, municipal securities, bank certificates of deposits, bankers acceptances, commercial paper and repurchase agreements.

The Code also addresses reporting and pre-approval procedures of outside business activities of Access Persons, conflicts of interest, restrictions on the giving, receipt and acceptance of gifts and business entertainment, including the pre-clearance and reporting of certain gifts and business entertainment, and the pre-clearance and reporting of political contributions. Investors can request a copy of the Code by contacting TGC's Chief Compliance Officer.

Additionally, certain Clients have an "Investor Advisory Board," comprised of members selected from among the investors in such Client by such Client's general partner. The Investor Advisory Board, among other things, shall provide such advice as is requested by the general partner in connection with investment strategy, potential material conflicts of interest, portfolio valuation and other Client matters.

Participation or Interest in Client Transactions

TGC has implemented policies and procedures that address affiliated transactions.

In most cases, cross trades require approval of a Client's Investor Advisory Board or underlying investors. However, from time to time, TGC or its affiliates effect cross trades of SRECs between two Clients. In such case, one Client will purchase SRECs held by another Client. TGC effects these transactions only when it deems each such transaction to be in the best interest of both Client accounts; and provided that TGC (i) effects cross transactions at current market rates based on independent third-party broker quotes; (ii) not take any fee or commission with respect to any cross transaction; and (iii) discloses such SREC cross trades to each Client Investor Advisory Board at least annually. Neither TGC nor its affiliates receive any compensation, directly or indirectly, for arranging such SREC cross transactions. To the extent that TGC or its affiliates engage in principal or agency cross transactions, such transactions will be consummated in accordance with Section 206(3) of the Advisers Act and, as applicable, Rule 206(3)-2 promulgated thereunder.

TGC shall not recommend to a Client (except in respect of Warehouse Investments described in a Client's Governing Documents) investments in which it and/or its affiliates directly or indirectly have a financial interest without the consent of a Client's Investor Advisory Board or underlying investors. TGC could give advice and take action in the performance of its duties to one or more Clients that differs from the advice given, or the timing and nature of action taken, for the accounts of its affiliates and/or the accounts of other Clients.

While TGC endeavors at all times to act in the best interests of the Clients, investors in the Clients should be aware that TGC's affiliates' receipt of carried interest from the Clients creates a potential conflict of interest with respect to such transactions. See "Item 6. Performance-Based Fees and Side-By-Side Management."

Item 12 Brokerage Practices

In connection with the Clients' SREC portfolios, TGC will from time to time use a broker-dealer when placing trades for Clients. In selecting brokers for execution, TGC assesses the reasonableness of their compensation and commissions charged on the basis of certain considerations, which generally include amount of commission, quality of execution, the reputation, experience and financial stability of the broker-dealer involved and the quality of service, familiarity with the applicable markets and investment techniques employed by the Firm, research and analytic services, other special execution capabilities and other services provided to the Clients.

TGC has a broker approval process that includes approval by its Chief Compliance Officer. In selecting a broker-dealer to execute transactions and determining the reasonableness of the broker-dealer's compensation, TGC need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost.

TGC does not currently expect to use soft dollars or maintain any soft dollar arrangements with broker-dealers. However, should the needs of the business change, TGC anticipates any soft dollar arrangements would fall within the safe harbor for soft dollars in accordance with Section 28(e) of the Securities Exchange Act of 1934.

Item 13 Review of Accounts

Each Client's Investment Committee supervises and monitors the investment activities of the Client. TGC's investment professionals routinely meet to discuss investment activities including potential investment opportunities. Each Client's Investment Committee convenes as and when necessary to consider and approve new investment opportunities and material investment decisions regarding the Clients' existing investments.

More frequent reviews could be triggered by material changes in key variables that could affect the performance of the portfolios or the investments within them, including changes in the financial markets and activity and trends in the political or economic environment.

Within 120 days after the Clients' fiscal year-end and in accordance with each Client's Governing Documents, audited financial statements are prepared by an independent accountant pursuant to Generally Accepted Accounting Principles ("GAAP") and are distributed to each investor in the Clients (see "Item 15. Custody"). Unaudited quarterly financial statements are distributed to each

investor in the Clients. Quarterly financial statements (without accompanying notes) are prepared in accordance with GAAP.

Item 14 Client Referrals and Other Compensation

TGC does not receive economic benefits as a result of investment advice or investment advisory services provided by TGC to the Clients, other than from the Clients. Access Persons of TGC are required to report gifts and entertainment from a business associate in excess of \$100 in value per individual gift or an aggregate of \$300 in value for all gifts from the business associate within a one-year period. All other such gifts or entertainment must be reported to the CCO or her designee at the time of receipt through the compliance platform.

TGC entered into agreements with one or more placement agents in connection with the marketing of Fund IV and Fund IV – Parallel. TGC or its affiliates expect to enter into similar agreements or arrangements in connection with the marketing of future private investment funds. Placement agent fees are borne by investors in the Clients but reduce the Management Fee paid by such investors. Details of how the costs of any such placement agent arrangement are borne are set forth in a written agreement with the placement agent. TGC discloses the uses of placement agents to investors through inclusion in the Governing Documents of the relevant Client and in the private placement memorandum pursuant to which interests in the Client are offered. Investors should be aware that the receipt of compensation by a placement agent or third-party solicitor could create a conflict of interest, and affect the judgment of the placement agent or solicitor, when making a recommendation for an investment in the Clients advised by TGC.

As described under “Item 5. Fees and Compensation” above, TGC receives certain fees from portfolio investments.

Item 15 Custody

The financial statements of each Client are audited by a nationally recognized Public Company Accounting Oversight Board (PCAOB)-registered independent auditor and the financial statements of each Client will be distributed to investors within 120 days of the applicable fiscal year-end of the respective Client.

Item 16 Investment Discretion

TGC and the general partners have full investment discretion to manage the business of certain Clients and have discretionary investment authority to manage the making of new investments by those Clients and the management of the existing investments held by those Clients. This authority is provided for in each such Client’s Governing Documents. With respect to certain Clients, however, pursuant to the terms of such Client’s Governing Documents, most of such Client’s investment decisions are approved by the underlying investors in such Client. With respect to the Clients, TGC has established an Investment Committee. Each Investment Committee is comprised of TGC personnel and with respect to certain Client’s representatives of such Client’s investors. Each Investment Committee, among other things, has the authority to approve the relevant Client’s investments. In addition, certain Clients have an Investor Advisory Board to address conflicts of interest and other related matters pursuant to the terms of its

Governing Documents (see “Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading”).

Item 17 Voting Client Securities

TGC’s investment strategy does not generally involve the acquisition of public securities with voting authority, making it unlikely that a Client will be placed in a position of proxy voting authority. However, if a Client does come into possession of securities with voting rights, the Firm will implement the appropriate policies and procedures and seek to vote proxies in the best interests of its Clients.

TGC and the general partners have authority to direct Client participation in class actions and will determine whether Clients will participate in a recovery achieved through a class action or opt out of the class action and separately pursue their own remedy.

Item 18 Financial Information

TGC does not require or solicit prepayment of more than \$1,200 in fees for the Clients six months or more in advance.

TGC is not aware of any financial conditions that would be reasonably likely to impair TGC’s ability to meet contractual commitments to the Clients.

TGC has not been the subject of a bankruptcy petition at any time during the past ten years.