

Item 1 – Cover Page
DISCLOSURE BROCHURE

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This Brochure provides information about the qualifications and business practices of SER Capital Partners Management, LP (“SER Capital” or “SER”). If you have any questions about the contents of this Brochure, please contact us at (415) 873-1011. 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. SER Capital is registered as an investment adviser with the SEC.

Registration with the SEC does not imply a certain level of skill or training. Additional information about SER Capital also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

SER Capital is providing this brochure as part of its 2022 Annual Amendment to the Form ADV. There were no material changes to report.

Future Disclosure Brochure filings will address “material changes” since the date of this filing concerning SER, which will either be delivered, or offered for delivery, to clients. A copy may also be downloaded from the SEC’s website, www.adviserinfo.sec.gov.

IMPORTANT NOTE ABOUT THIS DISCLOSURE BROCHURE

This Disclosure Brochure is not:

- *an offer or agreement to provide advisory services to any person*
- *an offer to sell interests (or a solicitation of an offer to purchase interests) in any fund client (as defined below)*
- *a complete discussion of the features, risks or conflicts associated with any fund client*

As required by the Investment Advisers Act of 1940, as amended (“Advisers Act”), SER provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors in a fund client, together with other relevant governing documents, such as the fund client’s offering circular, prior to, or in connection with, such persons’ investment in the fund client.

Although this publicly available Brochure describes investment advisory services and products of SER, persons who receive this Brochure (whether or not from SER) should be aware that it is designed solely to provide information about SER as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in relevant governing documents. More complete information about each fund client is included in relevant governing documents, certain of which may be provided to current and eligible prospective investors only by SER. To the extent that there is any conflict between discussions herein and similar or related discussions in any governing documents, the relevant governing documents shall govern and control.

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Item 4 – Advisory Business

For purposes of this brochure, the “Adviser” means SER Capital Partners Management, LP, a Delaware limited partnership, together (where the context permits) with its affiliated general partners of the Funds (as defined below) and other affiliates that provide advisory services to and/or receive advisory fees from the Funds. Such affiliates are currently and would typically be under common control with SER Capital Partners and possess a substantial identity of personnel and/or equity owners with SER Capital Partners. These affiliates have been and may in the future be formed for tax, regulatory or other purposes in connection with the organization of the Funds. One or more of these affiliates currently serve as the general partners of the Funds.

The Adviser provides investment supervisory services to investment vehicles (the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

The Funds make primarily long-term private equity and equity-related investments. In accordance with the Funds’ respective investment objectives, investments are generally made in middle market companies doing business in sustainable industrial, environmental, and renewable sectors. The Adviser’s advisory services consist of investigating, identifying, and evaluating investment opportunities, structuring, negotiating, and making investments on behalf of the Funds, managing and monitoring the performance of such investments and disposing of such investments. The Adviser serves as the investment adviser to the Funds in order to provide such services.

The Adviser provides investment supervisory services to each Fund in accordance with the limited partnership agreement (or analogous organizational document) of such Fund or separate investment and advisory, investment management or portfolio management agreements (each, an “Advisory Agreement”).

Investment advice is provided directly to the Funds, subject to the discretion and control of the applicable general partner, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Advisory Agreements with the Funds and/or organizational documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the organizational or offering documents of the applicable Fund, Advisory Agreements and/or side letter agreements negotiated with investors in the applicable Fund (the organizational and offering documents, Advisory Agreements and side letters referred to herein as a Fund’s “Governing Documents”).

SER Capital Partners Management, LP is wholly owned by SER Capital Partners, LLC. The principal owner of SER Capital Partners, LLC is Rahul Advani. The Adviser has been in business since 2020. The Adviser manages a total of approximately \$471 million in client assets as of December 31, 2022, all of which is managed on a discretionary basis.

Item 5 – Fees and Compensation

Below is a discussion of how the Adviser is typically compensated in connection with providing advisory services to its Clients. Because the Adviser may enter into different fee arrangements on a client by client basis, please ensure you obtain and carefully read and study all applicable offering documents for any Fund or Fund(s) for which the Adviser provides investment advisory services. The information contained herein is a summary only and is qualified in its entirety by the Client's Governing Documents. Investors and prospective investors are advised that they should consult with their own legal, financial, tax and other advisers when making any investment decision.

The Adviser or its affiliates generally receive Management Fees and Carried Interest (each as defined below) or similar performance-based remuneration from the Funds. The Funds, and/or its portfolio companies may also make other payments to the Adviser or its affiliates for services provided to the portfolio companies which, in certain circumstances, may reduce the Management Fees payable to the Adviser. Additionally, consistent with the Governing Documents of the Funds, the Funds typically bear certain out-of-pocket expenses incurred by the Adviser in connection with the services provided to the Funds and/or the portfolio companies. Further details about certain common fees and expenses are set forth below.

Management Fee

The Funds pay a management fee (deducted directly from the Funds' account) to the Advisor quarterly, in advance (but never more than six months in advance) starting on the date of the Initial Closing of the Funds. The Management Fee will be assessed at the rate of 1.75% per annum of (i) total Commitments of the Limited Partners until the earlier of (A) the termination of the Commitment Period and (B) the date that a successor Fund begins to charge a management fee, and (ii) actively invested capital of the Limited Partners for ten years after the Initial Closing Date of the Fund. Upon the expiration of such ten year period, the fee shall be reduced to 1.5% of actively invested capital thereafter. The management fee will be offset for organizational expenses in excess of a specified cap, director's fees and certain other fees to which the Funds are entitled. For additional information, please refer to the specific offering documents for each Fund(s) which may contain different management fee provisions and payment structures than that described above.

Performance Allocation

The Adviser or its affiliates typically receive Carried Interests allocations from each of the Fund(s) of up to 20% of distributable cash. Carried Interests allocations may be subject to hurdles and/or claw-backs, depending on, among other things, the strategy of the relevant Fund(s) and market returns. For additional information, please refer to the specific offering documents for each Fund(s) which may contain different carried interest provisions and payment structures than that described above.

Organizational Expenses

The Funds will typically bear all costs and expenses incurred in connection with the organization of the Fund, including legal and accounting fees, printing costs, travel and out-of-pocket expenses, and all costs and expenses incurred in connection with the offering of Interests. Such expenses may be subject to certain limitation that are more fully explained in each Fund(s)' applicable offering documents.

Partnership Expenses

The Funds are generally responsible for all expenses relating to their own operations ("Partnership Expenses"), including fees, costs and expenses directly related to the purchase and sale of Investments, principal, interest, fees, expenses and other amounts payable in respect of financings, custody fees and costs of other third-party services, costs relating to data provider services (including management systems and software), legal, accounting, engineering and other professional costs, any insurance, indemnity or litigation expenses, all costs of the Funds' administration, including preparation of its financial statements and reports to Limited Partners, costs of meetings of Partners, expenses relating to regulatory compliance (excluding expenses related to compliance with the Investment Advisers Act of 1940), expenses relating to the Limited Partner Advisory Committee (as defined below), including out-of-pocket expenses of its members, and any taxes, fees or other governmental charges levied against the Funds. In addition, the Funds will be responsible for all out-of-pocket costs and expenses in connection with prospective Investments that are not consummated.

General Partner Expenses

The General Partner and the Adviser will be responsible for all of their day-to-day operating expenses, including office overhead and compensation of employees.

Co-Investment Vehicle Expenses

In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate the investment by investors to invest alongside the Fund or Funds, may be formed in connection with the consummation of a transaction. In the event a co-investment vehicle is created, the investors in such co-investment vehicle, the portfolio company, or the Manager will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle. The co-investment vehicle will generally bear its pro rata portion of expenses incurred in the making of an investment.

If a proposed transaction is not consummated, no such co-investment vehicle generally will have been formed, and the full amount of any expenses relating to such proposed but not consummated transaction ("Dead Deal Costs") would therefore be borne by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction (including reverse termination fees, extraordinary expenses such as litigation costs and judgments and other expenses), and not by any prospective or expected co-investors. Similarly, co-investment vehicles are not typically allocated any share of break-up fees paid or received in connection with such an unconsummated transaction. Furthermore, to the extent a co-investment vehicle is formed in connection with a proposed but not consummated transaction, costs and

expenses relating to such co-investment vehicle, may, in certain situations, be borne by Fund or Funds.

Transaction, Directors', Break-Up and Other Fees

While the Adviser has yet to charge this type of fee to date, it is disclosed in the Governing Documents that the Adviser could charge transaction and monitoring fees in its sole discretion. Typically, 100% of any transaction, directors', advisory monitoring, consulting, break-up, and other similar fees received by the Manager and its affiliates and employees in connection with the Fund and its Investments, net of unreimbursed transaction expenses incurred by the Manager, will be applied to reduce the Management Fee for the following semi-annual period. To the extent such offsets would reduce the Management Fee for a given semi-annual period below zero, such offsets will be carried forward and reduce future installments of the Management Fee.

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

As stated in Item 5 above, the Adviser or its affiliates receive performance-based fees (“Carried Interest”) or allocations from certain Clients. Each General Partner is a related person of the Adviser. Carried Interest paid by the Funds is indirectly borne by investors in such Fund. Certain Funds and investors in such Funds may incur lower or no Carried Interest. These payments are subject to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3, which requires that performance-based fees only be charged to “qualified clients” (as such term is defined in Rule 205-3).

Performance-based fees, in general, may create an incentive for an adviser or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee. Such fee arrangements may also create an incentive to favor higher fee-paying clients over other clients in the allocation of investment opportunities. To address these conflicts of interest with respect to any future clients, the Adviser is implementing policies and procedures to ensure that all clients receive equitable and fair treatment over time with respect to the allocation of investment opportunities.

Item 7. Types of Clients

The Adviser currently provides investment supervisory services to the Funds. Investment advice is provided directly to the Funds (subject to the direction and control of the general partner of each such Fund, if applicable) and not individually to investors in such Fund.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds are generally “qualified purchasers” as defined in the 1940 Act, and can include, among others, high net worth individuals, banks, thrift institutions, pension and profit sharing plans, trusts,

estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities.

The Adviser does not have a minimum size for a Fund, but minimum investment commitments are established for investors in the Funds. The general partner of each Fund has in the past and can in the future, in its sole discretion, permit investments below the minimum amounts set forth in the Governing Documents of such Fund.

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

The Funds generally will make private equity investments with a primary focus on sustainable, middle-market private equity investments where SER can take a controlling ownership interest and partner with management teams. The Funds intend to target companies that are under \$500 million of enterprise value, and will focus on opportunities in the sustainable industrial, environmental, and renewable sectors.

Risk Factors

In considering participation in the Fund, a prospective investor should be aware of certain risk factors, which include, but are not limited to, the following:

General Risks

Business Risks; Investment in Junior Securities. A Fund investment portfolio may consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Generally, there will be no readily available market for a substantial number a Fund's investments, and hence, most of a Fund's investments will be difficult to value. Also, securities in which a Fund will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. In general, there will be no collateral to protect an investment once made. The Funds' investments involve a high degree of business and financial risk that can result in substantial losses. Moreover, a Fund's methods of minimizing business and investment risks along with broader market risks may not accurately or adequately address future risk exposures. The General Partner's risk management techniques are based in part on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators. Also, information used to manage such risks may not be accurate, complete or current, and such information may be misinterpreted. In certain situations, the General Partner may not be able to, or may choose not to, implement risk management strategies for a Fund because of the costs involved or other relevant circumstances, and even if risk management strategies are utilized, such strategies will not fully insulate a Fund from the risks inherent in its investment activities. While the General Partner intends for a Fund to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

Future and Past Performance. The performance of the SER team's prior investments is

not necessarily indicative of a Fund's future results.

Concentration of Investments. A Fund will participate in a limited number of investments and intends to make most of its investments in one industry or one industry segment or within a short period of time. As further set forth above in "Summary of Principal Terms – Diversification Restrictions," a Fund may in certain situations be permitted to make an individual investment exceeding 30% of the aggregate Capital Commitments of all Partners. Moreover, to the extent a Fund concentrates investments in a particular industry segment or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. As a consequence, the aggregate return of a Fund may be adversely affected by the unfavorable performance of one or a small number of investments, geographic regions or industry segments. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies and thus be less diversified.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, Limited Partners will be required to pay Management Fees during the Commitment Period based on the entire amount of their Capital Commitments.

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

Leveraged Investments. A Fund may make use of leverage, directly or indirectly through one or more special purpose vehicles, by incurring debt (or having a portfolio company incur debt) to finance a portion of its investment in a given portfolio company or project. Although leverage has the potential to enhance overall returns that exceed a Fund's overall cost of funds, it will further diminish returns (or increase losses on capital) to the extent overall returns are less than a Fund's cost of funds. Accordingly, any event that adversely affects the value of an investment by a Fund would be magnified to the extent leverage is used. The cumulative effect of the use of leverage by a Fund in a market that moves adversely to a Fund's investment could result in a loss to a Fund that would be greater than if the leverage had not been used. A Fund may incur indebtedness on a portfolio-wide basis or against specific investments. The use of leverage at the Fund level will result in interest expense and other costs to a Fund that may not be covered by

distributions made to a Fund or appreciation of its investments. The extent to which a Fund uses leverage will have important consequences to the partners, including the following: (i) greater fluctuations in the net assets of a Fund, (ii) use of cash flow for debt service, distributions, or other purposes, (iii) to the extent that a Fund revenues are required to meet principal payments, the partners may be allocated income (and therefore tax liability) in excess of cash available for distribution and (iv) in certain circumstances a Fund may be required to prematurely harvest investments to service its debt obligations. There also can be no assurance that a Fund or a portfolio company will have sufficient cash flow to meet their respective debt service obligations, which likely would result in losses. Also, a Fund's exposure to losses may be increased due to the illiquidity of its investments generally. Unfavorable performance of a small number of such investments may result in amplified losses for a Fund and limit a Fund's ability to invest in the future.

Leverage at the portfolio company or project level often imposes restrictive financial and operating covenants, in addition to the burden of debt service, and may impair the ability to finance future operations and capital needs. The leveraged capital structure of portfolio companies and projects will increase the exposure of a Fund's investments to any deterioration in a company's or project's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies and projects in a down market. In the event any portfolio company or project cannot generate adequate cash flow to meet debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company or project, which could adversely affect the returns of a Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, a Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies and projects in which a Fund will invest may not be rated by a credit rating agency.

A Fund may, directly or indirectly through one or more special purpose vehicles, make contingent funding commitments to its portfolio companies or projects and provide credit support for such obligations. Such credit support may take the form of a guarantee, a letter of credit or a pledge of a portion of a Fund's Capital Commitments to a lender. The General Partner may be required to segregate unfunded Capital Commitments sufficient to satisfy a Fund's obligations with respect to any such credit support. Utilization of the credit support will result in fees, expenses and interest costs to a Fund, and may result in an under-utilization of a Fund's capital. In the event that one or more Limited Partners fail to satisfy a drawdown or otherwise default on their contribution obligations pursuant to any such credit support, such amount would be drawn from non-defaulting Limited Partners. Subject to limitations in the Fund Agreement, a Fund may also leverage its investment return with options, short sales, swaps, forwards and other derivative instruments.

In connection with any indebtedness incurred by a Fund, or any such credit support provided by a Fund, a Fund and/or the General Partner may pledge the assets of a Fund

and may make a collateral assignment to any lender, or other credit party of a Fund, of the General Partner's and a Fund's rights to draw down capital from the Limited Partners and other related rights, titles, interests, remedies, powers and privileges of a Fund and/or the General Partner with respect to the Capital Commitments and rights to the capital contributions of the Limited Partners. It is possible that the Limited Partners will be required to acknowledge and consent to any such pledge or assignment and provide certain information and/or legal opinions as required by the lender or other credit party.

A Fund's assets, including any investments made by a Fund, the Capital Commitments of the Partners, and any capital held by a Fund, are available to satisfy all liabilities and other obligations of a Fund. If a Fund defaults on secured indebtedness, the lender may foreclose and a Fund could lose its entire investment in the security for such loan.

Parties seeking to have the liability satisfied may have recourse to a Fund's assets generally and not be limited to any particular asset and may require the Partners to contribute their Capital Commitments in order to satisfy such liabilities.

The cost and availability of leverage are highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. There can be no assurance that a Fund or its portfolio companies will be able to obtain indebtedness on terms available to any predecessor or affiliated fund or to portfolio companies or to competitors, including terms that may be currently available in the market, or that indebtedness will be accessible at any time, and to the extent that it is available there can be no assurance that such indebtedness will be on terms favorable to a Fund or a portfolio company, including with respect to interest rates, or that such indebtedness will remain available throughout the term of a Fund. The failure to obtain indebtedness on favorable terms (or at all) could adversely affect the returns of a Fund.

It is possible that a Fund may decide to repay any leverage with funds drawn from the Capital Commitments of the Limited Partners or to make future investments with little or no corresponding leverage. If a Fund decides to pay down its leverage or to make its investments with little or no leverage, the returns of the limited partners of a Fund may be adversely affected.

Limited Transferability of a Fund Interests. There will be no public market for interests in the Funds, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under the Fund Agreements and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable.

Restricted Nature of Investment Positions; Distributions in Kind. Generally, there will be no readily available market for a substantial number of a Fund investments, and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the Partners and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such

Partners. After a distribution of securities is made to the Partners, many Partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such Partners may be lower than the value of such securities determined pursuant to the Fund Agreement, including the value used to determine the amount of carried interest available to the General Partner with respect to such investment.

Reliance on the General Partner and Portfolio Company and Project Management.

Control over the operation of a Fund will be vested with the General Partner, and a Fund's future profitability will depend largely upon the business and investment acumen of the employees and partners of SER Partners and the General Partner. Limited Partners generally have no right or power to take part in the management of a Fund. Given the ever-increasing competition among alternative asset managers (including private equity and credit firms) and other industry participants for hiring and retaining qualified investment professionals, there can be no assurance that such professionals will continue to be associated with SER Partners throughout the life of a Fund. The loss or reduction of service of one or more of the Investment Committee members could have an adverse effect on a Fund's ability to realize its investment objectives. Moreover, certain changes in the General Partner or circumstances relating to the General Partner may have an adverse effect on a Fund or one or more of its investments, including potential acceleration of a Fund-level debt facilities.

The SER Partners may, in the future, manage other investment funds besides a Fund and the SER Partners may need to devote substantial amounts of their time to the investment activities of such other funds, which may pose conflicts of interest in the allocation of the time of the SER Partners. In addition, members of a Fund's investment team will work on other assignments for SER (including sitting on the advisory boards of companies owned by any subsequent funds, investment vehicles, separate accounts or other entities (including parallel funds, feeder funds, co-investment vehicles and alternative investment vehicles), other than the a Fund (and its parallel funds, feeder funds and alternative investment vehicles), organized and/or managed by the General Partner, the Manager or any of their respective affiliates, partners or members (collectively, "Other SER Funds")) and thus will not be dedicated exclusively to the operation of a Fund.

Although the General Partner will monitor the performance of each a Fund investment, it will primarily be the responsibility of the management team of each portfolio company or project in which a Fund invests to operate such portfolio company or project on a day-to-day basis. Although a Fund generally intends to invest in companies and projects with strong management or recruit strong management to such companies, there can be no assurance that (i) the management of such companies and projects will operate such companies and projects successfully in accordance with a Fund's objectives, (ii) the companies or projects will be able to retain or replace key employees or (iii) they will maintain "key person" life insurance policies on any key employees to cover losses that would result from the death of a key employee.

Absence of Operating History. The funds have no operating history and will be entirely dependent on their General Partners. While the partners and employees of SER Partners have previous experience making and managing investments similar to those contemplated by the Funds, a Fund's investments may differ from such previous investments in some respects, and there can be no assurance that a Fund's investments will achieve results similar to those attained by such prior investments. As a result, prospective investors should not rely on any such past performance information as a prediction of performance that could be achieved by a Fund.

Unspecified Use of Proceeds. As of the date of this Memorandum, the Funds have only made a limited number of investments, including Warehoused Investments. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The General Partner's belief regarding the availability of investment opportunities for a Fund (including any Warehoused Investments) are based in part on assumptions regarding the amount of financing that will be available, a Fund's ability to participate in such investments and other market, economic and related assumptions, some or all of which may not materialize as expected. Moreover, there can be no assurance that a Fund will be able to generate returns for its Limited Partners or that the returns will be commensurate with the risks of investing in the type of investments and transactions described herein. Investors generally will not have an opportunity prior to subscribing for a Limited Partner interest to evaluate any of the investments to be made by a Fund (except with respect to the potential Warehoused Investments and the initial investments that the Funds have made prior to the expiration of the commitment period) or the relevant material economic, financial and other information regarding such investments and, accordingly, will be entirely dependent upon the judgment and ability of a Fund's dedicated investment team in investing and managing the capital of a Fund. Accordingly, an investment in a Fund should only be considered by persons who can afford a loss of their entire investment.

Projections. Projected or targeted operating results of a company or project in which a Fund invests may be based primarily on financial projections prepared by such company's or project's management, with adjustments to such projections made by the General Partner in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company, the project or third parties (as applicable) and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Conflicting Investor Interests. Limited Partners may have conflicting investment, tax, and other interests with respect to their investments in a Fund including conflicts relating to the structuring of investment acquisitions and dispositions. As a consequence, conflicts of interest may arise in connection with decisions made by the General Partner, including with respect to the nature or structuring of investments that may be more beneficial for one Limited Partner than for another Limited Partner, especially with

respect to a Limited Partner's individual tax situation. In structuring, acquiring and disposing of investments, the General Partner generally will consider the investment and tax objectives of a Fund and its Partners as a whole, and not the investment, tax or other objectives of any Limited Partner individually, but it is inevitable that such decisions may be more beneficial for some Limited Partners than others.

Expedited Transactions. Investment analyses and decisions by the General Partner will often be undertaken on an expedited basis in order for a Fund to take advantage of investment opportunities. In such cases, the information available to the General Partner at the time of the investment decision may be limited, and the General Partner may not have access to the detailed information necessary for a full evaluation of the investment opportunity. In addition, the financial information available to the General Partner may not be accurate or provided using accepted accounting methods. Moreover, in certain instances the General Partner will rely upon independent consultants in connection with its evaluation of proposed investments. There can be no assurance that these consultants will accurately evaluate such investments.

Investor Services to a Fund. The General Partner may be presented with opportunities to seek financing and other services in connection with a Fund's investments from certain Limited Partners or their affiliates that are engaged in the lending business or other businesses. This has the potential to subject the General Partner to conflicts of interest, because although the General Partner selects lending and other service providers that it believes are aligned with its operational strategies and will enhance investment performance and, relatedly, the returns of the Limited Partners, the General Partner may have an incentive to pursue financing and other services with certain Limited Partners because of its financial or other business interests, including a Limited Partner's historical or potential future relationship with the General Partner and an investment in a Fund made or to be made by a Limited Partner. There is a possibility that the General Partner, because of a belief that a Limited Partner will invest or continue to invest in one or more investment funds managed by the General Partner or any of its affiliates, or for other reasons, may favor the retention or continuation of lending or other services from such Limited Partner even if better rates and/or quality of service could be obtained from another provider. Whether the General Partner or any of its affiliates has a relationship or receives financial or other benefit from recommending a particular Limited Partner for lending or other services, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at a lower cost.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the asset management industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on a Fund's activities, including the ability of a Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives. In particular, a Fund may be required to incur additional costs and expenses in implementing structural changes in the conduct of a Fund's business, including to

establish greater substance in certain jurisdictions in which a Fund invests or proposes to invest, and a Fund may also become directly or indirectly subject to additional tax liabilities (for example through restrictions on or denial of the deductibility of interest expenses against taxable profits). The foregoing may make it less attractive or impractical to continue to invest in one or more jurisdictions. Additionally, such additional scrutiny may divert the General Partner's time, attention and resources from portfolio management activities.

The combination of such scrutiny of asset managers and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity and credit firms, contributed to the past downturns in the United States and global financial markets, may complicate or prevent a Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, a Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as a Fund (including any carried interest) as ordinary income for United States federal income tax purposes that under current law is treated as an allocation of the partnership's income, which may be taxed at lower rates than ordinary income. Enactment of any such legislation, whether during or after the initial closing of a Fund, could adversely affect the ability of the SER Partners or other individuals associated with a Fund or the General Partner who were or may in the future be granted direct or indirect interests in the General Partner, to benefit from carried interest taxed at lower rates. This may reduce such persons' after-tax returns from a Fund and the General Partner, which could make it more difficult for the General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund.

European Union Alternative Investment Fund Managers Directive. The European Union Alternative Investment Fund Managers Directive (the "Directive") came into force in July 2011. The deadline for transposition of the Directive into the laws of the member states of the European Economic Area (the "EEA Member States") was July 22, 2013. Many provisions of the Directive remain in transmission and/or their effect is uncertain due to lack of regulatory guidance with respect to interpretation of its provisions. The Directive regulates alternative investment fund managers (each an "AIFM") based in the European Economic Area (the "EEA") and generally prohibits such AIFMs from managing any EEA alternative investment fund ("AIF") unless authorization is granted to the AIFM. The Directive imposes new regulatory obligations on authorized AIFMs in respect of their activities and the AIFs that they manage. The Directive also regulates, and imposes new regulatory obligations in respect of, the marketing of AIFs in the EEA by AIFMs (in each case, whether the AIF or AIFM is established in the EEA or elsewhere).

It is expected that the Funds will constitute non-EEA AIFs. However, if Funds are

actively marketed to investors domiciled or having their registered office in certain jurisdictions in the EEA: (i) those Funds and the Adviser will be subject to certain reporting, disclosure and other compliance obligations under the Directive, which will result in a Fund incurring additional costs and expenses; (ii) a Fund, the Manager and/or the General Partner may become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions, which may result in a Fund incurring additional costs and expenses or otherwise affect the management and operation of a Fund; (iii) the General Partner and/or the Manager may be required to make detailed information relating to a Fund and its investments available to regulators and third parties; and (d) the Directive may also restrict certain activities of a Fund in relation to EEA portfolio companies including, in some circumstances, a Fund's ability to recapitalize, refinance or potentially restructure an EEA portfolio company within the first two years of ownership, which may in turn affect operations of a Fund generally.

Some, but not all, EEA Member States have published the relevant acts, standards and guidelines. However, it should be noted that the final scope and requirements of the Directive as it is applied in each EEA Member State remain uncertain. However, the Directive could in the future have an adverse effect on a Fund by causing such results as increasing the regulatory burden and costs of doing business in EEA Member States, imposing extensive disclosure obligations on portfolio companies located in EEA Member States, significantly restricting marketing activities within the EEA, potentially requiring the General Partner to change its compensation structures for key personnel, thereby affecting their ability to recruit and retain these personnel, and disadvantaging a Fund and other advisory clients of the General Partner as bidders for and potential owners of private companies located in EEA Member States when compared to non-AIF/AIFM competitors which may not be subject to the requirements of the Directive.

In addition, the Directive's restrictions on the General Partner's ability to market interests in a Fund to investors domiciled in (or with a registered office in) the EEA may make it more difficult for a Fund to raise its targeted amount of Capital Commitments.

Need for Follow-On Investments. Following its initial investment in a given portfolio company or project, a Fund may decide to provide additional funds to such portfolio company or project or may have the opportunity to increase its investment in a successful portfolio company or project. There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company or project in need of such an investment. Additionally, a Fund may not participate in follow-on investments on a pro rata basis with Other SER Funds. The failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or project or the dilution of a Fund's ownership in a portfolio company or project if a third party invests in such portfolio company or project.

Non-United States Investments. Subject to certain restrictions, a Fund may invest in

portfolio companies or projects that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risk due to such factors as potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of a Fund), the application of complex United States and non-United States tax rules to cross-border investments, possible imposition of non-United States taxes on a Fund and/or the Partners with respect to a Fund's income, and possible non-United States tax return filing requirements for a Fund and/or the Partners.

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

Potential Changes in United States Tax Law. All statements contained herein concerning the United States federal income tax (or other tax) consequences of an investment in a Fund are based on existing law and interpretations thereof. Certain members of Congress as well as members of the President's administration have indicated an intent to consider changes in United States federal income tax law that could materially affect the tax consequences of a Limited Partner's investment in a Fund, and the tax treatment of a Fund's investments (including any non-United States investments). While some of these changes may be beneficial, others could negatively affect the after-tax returns of a Fund and the Limited Partners. Accordingly, no assurance can be given that the currently anticipated tax treatment of an investment in a Fund, or of investments made by a Fund, will not be modified by legislative, judicial or administrative changes, possibly with retroactive effect, to the detriment of the Limited Partners.

Non-Controlling Investments. A Fund may hold minority stakes in privately held companies and in some cases may have limited or no minority protection rights. In addition, during the process of exiting investments, a Fund at times may hold minority equity stakes of any size such as might occur if portfolio companies are taken public. As is the case with minority holdings in general, such minority stakes that a Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it may be more difficult for a Fund to liquidate its interests than it would be had a Fund owned a controlling interest in such company. Even if a Fund has contractual rights to seek liquidity of a Fund's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company upon terms acceptable to a Fund, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals.

Potential for Early-Stage and Start-Up Investments. A Fund may make investments in early-stage and start-up companies and projects that have inherently greater risk than more established companies and projects. Accordingly, the growth and development of these companies and projects may require significant time and effort resulting in a longer investment horizon than can be expected with lower risk investment alternatives. Such investments can experience failure or substantial declines in value at any stage. There is no assurance that such investments by a Fund will be successful.

Investment in Restructurings. A Fund may make investments in restructurings that involve portfolio companies or projects experiencing, or that are expected to experience, financial difficulties. Such financial difficulties may never be overcome. Such investments could subject a Fund to certain additional potential liabilities that may exceed the value of a Fund's original investment therein. For example, a lender who has inappropriately exercised control over the management and policies of a debtor may have its claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In addition, payments to a Fund and distributions by a Fund to the Limited Partners may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Bridge Financings. From time to time, a Fund may lend to portfolio companies or provide project financing on a short-term, secured or unsecured basis in anticipation of a future issuance of equity or long-term debt securities or other refinancing. Such bridge loans would typically be convertible into a more permanent, long-term security. However, for reasons not always in a Fund's control, such issuance of long-term securities or other refinancing may not occur and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by a Fund.

Third-Party Involvement. A Fund may co-invest with third parties through joint ventures or otherwise. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-investor may have financial difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of a Fund, or may be in a position to take (or block) action in a manner contrary to a Fund's investment objectives. As a result of such arrangements, a Fund may be significantly reliant on other sponsors of the transaction, if any, and on the existing management and board of directors and other shareholders of such companies, which may include representatives of other financial investors with whom a Fund is not affiliated and whose interests may conflict with the interests of a Fund. In addition, a Fund may in certain circumstances be liable for the actions of its third-party co-investors. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.

Platform Investments. From time to time, a Fund may recruit a management team to

pursue a new “platform” opportunity to lead to the formation of a future portfolio company. In other cases, a Fund may form a new portfolio company and recruit a management team to build the portfolio company through acquisitions and organic growth. In both cases, a Fund will bear the expenses of the management team or portfolio company, as the case may be, including any overhead expenses, diligence expenses or other related expenses in connection with backing the management team or building out of the platform company. Such expenses may be borne directly by a Fund as a fund expense or indirectly as a Fund bears the start-up and ongoing expenses of the newly formed platform portfolio company. None of these expenses will offset any management fee paid to the Manager or the General Partner by a Fund.

Construction of Management Teams. SER may in the future retain the services of certain executives or other service providers for purposes of later deploying such persons (collectively, “Deployed Personnel”) to a Fund portfolio companies, including to platform investments. From time to time, SER will pay all or a portion of certain Deployed Personnel’s compensation and benefits for a period of time until such Deployed Personnel are engaged by such portfolio companies. In such cases, a Fund portfolio companies will later reimburse SER for the amounts previously paid by SER to such Deployed Personnel, including for the period prior to the engagement by (and a Fund’s acquisition of) such portfolio company, because the portfolio companies and a Fund are expected to benefit from ready access to such Deployed Personnel. It is common for certain members of management teams, including Deployed Personnel, to receive compensation that includes management fees, performance-based fees and/or equity in the portfolio company along with benefits packages, in each case, similar to the type of compensation and benefits received by SER personnel. In addition, services provided by certain members of management teams, including Deployed Personnel, to a Fund portfolio companies may be similar to the services provided by the Manager and the General Partner to a Fund or Other SER Funds. None of the compensation and expenses paid to Deployed Personnel will offset any management fees or carried interest distributions payable to the Manager or the General Partner by a Fund.

Co-Investment Opportunities. The General Partner may, in its sole discretion, provide or commit to provide co-investment opportunities to certain affiliates, one or more Limited Partners, third party investors and/or their affiliates (or vehicles managed by such persons) or other persons, in each case on terms to be determined by the General Partner in its sole discretion. Conflicts of interest may arise in the allocation of such co-investment opportunities. The allocation of co-investment opportunities, which generally may be made to one or more persons for any number of reasons as determined by the General Partner in its sole discretion, may not be in the best interests of a Fund or any individual Limited Partner. Generally, the General Partner will select which investors or other persons are permitted to co-invest based on various factors, including: the sophistication of the investor; the ability of the investor to fund and complete the co-investment on a timely basis; the size of the potential co-investor’s commitment to a Fund or Other SER Funds; the investor’s expression of interest or right to co-invest granted by such investor’s side letter arrangements; the overall strategic benefit of offering a co-investment opportunity to the potential co-investor; the investment

objectives and existing portfolio of the potential co-investor; the legal or regulatory constraints (including tax constraints) that the proposed investment is expected to raise; the reporting, public relations, competitive, confidentiality or other issues that also arise as a result of the co-investment; and any other reason for including such investor or person determined by the General Partner in its sole discretion. In addition, the General Partner may grant certain investors (e.g., Limited Partners with significant Capital Commitments) the opportunity to evaluate specified amounts of possible co-investments, and the General Partner may give priority to such investors when allocating potential co-investment opportunities. Except for any explicit opportunity granted with respect to co-investments, in general the General Partner has complete and sole discretion to determine to whom co-investment opportunities are offered. The General Partner's exercise of discretion in allocating investment opportunities may, and often will, result in disproportionate allocations among investors that have expressed interest in co-investment opportunities, and such allocations will likely be more or less advantageous to some such investors relative to other such investors.

In some cases, a co-investment vehicle may be formed in connection with the consummation of a transaction and such entity generally will bear expenses related to its formation and operation. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial to the transaction, ultimately is not consummated, the full amount of any fees and expenses (including legal fees, due diligence, termination fees, structuring costs, extraordinary expenses such as litigation costs and judgments and other expenses; such expenses, "Broken Deal Expenses") generated in the course of evaluating any such proposed transaction generally would be borne by a Fund and not by any potential co-investors that were to have participated in such transaction. Moreover, although co-investors will generally bear an allocable portion of transaction-related expenses associated with the investment opportunity (see "Allocation of Expenses" below), certain expenses associated with the investment opportunity (e.g., commitment fees, legal expenses and other costs related to borrowing to consummate the investment, interest charges incurred as a result of such borrowing, etc.) in certain circumstances are not expected to be allocated to co-investors (including the portion of such expenses attributable to the portion of such investment acquired by the co-investors) and instead will be borne in full or in part by a Fund.

Allocation of Expenses. To the extent that any fees and expenses were incurred on behalf of a Fund and any Other SER Funds, a Fund and such Other SER Funds will generally bear an allocable portion of any such fees and expenses on a pro rata basis (as determined by the General Partner) in proportion to a Fund's and such Other SER Funds' respective percentage interests in the investment to which such fees and expenses relate (subject to a Fund and such Other SER Funds' offering and/or governing documents), or in such other manner as the General Partner considers fair and equitable. The General Partner may be faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses to a Fund. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters

of discretion, e.g., in determining whether to allocate pro rata based on the number of funds or co-investors receiving related benefits or proportionately in accordance with asset size. Notwithstanding the foregoing, certain expenses associated with the investment opportunity (e.g., commitment fees, legal expenses and other costs related to borrowing to consummate the investment, interest charges incurred as a result of such borrowing, etc.) in certain circumstances are not expected to be allocated to co-investors (including the portion of such expenses attributable to the portion of such investment acquired by the co-investors) and instead will be borne in full or in part by a Fund.

As discussed above, the General Partner or an affiliated entity intend to structure co-investment opportunities such that the proposed participants in such co-investment opportunities do not bear any Broken Deal Expenses. In most cases, the General Partner expects that proposed participants in co-investments, other than identified Other SER Funds, will not bear Broken Deal Expenses, with the result that only a Fund and such identified Other SER Funds will bear all such Broken Deal Expenses.

Recycling; Reinvestment. As further set forth above in “Summary of Principal Terms - Reinvestment,” a Limited Partner may be required to make capital contributions in excess of its Capital Commitment, and to the extent such recalled, redeployed or retained amounts are reinvested in investments, a Limited Partner will remain subject to investment and other risks associated with such investments.

Failure to Make Capital Contributions. Pursuant to the Fund Agreement, the General Partner may draw down on the Limited Partners’ Capital Commitments upon at least ten business days’ prior notice. As a result, the Limited Partners must at all times during the term of a Fund maintain sufficient liquidity to meet such capital calls. If a Limited Partner defaults on its obligations to contribute capital to a Fund when due, and the contributions made by non-defaulting Limited Partners and borrowings by a Fund, if any, are inadequate to cover such defaulted capital contribution, a Fund may be unable to consummate an investment on a timely basis (if at all) or pay its obligations when due, and its ability to execute on its investment strategy or to otherwise continue operations may be impaired. As a result, a Fund may be subjected to significant penalties (or other adverse consequences) that could affect the returns to the Limited Partners (including non-defaulting Limited Partners) in a materially adverse manner. A default by a substantial number of Limited Partners would limit opportunities for investment diversification and would likely negatively affect a Fund’s economic results.

Significant Adverse Consequences for Defaulting Limited Partner. If a Limited Partner defaults on its obligations to contribute capital to a Fund when due, it may be subject to various remedies as provided in the Fund Agreement, including reductions in its capital account balance, expulsion from a Fund, forfeiture of future profits or other portions of its interest and preclusion from further investment in a Fund. The General Partner may require that the remainder of the defaulting Limited Partner’s Capital Commitment be cancelled, and may designate a person or entity to assume the entire unpaid balance of the defaulting Limited Partner’s Capital Commitment (or any portion thereof) and succeed to all (or such portion) of the rights of the defaulting Limited Partner’s interest.

In addition, the General Partner may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount (including attorneys' fees) to be paid by the defaulting Limited Partner.

Dilution. A Limited Partner admitted to a Fund at a subsequent closing generally will participate in then-existing investments of a Fund, thereby diluting the interest of existing Limited Partners in such investments. Although any such new Limited Partner will be required to contribute its pro rata share of previously made capital contributions, there can be no assurance that this contribution will reflect the fair value of a Fund's existing investments at the time of such contributions.

Hedging Arrangements. The General Partner may (but is not obligated to) endeavor to manage a Fund's or any portfolio company's or project's interest rate, commodities exposure, tax, currency or other exposures, using hedging techniques where available and appropriate. A Fund may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used.

In some cases, particularly in OTC contexts, hedging arrangements will subject a Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose a Fund to additional liquidity risks if such contracts cannot be adequately settled.

Certain hedging arrangements may create for the General Partner and/or one of its affiliates an obligation to register with the United States Commodity Futures Trading Commission or other regulator or comply with an applicable exemption.

General Partner's Carried Interest. The fact that the General Partner's carried interest is based on a percentage of net profits may create an incentive for the General Partner to cause a Fund to make riskier or more speculative investments, to sell an investment sooner or to hold an investment longer than otherwise would be the case.

Public Company Holdings. A Fund's investment portfolio may contain securities issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a Fund to dispose of such securities at certain times (including due to the possession by a Fund of material non-public information), increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including personnel of the General Partner and/or its affiliates, regulatory action and increased costs associated with each of the aforementioned risks.

Director Liability. A Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies and projects in which it invests. Serving on a board of directors (or similar governing body) of such portfolio company or project exposes a Fund's representatives, and ultimately a Fund, to potential liability. Not all portfolio companies or projects may obtain insurance with respect to such liability, and the insurance that such portfolio companies and projects do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from a Fund's investment activities.

Limitation of Recourse and Indemnification. The Fund Agreement will limit the circumstances under which the General Partner and its affiliates will be held liable to a Fund. As a result, Limited Partners may have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, a Fund will be required to indemnify the General Partner, the Manager, their affiliates and certain other persons pursuant to the Fund Agreement. The indemnification obligations of a Fund would be payable from the assets of a Fund, including the unfunded Capital Commitments of the Partners, and such liabilities may be material. In addition, if the assets of a Fund are insufficient, the General Partner may recall distributions previously made to the Partners, subject to certain limitations set forth in the Fund Agreement.

LP Advisory Committee. The General Partner will appoint one or more Limited Partner representatives to the LP Advisory Committee. The Fund Agreement is expected to provide that to the fullest extent permitted by applicable law, none of the LP Advisory Committee members shall owe any fiduciary or other duties to a Fund or any other Partner, other than to act in good faith. In addition, representatives of the LP Advisory Committee may have various business and other relationships with SER and its partners, employees and affiliates. These relationships may influence their decisions as members of the LP Advisory Committee.

Uncertain Economic, Social and Political Environment. The global economic and political climate can be uncertain. Prior acts of terrorism, the threat of additional terrorist strikes and the fear of a prolonged global conflict have exacerbated volatility in the financial markets and can cause consumer, corporate and financial confidence to weaken, increasing the risk of a "self-reinforcing" economic downturn. The availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, may be restricted. This may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of their businesses. A climate of uncertainty may reduce the availability of potential investment opportunities and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections.

Epidemics and Other Health Risks. The Advisor's business activities as well as the

activities of the Funds and the activities and operations of the portfolio companies could be materially adversely affected by outbreaks of disease, epidemics and public health issues in Asia, Europe, North America, the Middle East and/or globally, such as COVID-19 (and other novel coronaviruses), Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, or other epidemics, pandemics, outbreaks of disease or public health issues. An outbreak of any kind of epidemic, communicable disease, virus or major public health issue could cause a slowdown in the levels of economic activity generally (or push the world or local economies into recession), which would adversely affect the business, financial condition and operations of the Funds. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to worsen), the Funds could also be adversely affected by more stringent travel restrictions (such as mandatory quarantines and social distancing), additional limitations on the Funds' operations or business and governmental actions limiting the movement of people and goods between regions and other activities or operations.

The continuing spread of the Coronavirus could have a material adverse impact on portfolio companies, local economies in the affected jurisdictions and also on the global economy. In addition to these developments having potential adverse consequences for the portfolio companies and other issuers in or through which a Fund invests and the value of a Fund's investments therein, the operations of the General Partner and a Fund in certain jurisdictions could be adversely impacted, including through quarantine measures and travel restrictions imposed in particular on key personnel of the General Partner or its Affiliates, and any related health issues of such personnel. In addition, a Fund's operations could be disrupted if any partner of SER or any other key personnel of SER contracts the Coronavirus and/or any other infectious disease. Any of the foregoing events could materially and adversely affect a Fund's ability to source, manage and divest its investments and its ability to fulfill its investment objectives. Similar consequences may arise with respect to other comparable infectious diseases.

Market Conditions. The capital markets have experienced great volatility and financial turmoil. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for a Fund and may affect a Fund's ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in a Fund's investments and could have a negative impact on the performance and/or valuation of a Fund's investments. A Fund's performance can be affected by deterioration in the capital markets and by market events, such as the onset of the credit crisis in the summer of 2007 or the downgrading of the credit rating of the United States in 2011, which can impact the public market comparable earnings multiples used to value privately held companies and investors' risk-free rate of return. Movements in foreign exchange rates may adversely affect the value of a Fund's investments and its overall performance. Volatility and illiquidity in the financial sector

may have an adverse effect on the ability of a Fund to sell and/or partially dispose of its investments. Such adverse effects may include the requirement of a Fund to pay break-up and other expenses in the event a Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of a Fund to dispose of investments at prices that the General Partner believes reflect the fair value of such investments. With respect to any publicly traded securities, the value of such securities may be volatile and difficult to sell as a block, even following a realization through listing. The impact of market and other economic events may also affect a Fund's ability to raise funding to support its investment objective.

Conflict of Interest. During the Commitment Period, subject to the following sentence, the General Partner and the SER Partners may pursue investment opportunities that meet the investment criteria of a Fund for the benefit of a Fund. However, the SER Partners may, in the future, manage other investment funds besides a Fund and investments similar to those in which a Fund will be investing and may direct certain relevant investment opportunities to those investment funds and investments. In addition, members of the SER team are expected to spend a substantial amount of their business time and attention managing other investment funds and pursuing and monitoring investments, some of which fall within the investment objectives of a Fund, for such investment funds and other than on behalf of a Fund. Such other investment funds and investments may compete with a Fund or portfolio companies or projects in which a Fund invests. However, the General Partner believes that the significant investment of the SER Partners in a Fund, as well as the SER Partners' interest in the carried interest, operate to align, to some extent, the interest of the SER Partners with the interest of the Limited Partners, although the SER Partners may have economic interests in such other investment funds and investments as well and receive management fees and carried interests relating to these interests.

A Fund may invest in companies whose equity and/or debt securities are held by Other SER Funds, and one or more Other SER Funds may invest in companies whose equity and/or debt securities are held by a Fund, in each case in accordance with, and subject to the limitations set forth in, the Fund Agreement and the governing agreements of the Other SER Funds, as applicable. Such investment by a Fund may be in different parts of the capital structure of a company in which one or more Other SER Funds have an investment, and such investment by one or more Other SER Funds may be in different parts of the capital structure of a company in which a Fund has an investment. Consequently, given the differing tranches and corresponding priorities in the capital structure of a single company, the General Partner and the SER Partners may in certain circumstances face a conflict of interest in respect of the advice they give to, and the actions they take on behalf of, such Other SER Funds and a Fund (e.g., with respect to the structure and terms of the debt facilities, refinancing and recapitalizations, the enforcement of rights and remedies, and the resolution of restructurings or bankruptcies). Given the nature of such conflicts and applicable legal constraints (including bankruptcy laws), there can be no assurance that any such conflict will be resolved in a manner that is beneficial to a Fund. In addition, where a Fund and one or

more Other SER Funds invest in different parts of the capital structure of a particular company, their respective interests may diverge significantly in the case of financial distress of the company. For example, if additional financing is necessary as a result of financial difficulties, it may not be in the best interests of a Fund to provide such additional financing. If such Other SER Funds have the potential to incur a loss on their investment as a result of such difficulties, the General Partner's ability to recommend actions in the best interests of a Fund may be impaired.

Similarly, conflicts of interest can arise when a Fund makes an equity investment in a portfolio company in conjunction with an equity investment made by an Other SER Fund, such as in the Warehouse Investments. A Fund may not invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies, or have the same economic interest or rights as such Other SER Fund, and will have a different investment timeline and strategy than such Other SER Fund. This may result in differences in price, investment terms (including with respect to follow-on investments), leverage and associated costs between a Fund and the Other SER Funds. There can be no guarantee that a Fund and the investing Other SER Fund(s) will exit the investment at the same time or on the same terms, and there can be no assurance that a Fund's return on such an investment will be the same as the returns achieved by the Other SER Fund(s) participating in the transaction.

The Funds expect to apply leverage through the use of credit facilities, including subscription facilities, the collateral for which is the unused Capital Commitments of Limited Partners (i.e., subscription lines). For administrative convenience, drawdowns, including those used to make portfolio investments and/or to pay Fund expenses including interest on subscription lines and other indebtedness, are generally expected to be "batched" together into larger, less frequent capital calls (although actual timing and amounts may vary), with a Fund's interim capital needs being satisfied by a Fund borrowing money from such credit facilities and investment proceeds. The interest expense and other costs of any such borrowings will be borne by a Fund and, accordingly, may decrease net returns of a Fund. It is expected that interest will accrue on any such outstanding borrowings at a rate lower than the Preferred Return (with the Preferred Return beginning to accrue when capital contributions to repay borrowings used to fund such portfolio investments or expenses are actually made to a Fund). In light of the foregoing, the General Partner may have an incentive to delay drawing down unused Capital Commitments to repay such borrowings or to permanently fund the acquisition and ongoing capital needs of portfolio investments and a Fund with the proceeds of such borrowings in lieu of drawing down unused Capital Commitments, subject to the terms of the Fund Agreement and other applicable governing documents.

To the extent that the General Partner and/or its affiliates are entitled to receive transaction fees, monitoring fees, break-up fees, directors' fees or other similar fees from any portfolio company, generally only the portion of such fees attributable to Management Fee-paying Limited Partners will offset the Management Fee, and not the portion of such fees that relate to the General Partner, any non-Management Fee-paying Limited Partners or any co-investors (including certain co-investment vehicles or co-

investors affiliated with the General Partner), in a Fund investment or a potential Fund investment.

Given the nature of these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to a Fund.

Allocations of Investment Opportunities. Certain inherent conflicts of interest arise from the fact that SER provides investment management services both to a Fund and the Other SER Funds. SER may give advice and make investment recommendations to Other SER Funds that may differ from advice given to, or investment recommendations made to, a Fund, even though their investment objectives may be the same or similar to those of a Fund. Conversely, participation in specific investment opportunities may be appropriate, at times, for both a Fund and one or more Other SER Funds. Allocation of identified investment opportunities among a Fund and Other SER Funds presents inherent conflicts of interest, particularly where demand exceeds available supply.

As a general matter, and subject to the Fund Agreement and the governing agreements of the Other SER Funds, as applicable, the SER Partners will allocate investment opportunities between a Fund and any Other SER Funds in a manner that is consistent with an allocation methodology established by SER to seek to allocate opportunities on a basis SER believes to be fair and reasonable over time. In making such allocation determinations, the SER Partners may take into account a variety of factors, which may vary from opportunity to opportunity, such as the sourcing of the transaction, the nature of the investment focus of each of a Fund and such Other SER Funds, the relative amounts of capital available for investment (including for follow-on investments), portfolio diversification, applicable investment restrictions, expected duration of the applicable investment, any requirements contained in the governing documents of each of a Fund and such Other SER Funds and any other considerations deemed relevant by the SER Partners in good faith. SER's allocation of investment opportunities among a Fund and the Other SER Funds in the manner discussed above may result in the allocation of all or none of an investment opportunity to a Fund, or a disproportional allocation among such persons, with such allocations being more or less advantageous to certain persons relative to other persons. Nothing in the Fund Agreement affects or restricts the ability of the General Partner or its affiliates to allocate investments to any separate account in their sole and absolute discretion without offering any such investment opportunity to a Fund. Limited Partners should note that the conflicts inherent in making such allocation decisions may not always be resolved to the advantage of a Fund. An independent third party may not have made the same allocation decision as SER.

Fund Counsel. The representation of the General Partner and a Fund by legal counsel is limited to the specific matters as to which it has been retained and consulted by such person(s). Other matters may exist that could have a bearing on a Fund and its investments, the portfolio companies and projects in which a Fund invests, the General Partner and/or their respective affiliates as to which legal counsel has been neither retained nor consulted. Legal counsel does not undertake to monitor compliance by the

General Partner and its affiliates with the investment program and other investment guidelines and procedures set forth in this Memorandum and the a Fund Agreement, nor does legal counsel monitor compliance by a Fund, the General Partner and/or their affiliates with applicable laws, unless in each case legal counsel has been specifically retained to do so. Legal counsel does not investigate or verify the accuracy and completeness of information set forth in this Memorandum concerning a Fund, the General Partner or any of their respective affiliates, personnel, investments, portfolio companies or projects. Furthermore, except for any opinions specifically set forth in a signed opinion letter issued by it, legal counsel is not providing any advice, opinion, representation, warranty or other assurance of any kind as to any matter to any Limited Partner of a Fund. Limited Partners will be required to authorize and agree in the subscription materials as to legal counsel's representation.

Litigation. In the ordinary course of its business, a Fund may be subject to litigation from time to time. The outcome of such proceedings may materially adversely affect the value of a Fund and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the General Partner's and the SER Partners' time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Valuation of Assets. There may not be an actively traded market for the securities owned by a Fund. When estimating fair value, the General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. Valuations generally are subject to multiple levels of review. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the General Partner may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of Carried Interest and the calculation of Management Fees.

Distressed Investments. A Fund may invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies or projects experiencing significant financial difficulties and material operating issues that never may be overcome, including companies or projects that may have been, are or will become involved in bankruptcy proceedings or other restructuring, recapitalization or liquidation processes. Investments in such companies or projects involve a substantial degree of risk (including the risk of total loss) that is generally higher than the risk involved in investing in companies or projects that are not in financial or operational distress. The market for distressed securities is expected to be less liquid than the market for securities of companies that are not distressed. The market prices of such securities are also subject to abrupt and erratic market movements and above-average price volatility, and the spread between the bid and asked prices of such securities may be greater than those prevailing in other securities markets. It may take a number of years

for the market price of such securities to reflect their intrinsic value or for a Fund to liquidate its investment. Under adverse market or economic conditions or in the event of adverse changes in the financial condition of the company, a Fund may find it more difficult to sell such securities when the General Partner believes it advisable to do so or may only be able to sell such securities at a loss. In some cases, a Fund may be prohibited by contract from selling its investments for a period of time. Such investments also may be adversely affected by United States state and federal laws relating to fraudulent transfers and other voidable transfers or payments, lender liability and the United States bankruptcy court's power to disallow, reduce, subordinate or disenfranchise particular claims. Also among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such companies. Given the heightened difficulty of the financial analysis required to evaluate distressed companies and projects, there can be no assurance that the General Partner will correctly evaluate the value of the assets of a distressed company or project securing its debt and other obligations or correctly assess the prospects for the successful restructuring, recapitalization or liquidation of such company or project. Therefore, in the event that a company or project does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, a Fund may lose some or all of its investment or may be required to accept illiquid securities with rights that are materially different than the original securities in which a Fund invested, or securities or cash with a value that is less than the purchase price to a Fund of the security in respect to which such distribution was made.

Warrants. A Fund may receive warrants, and in certain circumstances prior to exit, may be required to exercise such warrants in order to hold the underlying securities. A Fund would seek to negotiate "cashless" exercise for all warrants that it receives, whereby no investment will be required to convert; however, on occasions it may not be possible to negotiate such "cashless" exercise, and a Fund may be required to invest cash to convert warrants and hold underlying securities, which may subsequently lose some or all of their value.

Cross-Collateralization. A Fund may engage in financings where several investments are cross-collateralized, thereby subjecting multiple investments to the risk of loss. As a result, a Fund could lose its interests in performing investments in the event such investments are cross-collateralized with poorly performing or non-performing investments.

Currency Risk. As indicated above, a Fund may invest in companies and projects that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Certain investments, and the income received by a Fund with respect to such investments may, therefore, be denominated in various non-United States currencies. However, the books of a Fund will be maintained, and capital contributions to and distributions from a Fund will be made, in United States dollars. Accordingly, changes in currencies may adversely affect the United States dollar value of investments, interest and other revenue streams received by a Fund, gains and losses realized on the sale of investments and the amount of distributions, if any, made

by a Fund. In addition, a Fund will incur costs in converting investment principal and income from one currency to another. The General Partner may (but is not required to) enter into hedging transactions designed to reduce such currency risks (see “Hedging Arrangements” above). Furthermore, the companies and projects in which a Fund invests may be subject to risks relating to changes in currency values, as described above. If a company or project suffers adverse consequences as a result of such changes, a Fund may also be adversely affected.

Inside Information. From time to time the General Partner or its affiliates may be in possession of material, non-public information concerning the issuer of securities in which a Fund has invested, or in which it intends to invest. The possession of such information may limit the ability of a Fund to buy or sell such securities even if such information was obtained in the context of the investment activities of other private investment funds managed by the SER Partners. Accordingly, a Fund may be required to refrain from buying or selling such securities or other instruments at times when the General Partner might otherwise wish a Fund to buy or sell such securities or other instruments.

Contingent Liabilities on Disposition of Investments. In connection with the disposition of a Fund investment, a Fund may be required to make representations about the business and financial affairs of such portfolio company and may be responsible for the content of disclosure documents under applicable securities laws. A Fund also may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate or with respect to certain potential liabilities. These arrangements may result in the incurrence of contingent liabilities, which shall be borne by a Fund and for which the General Partner may cause a Fund to establish reserves or escrow accounts. In that regard, Limited Partners may be required to return amounts distributed to them to fund obligations of a Fund, including indemnity obligations, subject to certain limitations set forth in the Fund Agreement. Furthermore, as provided in the Fund Agreement, each Limited Partner may, under certain circumstances, be obligated to recontribute such distribution to a Fund.

Unfunded Pension Liabilities of Companies. Under ERISA, if a Fund were to hold an 80% or more interest in a portfolio company, it might be found liable for certain pension liabilities of such a company to the extent the company is unable to satisfy such liabilities. This would apply to each portfolio company in which a Fund holds an 80% or more interest. A Fund may, from time to time, invest in a company that has unfunded pension fund liabilities. If a Fund were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of a Fund and the companies in which it invests. This discussion is based on current court decisions, statutes and regulations regarding ERISA control group liability as in effect as of the date of this Memorandum, which may change in the future as the case law and guidance develops.

Cyber Security Breaches and Identity Theft. The General Partner, a Fund and a Fund’s investments generally rely on information technology systems for current and planned operations. Information and technology systems of the General Partner and a Fund’s

companies and projects may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, the General Partner, a Fund, a company or project may have to make a significant investment to fix or replace them. Any disruption in any of these systems or the failure of any of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect a Fund's investment results and its ability to make distributions to its Partners. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the General Partner's, a Fund's, a company's and/or a project'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). Such a failure could harm the General Partner's, a Fund's, a company's and/or a project's reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Risks Relating to Making and Holding Sustainable Industrial, Environmental, and Renewable Subsector Investments

Operating Risk. A Fund may invest in operating facilities. Operation of such facilities involves certain operational risks, which include: the possibility of performing below expected levels of output, availability or efficiency; interruptions in supply of feedstock or other necessary provisions; increases in the cost of equipment, consumables or other necessary supplies; transportation disruptions; disruptions in the offtake of or the transmission of energy; power shutdowns; breakdown or failure of equipment or processes; accidental discharges of hazardous materials; liabilities for environmental contamination, including contamination by hazardous materials; labor disputes; changes in law, including export and import tariffs impacting the supply of equipment; failure to obtain or maintain necessary governmental permits; or catastrophic events such as fires, earthquakes, lightning, explosions, hurricanes, tornados, floods or similar occurrences affecting a facility owned by a Fund or its customers, suppliers or service providers.

Competition in the Waste Industry. A Fund may make investments in the waste sector (and related industries and markets), which has intense competition among governmental, quasi-governmental, and private sources. In recent years, the waste sector has seen some additional consolidation, though the industry remains highly competitive. Counties and municipalities may have financial competitive advantages because tax revenues are available to them and tax-exempt financing is more readily available to them. Also, such governmental units may attempt to impose flow control or other restrictions that would give them a competitive advantage. In addition, other competitors may have lower financial expectations, allowing them to reduce their prices to expand sales volume or win competitively-bid contracts, including exclusive franchise arrangements with municipalities, which may result in a negative impact on

the projects into which a Fund may invest.

Substantial Governmental Regulation in the Waste Sector. A Fund may make investments in the waste sector, which is subject to regulation, including permitting and related financial assurance requirements, as well as a wide range of federal, state and, in some cases, local environmental, odor and noise and land use restrictions. Further restrictions could include: (i) limitations on siting and constructing new waste disposal, transfer, recycling or processing facilities or on expanding existing facilities; (ii) regulations or levies on collection and disposal prices, rates and volumes; (iii) limitations or bans on disposal or transportation of out-of-state waste or certain categories of waste; (iv) mandates regarding the management of solid waste, including requirements to recycle, divert or otherwise process certain waste, recycling and other streams; or (v) limitations or restrictions on the recycling, processing or transformation of waste and other streams. Such regulation and restrictions may significantly impact the financial viability of an investment in the waste sector, and result in a material adverse effect on a Fund's investment therein.

Renewable Energy. A Fund may make investments in renewable energy projects. The market for renewable energy continues to evolve. If the demand for renewable energy products slows (including as a result of changes in indirect market conditions), a Fund's investments in renewable energy projects may be adversely affected. While renewable energy projects currently enjoy support from governments and regulatory agencies, there is no assurance that such support will continue in the future, and any reduction or elimination of governmental support may have an adverse effect on the development and construction of such projects. For example, certain renewable energy projects may be structured to benefit from renewable energy tax credits or other incentives, the terms of which may change or may be discontinued altogether.

A Fund, a portfolio company or a project may base its investment decisions with respect to a renewable generation facility on the findings of related wind and solar studies conducted on-site prior to construction or based on historical conditions at existing facilities. However, actual climatic conditions at a facility site, particularly wind conditions, may not conform to the findings of these studies. Similarly, global climate conditions may change such that the favorable historical conditions for a renewable facility are no longer present. If solar or wind conditions are unfavorable, a company's or a project's electricity production and resulting revenue may be substantially below its expectations, which could adversely affect the business, financial condition and results of operations and cash flows.

Reliance on Third-Party Projects. A Fund may invest in portfolio companies and/or projects that are directly or indirectly dependent on the completion, operation and/or performance of other third party-managed projects, such as storage or renewable projects ("other projects"), over which the General Partner and its affiliates have no involvement, influence or control. Such dependence on third parties presents risks, including that third parties may be unable (or delayed as they seek) to procure necessary permits or governmental approvals for the other projects, or that the other projects

otherwise will be unsuccessful or not completed within their expected timeframe or at all based on one more of the risk factors set forth herein. Delays with respect to other projects, or the inability of third parties to successfully complete and operate other projects upon which a Fund portfolio company and/or project is dependent will negatively impact the ability of a Fund portfolio company and/or project to perform as anticipated at the time of a Fund's investment, and likely will result in losses to such portfolio company or project, and therefore negatively impact a Fund's returns.

Development Risk. A Fund may invest in projects and facilities at an early stage of development, which may involve risks of failure to secure or substantial delays in securing offtake agreements, real property rights, required approvals or permits, financing, and suitable supply and service contracts. As a result of such uncertainties, a project or facility in development may not be completed. Further, there is no assurance that such projects will be profitable or generate cash flow sufficient to pay operating expenses, service their debt or provide a return on or recovery of amounts invested therein.

Construction Risk. A Fund may invest in projects and facilities that may involve construction risk, including the risk of substantial delay or increase in the cost of construction due to a number of unforeseen factors. New facilities have no operating history and may employ recently developed or technologically complex technology or equipment that may take time to operate at peak levels of output and efficiency. A material delay or increase in cost not absorbed by other participants in the transaction could significantly impair the financial viability of an investment project and result in a material adverse effect on a Fund's investment therein.

Changes in the Energy Industry. A Fund may make investments in the power sector (and related industries and markets) in the United States. To the extent competitive pressures increase and the pricing and sale of electricity assumes more characteristics of a commodity business, the economics of the power generation projects and other energy projects into which a Fund may invest may come under increasing pressure. If the energy industry is restructured to increase competition or other policy goals, this could have an adverse effect on the projects into which a Fund may invest.

Technology Developments. The energy industry is characterized by rapid and significant technological advancements and introductions of new products and services using new technologies. As others use or develop new technologies, a Fund's portfolio investments may be placed at a competitive disadvantage or may be forced by competitive pressures to implement those new technologies at substantial costs. In addition, other energy companies may have greater financial, technical and personnel resources that allow them to enjoy technological advantages and that may in the future allow them to implement new technologies before a Fund's portfolio companies can. A Fund's portfolio companies may not be able to respond to these competitive pressures or implement new technologies on a timely basis or at an acceptable cost. In the event of a new technological development that adversely affects any of a Fund's portfolio companies, a Fund generally will not be able to liquidate its portfolio company

investments at an attractive price or at all because the investments owned by a Fund are not expected to be actively traded or have a ready market for sale.

Adequacy and Availability of Insurance; Catastrophic Events. When applicable, a Fund intends to use insurance and other risk management products (to the extent available on commercially reasonable terms) when making infrastructure investments in order to mitigate the potential loss resulting from catastrophic events and other risks customarily covered by insurance. When making a non-controlling investment, a Fund intends to require appropriate covenants of sponsors to use prudent insurance and other risk management products. However, this may not always be practicable or feasible. Moreover, it will not be possible to insure against all such risks, and such insurance proceeds as may be derived may be inadequate to completely or even partially cover a loss of revenues, an increase in operating and maintenance expenses and/or a replacement or rehabilitation of assets. In addition, certain losses of a catastrophic nature, such as those caused by wars, earthquakes, hurricanes, tornados, floods, terrorist attacks or other similar events, may be either uninsurable or insurable at such high rates as to adversely impact a Fund's profitability. In general, losses related to terrorism are becoming harder and more expensive to insure against, and most insurers are excluding terrorism coverage from their all-risk policies. As a result, it is unlikely that any of a Fund's investments will be insured against damages attributable to acts of terrorism (or certain other losses of a catastrophic nature). If a major uninsured loss were to occur with respect to an investment, a Fund could lose both its capital invested in and anticipated profits related to such investment.

Volatility of Commodity Prices. The performance of certain investments of a Fund may be dependent upon prevailing prices of certain commodities, including the price of electricity. Historically, the markets for certain commodities, including power, oil, gas, and recycling, have been volatile, and such markets are likely to continue to be volatile in the future. Prices for certain commodities are subject to wide fluctuation in response to relatively minor changes in the supply of and demand for such commodities, market uncertainty and a variety of additional factors that are beyond the control of the General Partner or a Fund. These factors include the following: (i) worldwide and regional economic conditions impacting the global supply and demand for commodities generally, including natural gas, natural gas liquids, and oil; (ii) the price and quantity of imports of foreign natural gas, including liquefied natural gas; (iii) political conditions in or affecting other producing countries, including conflicts in the Middle East, Africa, South America and Russia; (iv) the level of global exploration and production; (v) the level of global inventories; (vi) prevailing prices on local price indexes; (vii) localized and global supply and demand fundamentals and transportation availability; (viii) weather conditions; (ix) technological advances affecting energy consumption; (x) the price and availability of alternative fuels; (xi) domestic, local and foreign governmental regulation and taxes; (xii) refining capacity; (xiii) actions of the Organization of Petroleum Exporting Countries; (xiv) trade restrictions and tariffs on the import of recyclables; and (xv) reductions in market prices for recycling commodities and reductions in demand for recycling commodities and recycling services. In addition, governments may intervene from time to time, directly and by regulation, with the intent

to influence price directly, which may cause rapid movement in commodity prices.

Construction and Operating Permits. Portfolio companies and projects in which a Fund invests are expected to be required to comply with numerous United States federal, state and local laws and regulations, including those related to the production and sale of electricity, air emissions, water discharge, waste management and disposal, hazardous substances, protection of wildlife and natural resources and safety and health, environmental impact review, and to obtain and maintain numerous permits and approvals required for their construction and operation. Compliance with these various laws and regulations may cause portfolio companies and projects to incur significant costs and may impact their respective businesses. In addition, a Fund may be required to obtain the consent or approval of applicable regulatory authorities in order to acquire or hold investments in particular portfolio companies or projects. For example, certain a Fund investments may be subject to Federal Energy Regulatory Commission approval under the United States Federal Power Act. In addition, certain Fund investments may be subject to the approval of state-level utility commissions in those instances where such bodies have jurisdiction. If a Fund's investments are unable to obtain required consents or approvals, a Fund may be unable to enter into transactions or to structure transactions in ways that are optimal for a Fund or particular Fund vehicles. A Fund may invest in portfolio companies or projects it believes have obtained all material United States federal, state, local or foreign regulatory approvals and permits required to construct, acquire, and operate their facilities. However, such approvals and permits may be subject to conditions, and there is no assurance that such portfolio companies and projects will be successful in meeting such conditions. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals and permits (or amendments thereto) or delay or failure to satisfy any regulatory conditions or other applicable requirements (which may change over time), could materially limit or terminate the construction or operation of a facility or sales of such facility to third parties, or could result in additional costs to a portfolio company or project and materially and adversely affect a Fund's investment results.

Regulatory Changes. A portfolio company or project in which a Fund invests could be materially and adversely affected as a result of new laws or regulations, or statutory or regulatory changes or changes in judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company or project, the markets in which such company or project operates or such company's or project's industry generally. Such changes could materially and adversely affect the performance of one or more of a Fund's investments. Moreover, additional regulatory approvals and permits, including renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in laws and regulations, a change in the companies' customer(s), or for other reasons. Changes in laws and regulations could result in increased compliance costs, additional capital expenditures or unanticipated liabilities. Any such modifications could alter the competitive landscape and/or the nature of the markets in which a portfolio company or project operates in a material and adverse manner to such portfolio company or project.

Environmental Liabilities and Risks. Several U.S. federal environmental regulatory programs could potentially impact a Fund's portfolio companies, including the Clean Air Act, the Clean Water Act, the Comprehensive Environmental Response, Compensation, and Liability Act, the Resource Conservation and Recovery Act, the Endangered Species Act, and the National Environmental Policy Act. Several state or local environmental regulatory programs, statutes, and regulations could also impact a Fund's portfolio companies. If a Fund's portfolio companies are subject to benefit or liability under these environmental laws or regulations, there could be a material and adverse impact on a Fund's financial performance. Under certain circumstances, environmental authorities and other parties may seek to impose personal liability on the limited partners of a partnership (such as a Fund) subject to environmental liability. However, a Limited Partner in a Fund may reduce its risk of such personal liability by avoiding activities with respect to a Fund's portfolio investments other than as specifically contemplated by the Fund Agreement.

Use of Derivatives and Other Specialized Techniques. Companies in the energy and power industry engage in derivatives transactions and other hedging techniques to insulate against a number of risks, including commodity price risk, exchange rate risk and interest rate risk. A Fund and/or its portfolio companies and projects in which a Fund invests may engage in other derivative or similar transactions. These transactions may involve the purchase and sale of commodities or commodity futures, the use of forward contracts, swap agreements, put and call options, floors, collars or other arrangements. Such instruments may be difficult to value, may be illiquid and may be subject to wide swings in valuation caused by changes in the price of commodities or other underlying assets or market conditions. Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank"), the United States Commodity Futures Trading Commission obtained regulatory jurisdiction over certain derivative transactions, and, as a result, the General Partner, a Fund and its companies and projects may be subjected to additional regulation if an exemption is not available and could create additional uncertainty and costs for these companies' and projects' hedging activities. Because many provisions of Dodd-Frank require ongoing rulemaking by the applicable regulators and Dodd-Frank mandates multiple agency reports and studies (which has resulted, and could result in, additional legislative or regulatory action), it is difficult to quantify any additional costs or collateral requirements that may be imposed on these companies and projects. Derivative instruments may trade principally on markets organized outside the United States and markets for derivative instruments may be illiquid, highly volatile and subject to interruption. Suitable hedging instruments may not continue to be available at reasonable cost. The investment techniques related to derivative instruments are highly specialized and may be considered speculative. Such techniques often involve forecasts and complex judgments regarding relative price movements and other economic developments. The success or failure of these investment techniques may turn on small changes in exogenous factors not within the control of these portfolio companies, projects, the General Partner or a Fund. For all the foregoing reasons, the use of derivatives and related techniques can expose a Fund and the portfolio companies and projects in which a Fund invests to significant risk of loss.

Broken Deal Expenses. Investments in the energy industry often require extensive due diligence activities and regulatory approvals prior to acquisition. Due diligence may include feasibility and technical studies, preliminary engineering and marketing studies, and legal and environmental review, any or all of which may entail significant third-party expenses. In the event that an investment is not consummated, a Fund is expected to bear all Broken Deal Expenses, including such third party expenses and any termination fees.

Tax Risk Factors

Fund's Treatment as a Partnership for United States Federal Income Tax Purposes and General Consequences of Limited Partners. A Fund is expected to be classified as a partnership for United States federal income tax purposes. As a result, each Limited Partner will be taxed on its share of taxable income from a Fund, regardless of whether it has received any distributions from a Fund. Such taxable income is commonly referred to as "phantom" or "dry" income. Because of the nature of a Fund's investment activities, a Fund may generate taxable income in excess of cash distributions to Limited Partners, and no assurance can be given that a Fund will make cash distributions to cover such tax liabilities as they arise. Accordingly, each Limited Partner should ensure that it has sufficient cash flow from other sources to pay all tax liabilities resulting from such Limited Partner's ownership of interests in a Fund. Furthermore, as is generally the case for similar private equity investment vehicles, an investment in a Fund will give rise to a variety of complex United States federal income tax and other tax issues for Limited Partners. Certain issues may relate to special rules applicable to certain types of investors, such as tax-exempt entities, foundations, life insurance companies, banks, individuals, dealers in securities and non-United States persons and entities. Prospective investors are urged to consult their own tax advisors with specific reference to their own situations concerning an investment in a Fund.

Tax-Exempt and Non-United States Investors May Be Subject to United States Tax. It is expected that some of a Fund's investments may (i) constitute interests in United States real property within the meaning of the Foreign Investment in Real Property Tax Act ("FIRPTA") or generate income that is "effectively connected with a United States trade or business" (collectively, "ECI"), (ii) generate income that will be taxable to certain tax-exempt investors as "unrelated business taxable income" ("UBTI") and/or (iii) generate income that is derived from the conduct of "commercial activity" ("CAI"). Such investments would give rise to United States federal income tax reporting and payment obligations for tax-exempt and non-United States investors in a Fund. However, the General Partner will use its reasonable best efforts to avoid the incurrence of UBTI, ECI and CAI (other than UBTI, ECI or CAI that may result from a Fund's ability to borrow or provide guarantees and the provisions relating to the management fee offset) by such Limited Partners that elect, in their respective subscription documents, to invest in the UBTI Blocker Fund, ECI Blocker Fund or CAI Blocker Fund. Non-United States investors who desire to avoid filing United States tax returns with respect to their interest in a Fund should consider investing in the ECI Blocker Fund through the Offshore Feeder. It is possible that the tax indirectly borne by Limited

Partners that invest in a Blocker Fund (including through the Offshore Feeder) may exceed the tax that such Limited Partners would have been required to pay had such Limited Partners invested directly in a Fund.

Taxation in Other Jurisdictions. If a Fund makes investments in a jurisdiction outside the United States, a Fund or the Limited Partners may be subject to income or other tax in that jurisdiction. Additionally, withholding taxes or branch taxes may be imposed on earnings of a Fund from investments in such jurisdictions. In addition, local tax incurred in non-United States jurisdictions by a Fund or vehicles through which it invests may not entitle investors to either (i) a credit against tax that may be owed in the United States or their respective local tax jurisdictions or (ii) a deduction against income taxable in the United States or such local jurisdictions.

Tax Information Exchange Regimes; FATCA Withholding Tax on Certain Non-United States Entities. Numerous jurisdictions have enacted, or have committed to enact, legislation and administrative guidance requiring the collection and sharing of certain information in order to combat tax avoidance. The United States Foreign Account Tax Compliance Act (“FATCA”) aims to combat tax evasion by United States tax residents using foreign accounts. It includes certain provisions on withholding taxes and requires financial institutions outside the United States to collect and share information about their United States customers. One or more of these information exchange regimes are likely to apply to a Fund and/or alternative investment vehicles, and may require the General Partner to collect and share with applicable taxing authorities information concerning Limited Partners (including identifying information and amounts of certain income allocable or distributable to them). The costs of tax reporting are borne by a Fund. A Limited Partner’s failure to provide required information may result in withholding taxes, government-imposed penalties, expulsion from the Fund and/or alternative investment vehicles or other potential remedies.

Tax Liability Considerations. A Fund may take positions with respect to certain tax issues that depend on legal and other interpretive conclusions. Should any such positions be successfully challenged by a taxing authority, a Limited Partner might be found to have a different tax liability for that year than that reported on its tax returns. In addition, a taxing authority’s review of a Fund may result in a review of the returns of some or all of the Limited Partners, which examination could result in adjustments to the tax consequences initially reported by a Fund and affect items not related to a Limited Partner’s investment in a Fund. If such adjustments result in an increase in tax liability for any year, a Fund or one or more of the Limited Partners may also be liable for interest and penalties with respect to the amount due. The legal and accounting costs incurred in connection with any taxing authority’s review of a Fund’s tax returns will be borne by a Fund. The cost of any review of a Limited Partner’s tax return will be borne solely by the Limited Partner.

Delayed Schedule K-1s. A Fund may not be able to provide final Schedule K-1s to Limited Partners for any given fiscal year until after April 15 of the following year. Limited Partners may be required to obtain extensions of the filing dates for their United

States federal, state and local income tax returns. Each prospective investor should consult with its own adviser as to the advisability and tax consequences of an investment in a Fund.

United States Federal Income Tax Liability Resulting from IRS Audits. United States federal income taxes arising from a United States Internal Revenue Service (the “IRS”) audit will be paid by the Fund absent an election to the contrary. In addition, a “partnership representative” will have the power to act on behalf of the Fund and its Partners in all IRS audits and other proceedings involving the Fund’s United States federal income, loss, deductions and credits.

Changes in United States Federal Income Tax Law. All statements contained herein concerning the United States federal income tax (or other tax) consequences of an investment in a Fund are based on existing law and interpretations thereof. Recent or future changes in United States federal income tax law could materially affect the tax consequences of a Limited Partner’s investment in the Fund and the tax treatment of the Fund’s portfolio companies. While some of these changes could be beneficial, others could negatively affect the after-tax returns of the Fund and the Limited Partners. Accordingly, no assurance can be given that the currently anticipated tax treatment of an investment in the Fund, or of investments made by the Fund, will not be modified by legislative, judicial, or administrative changes, possibly with retroactive effect, to the detriment of the Limited Partners.

Recently enacted legislation changes the United States taxation of United States taxable investors, tax-exempt investors and non-United States investors. Among other changes, this legislation modifies the taxation of investments in flow-through entities conducting an operating business, imposes new limitations on various types of deductions (particularly for United States individual taxpayers), limits the deductibility of interest expense for investors in flow-through entities, and imposes new limits on the use by tax-exempt investors of losses from unrelated business activities.

The legislation also makes significant changes to the United States taxation of corporations. Among other changes, the legislation reduces the United States federal income tax rate on corporations from 35% to 21%, adds new limitations on interest expense and net operating loss deductions, allows 100% “bonus” first-year expensing of certain tangible personal property and purchased software, accelerates the time at which certain deferred revenue must be recognized, moves the United States towards a modified territorial tax system under which domestic corporations receive a 100% deduction for foreign-source portions of dividends received from 10%-owned foreign corporations, adds new provisions designed to discourage United States companies from locating their intellectual property in low-tax jurisdictions, and adds new rules to prevent so-called “base erosion” and corporate inversions.

There can be no assurance that the recent legislation or subsequent legislation, regulations and interpretations thereof will not have an adverse effect on a Fund’s investment performance or any investor’s after-tax returns from a Fund.

United States Taxation of Carried Interest. United States federal income tax law treats certain allocations of capital gains to service providers by partnerships such as a Fund as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset which generated such gain for more than three years. This could reduce the after-tax returns of individuals associated with a Fund, the General Partner, or SER Capital who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund. This could also create an incentive for the SER Partners to cause a Fund to hold investments for a longer period than would be the case if such three-year holding period requirement did not exist.

Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the adviser or the integrity of adviser's management.

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

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

Various entities (the "General Partners") serve as general partners of the Funds. For a description of material conflicts of interest created by the relationship among the Adviser and the General Partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

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

For the purposes of this Item 11, references to the "Fund" or "Funds" shall include any successor investment funds that could be established by the Adviser, the General Partners or affiliates of the Adviser or the General Partners.

Code of Ethics

The Adviser has adopted a written Code of Ethics that is applicable to all of its members, officers and employees, as well as officers and employees of its affiliates and certain independent contractors (collectively, "Adviser Personnel"). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 (as amended, the "Advisers Act"), establishes guidelines for professional conduct

and personal trading procedures, including certain pre-clearance and reporting obligations. Adviser Personnel and their families and households are permitted to purchase investments for their own accounts, including the same investments as could be purchased or sold for a Fund, subject to the terms of the Code of Ethics. Under the Code of Ethics, Adviser Personnel are also required to file certain periodic reports with the Adviser's Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Adviser detect and prevent potential conflicts of interest.

Adviser Personnel who violate the Code of Ethics can be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. Adviser Personnel are also required to promptly report any violation of the Code of Ethics of which they become aware. Adviser Personnel are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any client or prospective client upon written request to: SER Capital, 1301 Shoreway Rd, Suite 180, Belmont, CA 94002.

Participation or Interest in Client Transactions

The Adviser and certain employees and affiliates of the Adviser will invest in and alongside the Funds, either through the General Partners, as direct investors in the Funds or otherwise. A Fund or its General Partner, as applicable, has in the past and is expected in the future to reduce all or a portion of the Advisory Fee and Carried Interest related to investments held by such persons.

Due in part to the fact that potential investors in a Fund (including purchasers of a limited partner's interests in a secondary transaction) or a co-investment opportunity could ask different questions and request different information, the Adviser can provide certain information to one or more prospective investors that it does not provide to all the prospective investors or limited partners.

Conflicts of Interest

The Adviser and its related entities and their respective personnel engage in a broad range of activities, including investment activities for their own account and for the account of other investment funds, and providing transaction-related, investment advisory, management and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of a Fund will, from time to time, conflict with the interests of the Adviser, other Funds or their respective personnel and affiliates. A description of how the Adviser addresses such conflicts of interest, can be found below.

The Adviser has in the past and could, from time to time in the future establish certain investment vehicles through which certain employees of the Adviser or its affiliates, certain business associates, other "friends of the firm," or other persons can invest

alongside one or more Funds in one or more investment opportunities. Such vehicles, referred to herein as “co-investment vehicles,” can, in certain instances, be contractually required to purchase and sell certain investment opportunities at substantially the same time and substantially the same terms as the applicable Fund that is invested in that investment opportunity. Such co-investment vehicles cannot pay Advisory Fees or Carried Interest.

Resolution of Conflicts

In the case of all conflicts of interest, the Adviser’s determination as to which factors are relevant, and the resolution of such conflicts, will be made using the Adviser’s best judgment, but in its sole discretion. In resolving conflicts, the Adviser considers various factors, including the interests of the applicable Funds with respect to the immediate issue and/or with respect to their longer-term courses of dealing. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors generally mitigate, but will not eliminate, conflicts of interest:

- (1) A Fund will not make an investment unless the Adviser believes that such investment is an appropriate investment considered from the viewpoint of such Fund;
- (2) Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the relevant Governing Documents for the Funds;
- (3) Where the Adviser deems appropriate, unaffiliated third parties can be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price;
- (4) The Adviser has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest; and
- (5) Prior to subscribing for interests in a Fund, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund.

In addition, certain provisions of a Fund’s Governing Documents are designed to protect the interests of investors in situations where conflicts could exist, although these provisions do not eliminate such conflicts. In certain instances, some of such conflicts of interest could be resolved in a manner adverse to a Fund and its ability to achieve its investment objectives.

Item 12. Brokerage Practices

As the Funds invest primarily in private equity, the Adviser anticipates that investments in publicly traded securities will be infrequent occurrences (e.g., money market instruments pending investment in a portfolio company, securities held as a result of

initial public offerings of portfolio companies, going-private transactions, etc.). However, to meet its fiduciary duties to the Funds, the Adviser would adopt written policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded securities, as follows:

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

The Adviser has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although the Adviser generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with the Adviser seeking to obtain best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although the Adviser generally does not make use of such services at the current time and has not made use of such services since its inception. Such research services could include economic research, market strategy research, industry research, company research, fixed income data service, computer-based quotation equipment and research services and portfolio performance analysis. As a general matter, research provided by these brokers would be used to service all of the Adviser’ Funds. However, each and every research service may not be used for the benefit of each and every Fund managed over time by the Adviser, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Fund. Research services may be shared between the Adviser and its affiliates.

The Adviser currently does not engage in soft dollar transactions but may engage in soft dollar transactions in the future in accordance with the limitations of Section 28(e) of the Securities Exchange Act of 1934, as amended.

The Adviser does not anticipate engaging in significant public securities transactions; however, to the extent that the Adviser engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Funds are completed

independently, the Adviser may also purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, the Adviser may, but is not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Funds of the Adviser is favored over any other Fund. When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

In the Adviser’s private company securities transactions on behalf of the Funds, the Adviser may retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Fund and/or its portfolio companies. In determining to retain such parties, the Adviser may consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although the Adviser generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Funds may not pay the lowest commission or fee for such services

Item 13. Review of Accounts

Oversight and Monitoring

The investment portfolios of the Funds are generally private, illiquid and long-term in nature, and accordingly the Adviser’s review of them is not directed toward a short-term decision to dispose of securities. However, the Adviser closely monitors the portfolio companies of the Funds and generally maintains an ongoing oversight position in such portfolio companies. The portfolios are reviewed by a team of investment professionals on an on-going basis. The team generally includes partners and other investment professionals of the Adviser.

Reporting

Investors in the Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund within 120 days after the fiscal year end of such Fund, as well as quarterly performance reports within 60 days after each fiscal quarter end. The Adviser and the applicable General Partner, if any, will from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

Item 14. Client Referrals and Other Compensation

The Adviser does not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to the Funds. Any arrangement to compensate a person or entity for soliciting business or potential Clients for the Adviser must be first proposed to, and approved, by the CCO. The CCO will maintain a file of approved solicitors. Such file will contain (i) the name of the solicitor, (ii) the date on which the solicitor was approved by the CCO, (iii) the date on which the Company engaged the solicitor, if any, and (iv) a copy of the solicitation agreement between the solicitor and the Adviser.

Item 15. Custody

The Adviser is deemed, under Rule 206(4)-2 of the Advisers Act, to have custody of the assets of the Funds by virtue of the common control of the Adviser and the General Partner of the Funds. All assets and securities of the Funds are held by qualified custodians. As noted in Item 13 above, the Funds' investors receive annual financial statements audited by an independent public accounting firm. The Funds' investors are urged to carefully review these statements.

Item 16. Investment Discretion

Investment advice is provided directly to the Funds, subject to the direction and control of the General Partner of each Fund, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Governing Documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the Governing Documents of the applicable Fund.

Item 17. Voting Client Securities

The Adviser has adopted Proxy Voting Policies and Procedures (the “**Proxy Policy**”) to address how it will vote proxies, as applicable, for the Funds' (and any Funds') portfolio investments. The Proxy Policy seeks to ensure that the Adviser votes proxies (or similar instruments) in the best interest of the Fund(s), including where there may be material conflicts of interest in voting proxies. The Adviser generally believes its interests are aligned with those of each Fund's investors. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that the Adviser may address the conflict using several alternatives, including by seeking the advice of the CCO to determine how to vote the proxy consistent with the best interest of a Client and in a manner not affected by any conflicts of interest. The Adviser does not consider receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by the Adviser when voting proxies on behalf of a Fund. Copies of relevant proxy logs that identify how proxies were voted in connection with a Fund, and also copies of proxy voting policies are available to any client or prospective client upon written request to: SER Capital Partners, 3 Twin Dolphin Drive, Suite 260, Belmont, CA 94065.

Item 18. Financial Information

Item 18 is not applicable to the Adviser.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to the Adviser.