

INVESTMENT ADVISER BROCHURE
PART 2A OF FORM ADV

Elda River

Elda River Capital Management, LLC
Elda River Infrastructure Partners, LLC

1400 Post Oak Boulevard, Suite 560
Houston, Texas 77056

NOVEMBER 1, 2023

This Investment Adviser Brochure (“*Brochure*”) provides information about the qualifications and business practices of Elda River Capital Management, LLC and Elda River Infrastructure Partners, LLC. If you have any questions about the contents of this Brochure, please contact us at 346-614-4250. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

The Management Company is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “*Advisers Act*”). However, such registration does not imply a certain level of skill or training.

Additional information regarding Elda River Capital Management, LLC and Elda River Infrastructure Partners, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 MATERIAL CHANGES

Elda River Capital Management, LLC (the “***Management Company***”) is a new investment adviser and is filing Form ADV for the first time. As a result, there are no material changes to report. As of the submission date of this Form ADV, the Management Company and its affiliated investment advisers, including Elda River Infrastructure Partners, LLC, expect to provide investment advisory services to private investment funds and separately managed accounts with sufficient regulatory assets under management in order to be eligible for registration with the Securities and Exchange Commission within 120 days after the date on which the Management Company’s registration with the SEC becomes effective.

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

ITEM 3 TABLE OF CONTENTS

| | <u>Page</u> |
|--|--------------------|
| ITEM 2 MATERIAL CHANGES | 2 |
| ITEM 3 TABLE OF CONTENTS | 3 |
| ITEM 4 ADVISORY BUSINESS | 4 |
| ITEM 5 FEES AND COMPENSATION | 6 |
| ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT | 12 |
| ITEM 7 TYPES OF CLIENTS | 12 |
| ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS..... | 13 |
| ITEM 9 DISCIPLINARY INFORMATION | 47 |
| ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS..... | 47 |
| ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING | 47 |
| ITEM 12 BROKERAGE PRACTICES..... | 50 |
| ITEM 13 REVIEW OF ACCOUNTS | 51 |
| ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION | 52 |
| ITEM 15 CUSTODY | 52 |
| ITEM 16 INVESTMENT DISCRETION | 52 |
| ITEM 17 VOTING CLIENT SECURITIES | 53 |
| ITEM 18 FINANCIAL INFORMATION | 53 |

ITEM 4 ADVISORY BUSINESS

Elda River Capital Management, LLC (the “**Management Company**”) is a Delaware limited liability company and a registered investment adviser that began operations in 2023. The Management Company and its affiliated investment advisers, including Elda River Infrastructure Partners, LLC (collectively with any future affiliated investment adviser to be formed by the Management Company, the “**Advisers**,” and each, an “**Adviser**”), expect to provide investment advisory services to private investment funds (collectively with any future private investment fund to which an Adviser provides investment advisory services, including employee and co-investment vehicles, the “**Funds**,” and each, a “**Fund**”) and separately managed accounts (collectively with any future separately managed accounts to which an Adviser provides investment advisory services, “**SMAs**,” and each, a “**SMA**”). Funds and SMAs are referenced collectively herein as “**Clients**.” An affiliated entity formed and/or controlled by an Adviser serves as general partner or managing member to each Fund (collectively with any future general partner or managing member to a Fund, the “**General Partners**,” and each, a “**General Partner**”). The Advisers and the General Partners (collectively, “**Elda River**”) generally operate as a single advisory business. Each of the Advisers is, or will be when formed, registered under the Advisers Act pursuant to the Management Company’s registration as an investment adviser in accordance with SEC guidance.

Elda River is principally owned and controlled by Eric Scheyer and Adam Daley.

The Advisers are newly formed entities and do not currently provide investment advisory services to any clients. However, the Advisers expect to provide discretionary and, at times, non-discretionary investment advisory services to various Clients in the future.

Each General Partner will be subject to the Advisers Act pursuant to the Advisers’ registration in accordance with SEC guidance.

Interests in the Funds (“**Interests**”) are privately offered to qualified investors in the United States and elsewhere. The Funds are private equity funds that invest, directly or indirectly, through negotiated transactions primarily in operating entities, generally referred to herein as “**portfolio companies**.” Elda River’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted, subject to the restrictions in each Fund’s respective Memorandum (as defined below). From time to time, senior principals or other personnel of, as well as consultants to, Elda River expect to act as board observers, serve on portfolio companies’ boards of directors, or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

Elda River’s advisory services for the Funds are detailed in the applicable private placement memorandum or other offering document (each, a “**Memorandum**”) and/or limited liability company agreement or other operating agreement (each, an “**LLC Agreement**” and together with the Memorandum, the “**Governing Documents**”) and are further described below in “*Methods of Analysis, Investment Strategies and Risk of Loss*.” Investors in a Fund generally participate in the overall investment program for such Fund, but in some cases are permitted to be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances

pursuant to the relevant LLC Agreement; for the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between the Advisers and any investor.

Additionally, from time to time, as permitted by the Governing Documents, Elda River is permitted to provide (or agree to provide) investors in Clients, as well as certain third-party investors or other persons, including Elda River's principals, personnel and certain other persons associated with Elda River (to the extent not prohibited by the applicable LLC Agreement), co-investment opportunities (including the opportunity to participate in co-invest vehicles) that will invest in certain portfolio companies alongside a Fund. Elda River has sole discretion in offering such investment opportunities (through a co-invest vehicle or otherwise), and such investment opportunities typically will be offered to some and not to other Fund, third-party or other investors. Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor (or co-invest vehicle) may purchase a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. In such event, the relevant Fund will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms, including for example the risk that a portion of the investment will be syndicated at reduced cost, at cost, or at a lower amount at a time when the General Partner believes the value of such investment has appreciated or should be higher than that paid (or willing to be paid) by a co-investor. Any such purchase from a Fund by a co-investor (or co-invest vehicle) generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment, but in certain instances could be well after the Fund's initial purchase. Where appropriate, and in the Advisers' sole discretion, the Advisers reserve the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

Elda River has entered, and will enter in the future, into side letters or other similar agreements with certain investors that have the effect of establishing rights under, supplementing or altering an LLC Agreement or an investor's subscription agreement. Such rights or alterations could be regarding economic terms, fee structures, excuse rights, information rights, co-investment rights (including the provision of priority allocation rights to investors who have capital commitments in excess of certain thresholds to one or more Funds), or transfer rights. Generally, any rights established, or any terms altered or supplemented will govern only the investment of the specific investor and not the terms of a Fund as whole. Certain of such additional rights, but not all rights, terms or conditions may be elected by certain sizeable investors with "most favored nations" rights pursuant to an LLC Agreement. To the extent required by applicable law, material terms of certain side letters may be made available to certain investors on a redacted basis without making such terms available to all investors. Investors generally will not otherwise receive disclosure of side letter agreements.

With respect to SMAs, the Advisers will provide discretionary and non-discretionary investment advisory services. The Advisers will tailor such advisory services to the needs of the

individual that owns the SMA, who may impose restrictions on investing in certain securities or types of securities in a SMA.

The information provided above about the investment advisory services provided by Elda River is qualified in its entirety by reference to (i) the Governing Documents and the Funds' subscription agreements and (ii) the SMA investment advisory agreements.

As of the date of this brochure, Elda River did not manage any Client assets. Certain statements included in this Brochure are intended to describe Elda River's investment advisory operations subsequent to providing investment advice to certain Funds and SMAs.

ITEM 5 FEES AND COMPENSATION

The Advisers typically receive a management fee (the “**Management Fee**”), and the Advisers or General Partners receive a carried interest, in connection with advisory services provided to the Funds. In lieu of carried interest, an Adviser or the General Partner is permitted to receive an incentive allocation. Subject to the relevant Governing Documents, certain investors in the Funds do not pay a Management Fee, carried interest and/or incentive allocation, or pay reduced amounts of a Management Fee, carried interest and/or incentive allocation. The Advisers, General Partners or other Elda River entities or affiliates are permitted to receive additional compensation in connection with management and other services performed for portfolio companies of the Funds, and such additional compensation will offset, subject to certain exceptions, in whole or in part the Management Fees otherwise payable to the applicable Adviser or otherwise be paid directly to the applicable Fund(s) based upon its *pro rata* participation with respect to such services. Investors in each Fund also bear certain expenses with respect to such Fund, as set forth in the applicable Governing Documents. The Advisers also typically receive Management Fees and a carried interest in connection with investment advisory services provided to SMAs.

Management Fees

The Management Fee generally is treated as a Fund expense and can be paid out of the current income and disposition proceeds of a Fund and, in the General Partner's sole discretion, from drawdowns that will reduce unfunded capital commitments made by such Fund's investors (collectively, “**Commitments**”). Generally, investors in the Funds are assessed the Management Fee on a monthly basis, payable either in advance or arrears, to the relevant Adviser or its designated affiliate. Management Fees with respect to a Fund are expected to range from 0.5% to 2.00% and will generally be charged based on either (i) the amount of Commitments; or (ii) the amount of Commitments drawn down *and* invested on behalf of the Fund (“**Invested Capital**”). Generally, pursuant to the terms of the applicable Governing Document(s), Invested Capital for purposes of calculating Management Fees shall be adjusted to reflect (i) full or partial dispositions of portfolio companies, the proceeds of which have been distributed to investors; and (ii) permanent write-downs or write-offs to reflect the impairment (*i.e.*, where fair market value permanently decreases below book value) of portfolio companies. Subject to the applicable Governing Document(s), Elda River is permitted to reduce or waive the Management Fee with respect to an investor in its sole discretion.

Under the Governing Documents, the Management Fee will be calculated and charged on a basis that generally is not tied to a Fund's then-current net asset value. As described above and as further specified in the Governing Documents, Management Fees will initially generally be charged based on a formula tied to the amount of the relevant Fund's aggregate Commitments. However, after a certain date specified in the Governing Documents, a Fund's Management Fee generally will be charged and calculated based on a formula tied to Invested Capital. As a result, except where the Governing Documents expressly provide to the contrary, the amount of Management Fees generally will not correspond with fluctuations in a Fund's net asset value or the net asset value of individual investments, including where the fair market value of an investment exceeds or falls below the total amount of contributed capital or the cost basis relating to such investment. Therefore, the Management Fee generally will not be reduced in connection with any reorganizations and write-downs, except as required by the Governing Documents.

The Governing Documents set forth the full list of terms under which a Fund's Management Fee will be reduced, offset or otherwise be limited, and consequently investors should expect to bear the full specified Management Fee in the Governing Documents until reduced in the circumstances and on the date(s) specified therein.

Management Fee Waiver and Calculation

For certain Funds, Elda River reserves the right to waive all or a portion of any future installment of the Management Fee. Waived or reduced Management Fees generally are not subject to any Management Fee offsets, and the amount of such waived or reduced Management Fees may be significant. Due to waived or reduced Management Fees by Elda River and/or timing of receipt of compensation subject to offsets, it is possible that Management Fee offsets will not be fully realized by investors in a Fund, which in certain situations may result in a net additional benefit to Elda River.

Carried Interest/Incentive Allocation

With respect to each Fund, the Adviser or General Partner will typically receive a carried interest or incentive allocation (as applicable).

Carried interest represents a percentage of all realized net profits in excess of a predetermined compound preferred return (subject to adjustment for certain events), as more fully described in the relevant Governing Documents. Any such carried interest distributed to an Adviser or General Partner is subject to a potential giveback at the end of the life of a Fund if such General Partner has received excess cumulative distributions. It is expected that any future Funds will have a similar fee structure.

Incentive allocations, which are accrued annually, represent a percentage of certain realized and unrealized gains in excess of a predetermined preferred return on a high-water mark (subject to certain adjustments for redemptions and transfers), as more fully described in the relevant Governing Documents. With respect to incentive allocations, the preferred return rate is not compounded and resets each year. Incentive allocations shall generally accrue to the Adviser or General Partner (as applicable) only to the extent a Fund's net asset value in a given year exceeds the Fund's historical net asset value in all prior years only after net asset value appreciation in

excess of the preferred return has been achieved. While incentive allocations are accrued annually, they are generally not distributed to the Adviser or General Partner (as applicable) until the portfolio companies for which the corresponding net asset value appreciation is achieved are realized.

Certain Funds, subject to the terms set forth in their respective Governing Documents, are permitted to use credit facilities in connection with making investments prior to the receipt of capital contributions in response to capital calls. Since the General Partners of such Funds generally do not receive distributions of carried interest or incentive allocations until the relevant preferred return has been achieved, as outlined above, a General Partner's ability to use credit facilities could provide an incentive for the General Partner to cause a Fund to use a credit line in order to accelerate how quickly the preferred return is achieved, thereby allowing the General Partner to receive its carried interest or incentive allocation earlier than it would absent a Fund's incurrence of such credit facility.

Incentive allocations or incentive fees on SMAs are negotiated on a case-by-case basis.

Other Information

Elda River exempts certain investors in the Funds from payment of all or a portion of Management Fees, carried interest and/or an incentive allocation (as applicable). Any such exemption from fees, carried interest and/or incentive allocations, is permitted to be made by a direct exemption, a rebate by Elda River and/or its affiliates, or through other Funds which co-invest with the relevant investor's Fund. For example, in instances where an Elda River professional or its affiliate invests in a Fund, such professional or its affiliate generally will be exempt from payment of the Management Fee, carried interest and/or an incentive allocation (as applicable), with respect to such Fund. Additionally, to the extent permitted by the relevant LLC Agreement, an Adviser will have the right to permit investors, affiliated with an Adviser or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees, carried interest and/or incentive allocations.

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the LLC Agreements, over the terms of the Funds. With certain exceptions, investors typically will not be permitted to withdraw or redeem Interests in the Funds.

Additionally, as further described herein and in the applicable Fund Governing Documents, each Adviser and/or its affiliates intends to engage, employ or retain operating partners (the "***Operating Partners***") whose primary role is to advise on industry-specific strategy and market approach, provide investment acquisition support, participate in the Adviser's investment committee, assist with the build out of investments and provide other value creation or other similar services to the relevant Fund(s), any alternative investment vehicle or any investment or prospective investment of the Fund(s), or any other alternative investment vehicle, as well as serve on the boards or equivalent bodies or in executive roles or other roles of such investments (including investments in which a Fund does not hold a controlling interest). As consideration for their services, Operating Partners are typically expected to receive cash compensation from the

relevant Fund(s) based on negotiated flat fees, and such compensation generally will not offset Management Fees.

If an Adviser in the future were to deploy Operating Partners to portfolio companies to serve as executives or in other similar roles, the relevant portfolio company generally would be expected to pay all of the compensation and employee benefits in respect of such Operating Partners, which will not offset Management Fees. The Advisers would be expected to cease paying any recurring fees to Operating Partners in connection with such employment. In addition, Operating Partners would be expected to be permitted to invest in a Fund or co-invest in certain investments, with management fees or carried interest reduced or waived, and potentially receive grants in the General Partner's carried interest.

In addition to any Management Fee, carried interest and/or incentive allocation payable to the applicable Adviser and General Partner, each Fund bears certain costs, fees and expenses. Specific information regarding such costs, fees and expenses borne by each Fund can be found in the Governing Documents of such Fund.

Generally, as set forth in the LLC Agreements, each Fund will bear all of the legal and other organizational expenses incurred in the formation of the Fund (including expenses of the initial offer and sale of Interests, including (as applicable) expenses incurred in connection with engaging with a placement agent and any third-party expenses incurred in connection with preparing the Fund's marketing materials, if any. Additionally, as further set forth in the LLC Agreements, each Fund will pay all costs and expenses relating to its activities and operations (to the extent not borne or reimbursed by a portfolio company), including, without limitation: (i) tax and other reporting expenses, external legal compliance, administrative, accounting, and audit fees and expenses, including regulatory reporting expenses incurred in connection with complying with applicable U.S. and non-U.S. reporting obligations, including those required by the SEC and the CFTC, as well as out-of-pocket costs of preparing regulatory filings with respect to the Fund; (ii) fees and expenses of any independent ESG consultant retained on behalf of the Fund to provide strategic advisory-related services related to ESG practices; (iii) fees and expenses of data collection and annual reporting related to the negative or avoided emissions during the reporting period using a carbon accounting methodology developed by the Partnership for Carbon Accounting Financials ("*PCAF*") standard for accounting for financed emissions (*i.e.*, emissions from equity and debt investments) as of the date hereof or an alternative methodology as may be selected, adapted, and/or updated at any time in the General Partner's sole discretion; (iv) fees and expenses of third-party consultants to perform asset diligence (technical, valuation and other forms of asset diligence), project development advisory, regulatory analysis (including tax due diligence), market forecasting and other typical areas of due diligence (including, but not limited to, legal, insurance, environmental, intellectual property and systems related due diligence); (v) incentive compensation payable to third-party management groups which are involved in partnerships, joint ventures, or other similar arrangements; (vi) fees and expenses of the Fund administrator (which may include, for the avoidance of doubt, as part of the administrator's broader services package, assistance with certain elements of Form PF); (vii) fees and expenses of any independent valuation agent; (viii) brokerage commissions and other transaction charges; interest; fees and expenses incurred in the borrowing and lending of securities; (ix) costs of acquiring and maintaining financing for the portfolio (including the costs of credit facilities or other margin lending arrangements); (x) custodial fees and expenses; (xi) costs of insurance

(including a reasonably allocated portion (*i.e.*, generally up to 80%) of the premiums for any directors' and officers' errors and omissions coverage and cyber-security coverage purchased by the General Partner or any of its affiliates that would offset some portion of the Fund's indemnity obligations); (xii) research and due diligence expenses of the General Partner, its affiliates, and third-party consultants acting on their behalf, including travel (which may include first or business class commercial airfare or private or charter airfare) or analyses (*e.g.*, retaining third-party engineering firms and analyses) related to proposed or existing investments, including costs related to transactions that are not consummated and follow-up on past transactions; (xiii) governmental, registration and license fees (including those payable to regulatory as well as self-regulatory organizations); (xiv) costs and expenses related to the offer and sale of Interests; (xv) fees and expenses of periodic meetings of the Fund's advisory committee (or equivalent independent body) ("**Advisory Committee**"), as applicable; (xvi) any taxes, fees, or other governmental charges imposed on or assessed against the Fund other than taxes recoverable or chargeable to one or more investors; (xvii) expenses incurred as a result of the Fund's indemnity obligations (including indemnity obligations with respect to a placement agent); (xviii) fees and expenses (including external legal counsel) incurred in connection with any threatened, pending or anticipated litigation, inquiry, examination or proceeding (*e.g.*, expenses incurred in connection with responding to any subpoena or regulatory information request of any kind) whether addressed to the Fund, General Partner or an affiliate thereof, but related to the Fund's activities or the General Partner's activities on the Fund's behalf; (xix) expenses and fees incurred in connection with any actual or proposed investment (*e.g.*, fees and expenses related to making and structuring investments) or other participation in, or any holding or disposition of any interest in, another investment entity, business entity or organization, whether consummated or not (including, but not limited to, expenses related to the Fund investing with an Operating Partner and management or the Fund relying on service providers, consultants, secondees and other personnel to acquire and operate portfolio companies); (xx) the Fund's pro rata share of investment, administrative and operational expenses of any holding vehicle, trading affiliate or special purpose vehicles ("SPVs") that the Fund co-invests in; (xxi) fees and expenses of external legal counsel (on either a fixed or contingency basis) incurred in connection with analyzing and consummating investments, reviewing transaction documents (including financing agreements) and extraordinary matters; (xxii) all other expenses and liabilities incurred in connection with or arising out of the Fund's business, including, but not limited to, extraordinary or non-recurring charges; (xxiii) expenses incurred in the course of voting securities owned by the Fund and participating in any class-action litigation, including, but not limited to, the costs of any consultants or other outside vendors retained to assist with such proxy voting or the filing of class-action notices on behalf of the Fund; (xxiv) reimbursements due to the General Partner for all such costs and expenses, if any, borne by the General Partner on behalf of the Fund or any subsidiary entity; (xxv) expenses incurred in purchasing or subscribing to software and databases (*e.g.*, Bloomberg and FactSet), as well as expenses incurred in purchasing or renting related hardware (*e.g.*, Bloomberg terminals and servers); and (xxvi) any other expense or reimbursement approved by the relevant Fund's Advisory Committee. Among the research and due diligence expenses of a General Partner and its affiliates to be paid by the relevant Fund to third parties includes an amount payable to a certain non-discretionary registered investment adviser with whom the principals of the General Partner have a long-standing relationship. SMAs may also pay investment and operating expenses of the types described above.

A General Partner may permit certain investors to co-invest in portfolio companies alongside one or more Funds. If a co-invest vehicle is formed, such entity will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. Unless otherwise provided in the relevant Governing Documents, where 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, ultimately is not consummated, all broken deal expenses relating to such unconsummated transaction generally may be borne by the Fund(s) and/or Elda River, and generally not by any prospective co-investors, that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-invest or other vehicle in connection with such transaction, such vehicle may bear its share of such broken deal expenses.

The LLC Agreements also generally permit fees, expenses and costs, including those similar to those described above, to be reimbursed by portfolio companies. Such amounts include amounts paid to certain consultants and service providers detailed herein. Although the LLC Agreements generally do not limit the nature of fees, expenses or costs that may be charged to portfolio companies, the relevant Funds bear such amounts indirectly.

Elda River and/or its affiliates generally have sole discretion over whether to charge transaction fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing and/or amount of such compensation. The receipt of such compensation may give rise to conflicts of interest between the Funds, on the one hand, and Elda River and/or its affiliates on the other hand. Furthermore, Elda River in certain cases is paid fees of the type referred to in this paragraph from, on behalf of or with respect to co-investors in an investment, and reserves the right to receive fees relating to the structuring and administration of co-investment arrangements. The receipt of such fees with respect to such co-investors will not reduce the Management Fee payable by any Fund(s) that also have invested in such investment, and, as a result, a Fund will, in most cases, benefit only with respect to its allocable portion on a fully diluted basis of any such fee and not the portion of any fee related to a General Partner or affiliated partner commitments or that relates to such co-investors or potential co-investors (which could include co-investment vehicles managed by the Advisers, third parties, portfolio company management or employees and/or others), which have the potential to be significant. Any such fee offsets generally are performed on a net basis, after giving effect to certain taxes and other expenses in connection with the receipt of such fees or the provision of related services. Unless otherwise agreed with investors, such fees generally will be payable during term extensions, even if Management Fees are reduced or eliminated during the extended term, thus reducing the amounts of Management Fees actually offset. Such fees will be offset only to the extent they are paid during the holding period of the relevant Fund, and investors will generally not receive the benefit of such fees paid prior to the Fund's acquisition of the relevant investment. For the avoidance of doubt, Elda River will not offset compensation received from outside sources, such as residual employee board seats at entities that are no longer Fund portfolio companies.

The Advisers and their personnel can also be expected to receive certain intangible and/or other benefits arising or resulting from their activities on behalf of the Funds, which will not be subject to Management Fee, performance allocation or promote interest offsets or otherwise shared with the Funds, their investors and/or portfolio companies. For example, airline travel or hotel stays incurred as fund expenses may result in "miles" or "points" or credit in loyalty or status

programs, and such benefits will accrue exclusively to the Advisers or their personnel (and not to the Funds, their investors and/or portfolio companies) even though the cost of the underlying expense is borne directly by the Funds or their portfolio companies and indirectly by the investors in such Fund.

The Advisers or their affiliates may from time to time enter into arrangements with service providers that provide for fee discounts for services rendered to the Funds and the Advisers. For example, certain law firms retained by the Advisers discount their legal fees for advice in connection with the firm operational, compliance and related matters. To the extent such law firms provide services to the Funds, such Funds also enjoy the benefit of the fee discount arrangements. In some cases, discounts may be based on volume and so certain Funds or portfolio companies may receive a greater discount than others depending on the timing of their transactions (*e.g.*, if a transaction occurs early in a year it may not receive the same discount as a transaction that occurs later in the year).

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described above in “*Fees and Compensation*,” the Adviser or General Partner of a Fund (as applicable) generally receives a carried interest allocation on certain realized net profits in the Fund or an incentive allocation based on certain realized and unrealized gains in the Fund. A carried interest allocation represents an investment adviser’s compensation based on a percentage of net profits of the Funds it manages. An incentive allocation represents an investment adviser’s compensation based on a percentage of certain realized and unrealized gains in a Fund’s portfolio. Although managing entities that are charged no or a lower performance-based fee could present a conflict of interest because Elda River may have an incentive to favor Funds for which it receives the highest performance-based compensation, Elda River addresses this potential conflict of interest by maintaining an investment allocations / co-investment policy designed to assist Elda River in allocating investment opportunities among its Clients in a fair and equitable manner, consistent with Elda River’s fiduciary obligations to, and Governing Documents (if applicable) for, the relevant Clients (which may also include provisions requiring that allocations be made in a particular manner). Elda River may waive or reduce the performance allocation in its sole discretion with respect to certain investors as described above.

ITEM 7 TYPES OF CLIENTS

Elda River provides investment advice to Funds and SMAs. The Funds are investment limited liability companies or other investment entities formed under U.S. domestic or non-U.S. laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended (the “*Investment Company Act*”). Elda River does not provide investment advice directly to investors in the Funds on an individual basis.

The investors participating in the Funds and SMAs may include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and include, directly or indirectly, principals or other employees of Elda River and their affiliates and members of their families, as well as service providers or other relationships retained by Elda River.

Interests are offered and sold generally to investors that are (a) “accredited investors,” as defined under Regulation D of the Securities Act of 1933, as amended (the “**Securities Act**”), (b) “qualified clients,” as defined under the Advisers Act, and (c)(i) “qualified purchasers,” as defined in Section 2(a)(51)(A) of the Investment Company Act or (ii) “knowledgeable employees,” as defined in Rule 3c-5 under the Investment Company Act.

Generally, each Fund requires a minimum Commitment of \$5 million, but such amount has been, and in the future will be, reduced with the prior agreement of an Adviser, subject to applicable legal requirements.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

As described above in “*Advisory Business*,” certain statements included in this Brochure are intended to describe Elda River’s investment advisory operations subsequent to providing investment advice to certain Funds and SMAs. Such statements are based on Elda River’s expectations for its Clients.

The Advisers provide day-to-day investment advisory services to its Clients. The following is a summary of the investment strategies and methods of analysis generally used by Elda River on behalf of its Clients. More detailed descriptions of the Funds’ investment strategies and methods of analysis are included in the applicable Governing Documents for each Fund. While the descriptions of the Funds’ investment strategies and methods of analysis are relevant to related co-invest fund(s), each co-invest fund will generally invest in one portfolio company of one of the main Funds and, therefore, will lack the potential benefit of diversification and will be particularly exposed to the legal and financial risks associated with that transaction, including the risk of loss.

The summary below should not be interpreted to limit in any way a Fund’s or SMA’s investment activities. There can be no assurance that Elda River will achieve the investment objectives of its Clients, and a loss of investment is possible.

Methods of Analysis and Investment Strategies

The Advisers generally pursue energy and energy transition related investment strategies on behalf of their respective Clients.

Energy

With respect to energy, the Advisers seek to primarily invest Client assets, directly or indirectly, in Natural Resource Companies (as defined below). Such investments are typically made via equity, preferred equity, rights or other equity securities, debt and convertible debt and minerals interests. “Natural Resource Companies” are those issuers and businesses that are involved in the development of energy infrastructure and the acquisition, exploration, production, mining, processing, fractionating, refining, transportation, trans-loading, storage, servicing or marketing of natural resources, including, but not limited to, crude oil, refined products, petrochemicals, natural gas, natural gas liquids, coal, metals, power, as well as renewable energy sources, including the related components and infrastructure needed to bring renewable energy sources to market.

In connection with their energy strategies, the Advisers consider certain risk parameters with respect to Client portfolios as they underwrite, structure and/or diversify such portfolios. In addition, the Advisers seek to monitor the risk parameters and expected volatility of each Client's overall portfolio, although their monitoring and prevention capabilities may be limited in respect of certain private investments that Clients may hold. However, the Advisers will not, in general, attempt to hedge all market or other risks in Client portfolios, but may elect to hedge certain risks, if at all, only partially. Specifically, the Advisers may determine that it is economically unattractive, or otherwise undesirable, to hedge certain risks (either with respect to particular positions or a Client's overall portfolio) and instead may rely on diversification to offset such risks.

Energy Transition

With respect to energy transition investments, the Advisers primarily seek to invest Client assets, directly or indirectly, in Energy Transition Companies (as defined below) and related infrastructure assets that are expected to contribute to the reduction of global CO₂e emissions. Such investments are typically made via equity, preferred equity, rights or other equity securities, debt and convertible debt. "Energy Transition Companies" are those issuers and businesses that are involved in the development of new infrastructure and improving and replacing existing infrastructure in (i) power generation, including wind, solar, hydro, geothermal, carbon capture and power supply stability; (ii) transmission and distribution, including batteries, storage, smart grid, electric vehicle infrastructure, electricity transmission and distribution, natural gas pipelines and water infrastructure; and (iii) consumption, including electric vehicles/electrification, sustainable food and agriculture, energy efficiency and emission reductions. In addition, Energy Transition Companies include issuers and businesses that are involved in the development, sale and services of other alternative and renewable energy sources, including the related components and infrastructure needed to bring other alternative, renewable and low carbon energy sources to market. The Advisers engage consultants to measure CO₂e emissions using widely-accepted standards.

The Advisers will typically seek investments in Energy Transition Companies with significant governance rights. The Advisers also expect to invest in Energy Transition Companies that are at varying stages of maturity.

Natural Resource Companies and Energy Transition Companies are collectively referenced herein as "Energy Companies."

Risks of Loss

There can be no assurance that Elda River will achieve the investment objectives of any Client, and a loss of investment is possible. Each Client and its respective investors bear the risk of loss that Elda River's investment strategy entails. The discussion below enumerates certain risk factors that apply generally to an investment in a Client. However, the following discussion does not describe all of the risks that may potentially be faced by a Client. Prior to making any investment in a Client, investors should review the applicable Governing Documents or other offering documents for additional information regarding risks and conflicts of interest specific to such Client.

Failure to Meet Targeted Returns. Client assets will be invested based upon the Adviser's projections of internal rates of return, which, in turn, will be based upon projections of future growth rates and interest rates of Client investments and the applicable market, all of which are inherently uncertain. The actual performance of Client investments will likely differ from the projections of the Adviser and may differ materially.

An Investment Will Not Be Suitable for All Investors. An investment in a Client requires a long-term commitment with no certainty of return. A Client's portfolio companies, generally referred to herein as "**portfolio companies**," may not generate current income. Therefore, the return of capital and the realization of gains, if any, from a portfolio company generally will occur upon the partial or complete realization or disposition of such portfolio company. While a portfolio company may be realized or disposed of at any time, it is generally expected that the ultimate realization or disposition of most of a Client's portfolio companies will not occur for a number of years after such portfolio companies are made. There can be no assurances that purchasers of, or realization opportunities for, a Client's portfolio companies will be found. Furthermore, the terms of any disposition or realization transaction will necessarily be affected by economic and other market conditions at the time. Similarly, a Client generally will not be able to sell securities of a portfolio company publicly unless the issuer has gone public and such sale is registered under applicable securities laws or unless an exemption from such registration requirements is available. In addition, in some cases, a Client may be prohibited or limited by contract from selling certain portfolio company securities for a period of time and, as a result, may not be permitted to sell a portfolio company at a time it might otherwise desire to do so.

Dependence on Key Personnel. The success of Clients depends in substantial part upon the skill and expertise of key members of Elda River's investment team. There can be no assurance that any key personnel will continue to be members of, employed by or available to Elda River. The loss of service to Clients of key investment team members could have a material adverse effect on the success of the Clients. In addition, although key members of Elda River's investment team will devote such time and attention to the business of Clients as they reasonably consider necessary to carry out the operations of Clients effectively, subject to the terms of the LLC Agreements and other relevant agreements, they may continue to be involved in certain activities other than the management of Client assets, including personal and family investments, all as more fully described in the Governing Documents.

Lack of Investor Control over Client Portfolios. Except as otherwise required by applicable law, investors in an Adviser's Clients will have no right to participate in the management, day-to-day operation, investment, financing and disposition policies of such Clients. Investors will not have the opportunity to evaluate the relevant economic, financial and other information that will be used by the Adviser in selecting investments.

Long-Term Commitment to the Fund; Limited Distributions; No Voluntary Withdrawal Rights; Limited Transfer Rights. Investors generally will have no voluntary withdrawal rights in a Fund. There can be no assurance that investors will receive distributions prior to, or even shortly after, the expiration of the term of a Fund. The Adviser is under no obligation to liquidate a Fund's assets within any specific timeframe, although the Adviser will use commercially reasonable efforts to liquidate such assets. An investor may not sell, assign or transfer its Interest without the prior written consent of the Adviser (or an affiliate thereof) and in compliance with U.S. federal

and state securities laws. Therefore, investors must be prepared to hold Interests for a significant period of time.

Substantial Fees, Allocations and Expenses. Clients are subject to substantial fees, allocations and expenses, including Management Fees, carried interest and/or incentive allocations. These may represent a higher percentage of net assets than is the case for many other private investment funds and separately managed accounts.

Absence of Regulatory Oversight. While a Fund may be considered similar to an investment company, it does not intend to register as such under the Investment Company Act in reliance upon an exclusion available to privately-offered investment companies, and, accordingly, the provisions of the Investment Company Act (which, among other matters, require investment companies to have disinterested directors, require securities held in custody to at all times be individually segregated from the securities of any other client and marked to clearly identify such securities as the property of such investment company and regulate the relationship between the adviser and the investment company) will not be afforded to the Fund or its investors.

Risks in Effecting Operating Improvements. In some cases, the success of a Client's investment strategy will depend, in part, on the ability of the Adviser to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing restructuring programs and operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that the Client will be able to successfully identify and implement such restructuring programs and improvements.

Risks of Investments in Smaller, Less-Established Companies. A Client may invest in the securities of smaller, less-established companies, which may include founder-operated companies and family-owned businesses. These companies often experience unexpected problems in the areas of operations, marketing and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing which may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper can be small. In addition, the securities of such companies may be subject to more abrupt and erratic market price movements than larger, more-established companies, because trading volumes for their securities are generally quite low. Less-established companies tend to have less capital and fewer resources and, therefore, are often more vulnerable to financial failure. Such companies may also have shorter operating histories on which to judge future performance.

Growth Equity Transactions. A Client may make growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments may involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion to achieve or maintain a competitive position and/or to expand or develop management resources. Growth-equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

Limited Operating History of Portfolio Companies. The operations of Client portfolio companies will likely depend on the successful development and sales of each portfolio company's respective product offerings and services and the customers' experience. Certain portfolio companies of a Client may have limited operating histories with their respective products and services for which the Adviser can use to evaluate their performance and prospects.

Intellectual Property. Intellectual property may constitute an essential or important part of portfolio company assets and competitive strengths. One or more Fund and SMA portfolio companies are likely to assert various forms of intellectual property protection, while other portfolio companies will have not acquired patents or other protections for their key inventions. Federal law, most typically, copyright, patent, trademark, and trade secret law, generally protects intellectual property rights. Although each Client expects that its portfolio companies will take reasonable efforts to protect the rights to their intellectual property, third parties may develop similar intellectual property independently. Moreover, the complexity of trade secret, copyright, trademark and patent law, coupled with the limited resources of the portfolio companies and the demands of quick delivery of products and services to market, create a risk that portfolio company efforts to prevent misappropriation of their intellectual property will prove inadequate.

Risks Relating to Due Diligence and Conduct at Portfolio Companies; Fraud. Before a Client makes an investment, Elda River will conduct such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to the investment. Due diligence may entail marketing studies, business plan development, evaluation of important and complex business, financial, tax, accounting and legal issues as well as background investigations of individuals and feasibility and technical studies. Outside professionals, experts, consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment. The involvement of such third-parties may present a number of risks primarily relating to reduced control of the functions that are outsourced and may entail significant third party expenses, which will be borne by the relevant Client. In addition, if an Adviser is unable to timely engage third-party providers, its ability to make investments could be adversely affected. Due diligence investigations with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating the investment opportunity. Moreover, there can be no assurance that attempts to identify risks associated with an investment will achieve their desired effect. Prospective investors should regard an investment in a Client as being speculative and having a high degree of risk.

Instances of fraud, material misrepresentations or omissions, professional negligence and other deceptive practices committed by any seller of securities or assets of a portfolio company or such seller's representatives, by a portfolio company or any of its affiliates, members of senior management, employees, officers or directors, or by any other third party may undermine Elda River's due diligence efforts with respect to such companies and, if such fraud or other action or omission occurs, the relevant Client may suffer a material loss of capital and the value of the Client's investments may be adversely impacted. The Advisers will rely upon the accuracy and completeness of representations made by various persons in the due diligence process, and cannot guarantee such accuracy or completeness.

Expedited Transactions. Investment analyses and decisions by Elda River may be undertaken on an expedited basis in order for a Client to take advantage of investment opportunities. In such cases, the information available to Elda River at the time of an investment decision may be limited, and the Client may not have access to the detailed information necessary for a full evaluation of the investment opportunity.

Reinvestment. Under certain circumstances, proceeds distributable (or previously distributed) to the investors of a Fund that constitute a return of capital contributions may be retained and reinvested (or recalled for reinvestment) by the Fund or used (or recalled for use) by the Fund for any other proper purpose. Amounts available for recall will be restored to the investors' respective unfunded Commitments. Accordingly, an investor may be required to fund for investments or expenses during the term of a Fund in an aggregate amount that significantly exceeds its Commitment. To the extent such recalled or retained amounts are reinvested by a Fund, a limited partner will remain subject to investment and other risks associated with such investments. As a general matter, recycling and reinvestment will have the effect of amplifying a Fund's returns, either negative or positive, depending on the performance of investments.

Derivatives Risk. Clients may engage in derivative transactions, including the purchase and sale of derivative investments such as exchange-listed and over-the-counter put and call options on securities, equity, fixed income and interest rate indices, or total return swaps, as well as other financial instruments, and may enter into various interest rate transactions such as swaps, caps, floors or collars and invest in forward contracts. Clients also may purchase derivative investments that combine features of these instruments. The use of derivatives has risks, including the imperfect correlation between the value of such instruments and the underlying assets, the possible default of the other party to the transaction or illiquidity of the derivative investments. Furthermore, the ability to successfully use these techniques depends on the Adviser's ability to predict and advise with respect to pertinent market movements, which cannot be assured. No assurance can be given that the Adviser's judgment in this respect will be correct. Thus, the use of derivatives may result in losses greater than if they had not been used, may require a Client to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation the Client can realize on an investment or may cause the Client to hold securities that it might otherwise sell. Additionally, amounts paid by the Client as premiums and cash, or other assets held in margin accounts with respect to derivative transactions, are not otherwise available to the Client for investment purposes.

Counterparty and Custody Risk. When a Client invests in options, swaps, derivative or synthetic instruments, forward contracts, or other over-the-counter ("*OTC*") transactions, the Client is subject to credit risk with regard to parties with whom they trade and may also bear the risk of settlement default. These risks may differ materially from those entailed in transactions on exchanges, which generally are backed by clearing organization guarantees, daily marking to market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties may not benefit from such protections and expose the parties to the risk of counterparty default. Collapses of large derivative dealers illustrate the risks of such trading. In addition, the risk of default in the energy markets may be higher than in the financial markets due to, among other things, the limited sources of and inability to store certain forms of energy and the difficulty non-producers have hedging certain energy delivery obligations.

In addition, there are risks involved in dealing with the custodians or brokers who settle Client trades. Securities and other assets deposited with custodians or brokers may not be clearly identified as being assets of a Client, and hence the Client may be exposed to a credit risk with regard to such parties. In some jurisdictions, the Client may only be an unsecured creditor of its broker in the event of bankruptcy or administration of such broker. Further, there may be practical or time problems associated with enforcing a Client's rights to its assets in the case of an insolvency of any such party.

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

A Client is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Client would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Client generally also will result in fees, interest expense and other costs to such Client that may not be covered by distributions made to such Client or appreciation of its investments. While Client-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations, including with respect to the amount of time such leverage may remain outstanding. A Client generally is permitted to incur leverage on a joint, several, joint and several or cross-collateralized basis with one or more other Clients and entities managed by an Adviser or any of its affiliates, including through Client subsidiaries and other intermediate entities, and may have a right of contribution, subrogation or reimbursement from or against such entities. It is also possible that certain co-investors (including management, any roll-over investors

and/or third-party co-investors) will not share in incurring such leverage and that the Client will disproportionately bear the risk and/or costs of leverage arrangements. In addition, to the extent a Client incurs leverage (or provides such guaranties), such amounts are permitted to be secured by Commitments made by such Client's investors and such investors' contributions may be required to be made directly to the lenders instead of such Client.

Certain Risks and Costs of Leverage Below a Fund. Even though it presents many of the same risks as Fund-level borrowing, indebtedness of entities other than a Fund will not be treated as Fund-level borrowing for purposes of the Governing Documents, even if the special purpose vehicles or other entities incurring such leverage engage in borrowings that are cross-collateralized with or among multiple investments such that multiple investments and a substantial portion of a Fund's value are at risk. As a result, these borrowings will not be subject to any limitations on Fund-level borrowing in the Governing Documents. Since Elda River has more flexibility to engage in these structures, Elda River has an incentive to incur significant leverage at the level of holding companies beneath a Fund. The negative performance of one asset may materially and adversely impact the performance of other investments or a Fund as a whole. Furthermore, in certain circumstances, due to separate evaluations of creditworthiness by lenders or facility providers, a portfolio company or other Fund subsidiary is expected to bear higher rates under a borrowing facility than are borne by the Fund, resulting in a potential net benefit to the Fund, or additional potential liquidity constraints or other burdens on the relevant portfolio company or Fund subsidiary.

Capital Calls and Use of Revolving Credit Facilities. A Fund may make investments with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, the undrawn capital commitments of investors, *i.e.*, subscription lines) prior to calling capital commitments. The interest expense and other costs of any such borrowings will be borne by the applicable Fund and, accordingly, may decrease net returns of such Fund. A Fund's use of borrowed funds will impact the calculation of net performance metrics (*e.g.*, internal rate of return ("**IRR**") and multiple of invested capital) as these calculations generally depend on the amount and timing of capital contributions and will generally make net IRR and net multiple of invested capital calculations higher than they would be without Fund-level borrowing. Accordingly, Elda River has an incentive to fund the acquisition and ongoing capital needs of portfolio companies and the Funds with the proceeds of such borrowings in lieu of drawing down investor commitments on a long-term basis. In other circumstances, the use of Fund-level borrowing can increase the base of a Fund's Management Fee calculation, such as during periods where Management Fees are based in whole or in part on an acquisition cost that includes a borrowing component. The use of Fund-level borrowing arrangements, and the repayment or non-repayment thereof, can also influence the determination at the end of a Fund's investment period, and cause or defer a related change in the basis of the relevant Fund's Management Fee calculation under the Governing Documents.

Bridge Financing. A Fund may provide bridge financing in connection with one or more of its investments. As a result, a Fund will bear the risk of any changes in the capital markets, which may adversely affect the ability of an investment to refinance any bridge investments. If such investment were unable to complete a refinancing, the Fund could have a long-term investment in a junior security or that junior security might be converted to equity.

Co-Investments. The Adviser or General Partner may offer co-investment opportunities from time to time. Co-investors may have greater transparency or otherwise receive additional information with respect to such co-investment opportunities than all investors might generally receive even though a Client may have invested in the same asset.

In addition, certain co-investors may determine to engage the Adviser or its affiliates to advise it with respect to such co-investment opportunity and may agree to compensate the Adviser or its affiliates for such services. The Client and its investors will not participate in the profits or losses received by such other co-investors nor will the Client or its investors participate in the fees received by the Adviser or its affiliates with respect to such arrangements.

Where (i) non-affiliated co-investors participate in co-investment opportunities in parallel with the Adviser's or its affiliates' existing Clients or (ii) the Adviser or General Partner allows a co-investor to participate in an opportunity directly, it is possible that such a co-investor may have economic or business interests or goals that are inconsistent with those of the Client, or may be in a position to take (or block) action in a manner that is contrary to the Client's investment objectives. Similarly, in such situations, a co-investor may be able to sell some or all of its interest in a co-investment while the Client retains (or is required to retain) its interest, such that the Client remains at risk to the future performance of the co-investment while such other co-investor has already liquidated its position.

Inflation Risk. Inflation risk is the risk that the value of assets or income from investment will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of Client portfolios can decline. Certain countries have experienced and could in the future experience substantial, and in some periods extremely high, rates of inflation. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets (both public and private) of certain countries in which a Client may invest. There can be no assurance that high rates of inflation will not have a material adverse effect on the investments of a Client.

Cyber Security. Elda River and its Clients, as well as their respective affiliates, service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect Elda River, Clients and their investors, despite the efforts of Elda River and service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to Elda River Clients and their investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of Elda River, a Client's service providers, counterparties or data within these systems.

Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Elda River's systems to disclose sensitive information in order to gain access to Elda River's data or that of a Client or its investors. A successful penetration or circumvention of the security of Elda River's systems could result in the loss, theft or corruption of an investor's data, a loss of Client data, a loss of funds, the inability to access electronic systems,

overall disruption in operations systems, loss, theft or corruption of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. These threats may also indirectly affect a Client through cyber incidents with third-party service providers or counterparties. Data taken in such breaches may be used by criminals in identity theft, obtaining loans or payments under false identities, and other crimes that could affect investors directly, as well as affect the value of assets in which a Client invests. These risks can disrupt the ability to engage in transactional business, cause direct financial loss and reputational damage, lead to violations of applicable laws related to data and privacy protection and consumer protection or incur regulatory penalties, all or part of which may not be covered by insurance. Cybersecurity risks also result in ongoing prevention and compliance costs. In addition, Elda River and/or its Clients may incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information and adverse reputational reaction or litigation.

Similar types of operational and technology risks are also present for the portfolio companies in which Clients invest, which could have material adverse consequences for such companies, and may cause Client investments to lose value and negatively impact returns to investors.

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

Other jurisdictions, including other U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose similarly significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include Elda River, the General Partners, Clients and/or their portfolio companies.

Natural Disasters, Terrorist Acts and Similar Dislocations. Upon the occurrence of a natural disaster such as flood, hurricane, or earthquake, or upon an incident of war, riot or civil unrest, the impacted country may not efficiently and quickly recover from such event, which can have a materially adverse effect on portfolio companies and other developing economic enterprises in such country. Terrorist attacks and related events can result in increased short-term economic volatility. The effects of future terrorist acts (or threats thereof), military action or similar events

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

Alternative and Renewable Energy. The success of the Energy Transition Companies in which Clients invest depends, to a degree, on the availability of rebates, tax credits and other financial incentives and government policies affecting the purchase and use of energy generated from solar, wind and other alternative and renewable resources, changes in which could reduce the demand for these services and impair margins. Such changes can occur with little advance warning and opportunities to mitigate the consequences in any single jurisdiction may be limited. Investments in Energy Transition Companies face the risk that the current incentives will expire or become modified in the future thereby adversely affecting existing projects, economic performance and future potential for growth in this area. For example, the United States government has established production tax credits ("PTCs") for wind energy projects and investment tax credits ("ITCs") for solar energy projects, both of which have been extended several times but are currently subject to a phasedown. Additionally, changes to global political and economic conditions negatively can impact the alternative and renewable energy industry. The success of investments in Energy Transition Companies is dependent on market growth in the alternative and renewable energy industry. A drop in the retail price of conventional energy or non-renewable energy sources may negatively impact the returns on such investments. The demand for alternative and renewable energy systems, services and products depends in part on the price of conventional energy, which affects return on investment resulting from the purchase of alternative and renewable energy. Fluctuations in economic and market conditions that impact the prices of conventional and non-renewable energy sources, such as decreases in the prices of oil and other fossil fuels, could cause the demand for alternative and renewable energy systems, services and products to decline, which would have a negative impact on investments in alternative and renewable energy projects. Changes in utility electric rates could also have a negative effect on the return of such investments.

Renewable Energy Industry. Companies engaged in the renewable energy industry may be significantly affected by increased competition from new and existing market entrants, technological developments, obsolescence of technology and short product cycles. In addition, the renewable energy industry is at a relatively early stage of development and the extent to which certain forms of renewable energy will be widely adopted is uncertain. Companies in this industry may also be significantly affected by general economic conditions such as varying prices and profits, commodity price volatility, changes in exchange rates, imposition of import controls, discovery or depletion of resources, fluctuations in energy prices and supply and demand of alternative energy fuels, energy conservation, labor relations and tax and other government regulations. Investments in companies involved in the renewable energy industry have historically been more volatile than investments in companies operating in more established industries. Historically low prices for traditional fossil fuels, particularly natural gas, could cause demand for renewable resources to decrease and adversely affect a Client's investments in renewable energy companies. If various federal and state government subsidies and economic incentives for alternative energy sources are reduced or eliminated, or if there is uncertainty as to whether such subsidies and incentives will be continued, the demand for renewable energy may decline and cause corresponding declines in the revenues and profits of companies engaged in the renewable energy industry. Certain renewable energy projects are highly regulated, require various governmental approvals and permits, including environmental approvals and permits, and may be

subject to the imposition of related conditions that vary by jurisdiction. In some cases, these approvals and permits require periodic renewal and a subsequently issued permit may not be consistent with the permits initially issued. In other cases, these permits may require compliance with terms that can change over time. Seeking the permits may attract significant opposition and lead to complexities, legal claims or appeals. Delay in the review and permitting process for a renewable energy project can impair or delay a project or increase the cost such that the project no longer gives rise to attractive investment opportunities to a Client.

Commodity Price Risk. Returns on Client investments will be dependent on the operating margins achieved and cash flows generated by the companies in which it invests from the exploration, development, production, gathering, transportation, trans-loading, processing, fractionating, storage, refining, distribution, mining or marketing of, coal, natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons. These operating margins and cash flows may fluctuate widely in response to a variety of factors, including global and domestic economic conditions, weather conditions.

Cyclical Risk. The operating results of companies in the broader natural resource sector are cyclical, with fluctuations in commodity prices and demand for commodities driven by a variety of factors. Commodity prices and natural resource asset values are near historically high levels. The highly cyclical nature of the natural resource sector may adversely affect the earnings or operating cash flows of Natural Resource Companies.

Supply Risk. The profitability of Natural Resource Companies, particularly those involved in processing, gathering and pipeline transportation, may be materially affected by the volume of natural gas or other energy commodities available for transportation, processing, storage or distribution. A significant decrease in the production of natural gas, crude oil, coal or other energy commodities, due to the decline of production from existing resources, import supply disruption, depressed commodity prices or otherwise, would reduce the revenue, operating income and operating cash flows of Natural Resource Companies and, therefore, their ability to make distributions or pay dividends.

Demand Risk. A sustained decline in demand for coal, natural gas, natural gas liquids, crude oil and refined petroleum products could adversely affect a Natural Resource Company's revenues and cash flows. Factors that could lead to a sustained decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity that is not, or is not expected to be, merely a short-term increase, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. Demand may also be adversely affected by consumer sentiment with respect to global warming and by state or federal legislation intended to promote the use of alternative energy sources.

Risks Relating to Expansions and Acquisitions. Energy Companies utilize a variety of strategies to increase cash flow, including increasing utilization of existing facilities, expanding operations through new construction or development activities, expanding operations through acquisition, or securing additional long-term contracts. Thus, some Energy Companies may be subject to construction risk, development risk, acquisition risk or other risks arising from their specific business strategies. Energy Companies that attempt to grow through acquisitions may not be able to effectively integrate acquired operations with their existing operations. In addition,

acquisition or expansion projects may not perform as anticipated. A significant slowdown in merger and acquisition activity in the natural resource, alternative and/or renewable energy/infrastructure sectors could reduce the growth rate of cash flows received by Clients from Energy Companies that grow through acquisitions.

Competition Risk. The natural resource, alternative and renewable energy/infrastructure sectors are highly competitive. Energy Companies in which Clients will invest will face substantial competition from other companies, many of which will have greater financial, technological, human and other resources, in acquiring natural resource, alternative and/or renewable energy assets, obtaining and retaining customers and contracts and hiring and retaining qualified personnel. Larger companies may be able to pay more for assets and may have a greater ability to continue their operations during periods of low commodity prices. To the extent that Energy Companies in which Clients will invest are unable to compete effectively, their operating results, financial position, growth potential and cash flows may be adversely affected, which could in turn adversely affect the results of Clients.

Weather and Climate Risk. Global climate change is widely considered to be a significant threat to the global economy. Energy transition and infrastructure assets may face risks from the physical effects of climate change, such as risks posed by increasing frequency or severity of extreme weather events and rising sea levels and temperatures. Also, the performance of certain renewable energy assets, such as solar power generators, wind turbines, and hydropower assets, is dependent on weather conditions, which could shift as a result of global climate change. Further, the Paris Agreement and other initiatives by international, federal, state, and regional policymakers and regulatory authorities as well as private actors seeking to reduce greenhouse gas emissions may expose infrastructure assets to transition risks in addition to physical risks, such as: (i) political and policy risks (e.g., changing regulatory incentives and legal requirements, including with respect to greenhouse gas emissions, that could result in increased costs or changes in business operations); (ii) technology and market risks (e.g., declining market for products and services seen as less effective than alternatives in reducing greenhouse gas emissions); and (iii) litigation and reputational risks (e.g., risks tied to customer or community perceptions of an asset's relative contribution to greenhouse gas emissions). Extreme weather conditions, such as hurricanes, could result in substantial damage to the facilities of certain Energy Transition Companies located in the affected areas and significant volatility in the earnings of Energy Transition Companies, and could therefore adversely affect their securities. Weather and climate risks may negatively impact a Client's investments.

Construction Risk. Where a Client invests in new infrastructure projects, such investments may involve significant construction risk, including the risk of substantial delay or increase in cost due to a number of unforeseen factors, or a failure by one or more of the participants to perform in a timely manner their contractual, financial or other commitments. A material delay or increase in unabsorbed cost could significantly impair the financial viability of an infrastructure investment project and result in a material adverse effect on the Client's investment.

Interest Rate Risk. The prices of the equity and debt securities of Energy Companies in which Clients invest are susceptible in the short term to a decline when interest rates rise. Rising interest rates could limit the capital appreciation of securities of certain investments as a result of the increased availability of alternative investments with yields comparable to those investments.

Rising interest rates could adversely affect the financial performance of Energy Companies generally by increasing their cost of capital. This may reduce their ability to execute acquisitions or expansion projects in a cost-effective manner.

Sub-Sector Specific Risk. Energy Companies are also subject to risks that are specific to the particular sub-sectors of the natural resources, alternative and renewable energy/infrastructure sectors in which they operate.

- *Pipelines.* Pipeline companies are subject to the demand for natural gas, natural gas liquids, crude oil or refined products in the markets they serve, changes in the availability of products for gathering, transportation, processing or sale due to natural declines in reserves and production in the supply areas serviced by the companies' facilities, sharp decreases in crude oil or natural gas prices that cause producers to curtail production or reduce capital spending for exploration activities, and environmental regulation. Demand for gasoline, which accounts for a substantial portion of refined product transportation, depends on price, prevailing economic conditions in the markets served, and demographic and seasonal factors. Companies that own interstate pipelines that transport natural gas, natural gas liquids, crude oil or refined petroleum products are subject to regulation by the U.S. Federal Energy Regulatory Commission ("**FERC**") with respect to the tariff rates they may charge for transportation services. An adverse determination by FERC with respect to the tariff rates of such companies could have a material adverse effect on their business, financial condition, results of operations, cash flows and ability to pay cash distributions or dividends. In addition, there is substantial uncertainty regarding the outcome of legal proceedings relating to FERC's tax allowance policy, which permits such companies to include in their cost of service an income tax allowance to the extent that their owners have an actual or potential tax liability on the income generated by them. If FERC's income tax allowance policy were to change in the future to disallow a material portion of the income tax allowance taken by such interstate pipeline companies, it would adversely affect the maximum tariff rates that such companies are permitted to charge for their transportation services, which would in turn adversely affect the results of operations and cash flows of those companies and their ability to pay cash distributions or dividends to their unit holders or shareholders.
- *Gathering and Processing.* Gathering and processing companies are subject to natural declines in the production of oil and natural gas fields, which utilize their gathering and processing facilities as a way to market their production. Prolonged declines in the price of natural gas or crude oil, which curtail drilling activity and therefore production, and declines in the prices of natural gas liquids and refined petroleum products, may lower processing margins. In addition, some gathering and processing contracts subject the gathering or processing company to direct commodities price risk.
- *Fracturing.* Federal and state governments have recently been scrutinizing the process of hydraulic fracturing, which is a process used to enhance the extraction of underground resources, including natural gas, oil and geothermal energy. This scrutiny could result in more stringent regulation of the hydraulic fracturing process. In addition, recent lawsuits have targeted the alleged environmental effects of hydraulic fracturing. These measures could have a significant adverse impact on the profitability of Natural Resource Companies

using this process.

- *Exploration and Production.* Exploration, development and production companies are particularly vulnerable to declines in the demand for and prices of crude oil and natural gas. Reductions in prices for crude oil and natural gas can cause a given reservoir to become uneconomic for continued production earlier than it would if prices were higher, resulting in the plugging and abandonment of, and cessation of production from, that reservoir. In addition, lower commodity prices not only reduce revenues but also can result in substantial downward adjustments in reserve estimates. The accuracy of any reserve estimate is a function of the quality of available data, the accuracy of assumptions regarding future commodity prices and future exploration and development costs and engineering and geological interpretations and judgments. Different reserve engineers may make different estimates of reserve quantities and related revenue based on the same data. Actual oil and gas prices, development expenditures and operating expenses will vary from those assumed in reserve estimates, and these variances may be significant. Any significant variance from the assumptions used could result in the actual quantity of reserves and future net cash flow being materially different from those estimated in reserve reports. In addition, results of drilling, testing and production and changes in prices after the date of reserve estimates may result in downward revisions to such estimates. Substantial downward adjustments in reserve estimates effect on a given exploration and production company's financial position and results of operations. In addition, due to natural declines in reserves and production, exploration and production companies must economically find or acquire and develop additional reserves in order to maintain and grow their revenues and distributions.
- *Propane.* Propane companies are subject to earnings variability based upon weather patterns in the locations where they operate and increases in the wholesale price of propane, which reduce profit margins. In addition, propane companies are facing increased competition due to the growing availability of natural gas, fuel oil and alternative energy sources for residential heating.
- *Coal.* Coal companies are subject to declines in the demand for and prices of coal. Demand variability can be based on weather conditions, the strength of the domestic economy, the level of coal stockpiles in their customer base, and the prices of competing sources of fuel for electric generation. They are also subject to supply variability based on geological conditions that reduce the productivity of mining operations, the availability of regulatory permits for mining activities and the availability of coal that meets the standards of the federal Clean Air Act. Demand and prices for coal may also be affected by current and proposed regulatory limitations on emissions from coal-fired power plants and the facilities of other coal end-users. Such limitations may reduce demand for the coal produced and transported by coal companies. Certain coal companies could face declining revenues if they are unable to acquire additional coal reserves or other mineral reserves that are economically recoverable.
- *Metals.* The price of metals has fluctuated widely over the past several years. Several factors may affect the price of metals, including: global supply and demand, which is influenced by such factors as industrial uses, central bank purchases and sales, and production and cost levels in metals producing countries. Economic weakness in rapidly

developing economies such as China and India and flat to declining consumption in developed economies such as the United States could all have negative implications for demand. There is also increasing sovereign risk globally as governments try to increase their rents from mining projects. Excessive investment by mining companies trying to maintain or increase production levels could create price volatility. Production targets could lead mining companies to overspend on acquisitions or embark on costly projects during a time of uncertain economic growth and volatile prices. The price of precious metals, specifically, may also be influenced by investors' expectations with respect to the rate of inflation, currency exchange rates, interest rates, investment and trading activities of hedge funds and commodity funds, and global or regional political, economic or financial events. In addition, there is no assurance that any precious metal will maintain its long-term value in terms of purchasing power. Any decline of prices of precious metals could have a materially adverse impact on the value of a Client's investments.

- *Marine Shipping.* Marine shipping companies are subject to supply of and demand for, and the level of consumption of, natural gas, liquefied natural gas, crude oil, refined petroleum products and liquefied petroleum gases in the supply areas and market areas they serve, all of which affect the demand for marine shipping services and therefore charter rates. Shipping companies' vessels and cargoes are also subject to the risk of being damaged or lost due to marine disasters, extreme weather, mechanical failures, grounding, fire, explosions, collisions, human error, piracy, war and terrorism. Some vessels may also require replacement or significant capital improvements earlier than otherwise required due to changing regulatory standards. Shipping companies or their ships may be chartered in any country and the Client's investments in such issuers may be subject to risks similar to risks related to investments in non-U.S. securities.
- *Service Companies.* The success of service companies may depend on their ability to meet the changing needs of customers, requiring them to successfully anticipate and respond to technological changes and processes in a cost-effective and timely manner. The introduction of new products and the emergence of shifting customer demands or changing industry standards could render existing services and products obsolete and unmarketable, which would have a significant effect on their ability to generate revenue. The business of a services company also may be adversely affected if it is unable to protect any patents and proprietary technology, as competitors may develop or patent similar technology used for services, and make this technology available to customers at a lower cost or on better contractual terms. In addition, services companies may be dependent upon a limited number of suppliers, and a supplier's failure to provide products that meet quality, quantity, cost, or timeliness requirements, or an inability to obtain substitute sources on a timely basis, could violate contractual obligations. Services companies also may have a history of operating losses, may not be able to achieve profitability and may require additional capital to sustain their businesses.
- *Equipment Manufacturing Companies.* Equipment manufacturing companies may rely on limited numbers of suppliers for raw materials, parts, components, and sub-assemblies, and are subject to the risk that suppliers may fail to fulfill commitments, resulting in the disruption of production, delays in shipment, increasing costs, and quality concerns. A significant portion of sales may be concentrated among a limited number of customers, and

the loss or significant reduction in purchase orders could adversely affect equipment manufacturing companies' financial condition and operations. Equipment manufacturing companies also may place orders for raw materials, parts, components, and subassemblies based on long-term forecasts. As demand may rapidly change, particularly during a downturn in the industry or adverse economic conditions, it may not be possible to timely amend orders. Equipment manufacturing companies may also utilize fixed-price contracts, and in such circumstances would be typically responsible for cost overruns. There is an inherent risk in the estimation process, including significant unforeseen technical and logistical challenges or longer than expected lead times. Equipment manufacturing companies may be exposed to intellectual property or potential product liability claims, which are inherent in the manufacturing, marketing and sale of products, and may face substantial liability for damages resulting from the faulty manufacture of products or improper use of products by end users.

Cash Flow Risk. Clients will derive some of their cash flows from investments in equity securities of Energy Companies. The amount of cash that a Client has available to distribute to investors will depend on the ability of the Energy Companies in which the Client has an interest to make distributions or pay dividends to their investors and the tax character of those distributions or dividends. Clients will likely have no influence over the actions of Energy Companies in which they invest with respect to the payment of distributions or dividends. The amount of cash that any individual Energy Company can distribute to its investors, including a Client, will depend on the amount of cash it generates from operations, which will vary from quarter to quarter depending on factors affecting the natural resource, alternative and/or renewable energy/infrastructure sector generally and the particular business lines of the issuer. Available cash will also depend on Energy Company's operating costs, capital expenditures, debt service requirements, acquisition costs (if any), fluctuations in working capital needs and other factors.

Regulatory Risk. The profitability of Energy Companies could be adversely affected by changes in the regulatory environment. Energy Companies are subject to significant foreign, federal, state and local regulation in virtually every aspect of their operations, including with respect to how facilities are constructed, maintained and operated, environmental and safety controls, and the prices they may charge for the products and services they provide. Such regulation can change over time in both scope and intensity. For example, a particular by-product may be declared hazardous by a regulatory agency and unexpectedly increase production costs. Various governmental authorities have the power to enforce compliance with these regulations and the permits issued under them, and violators are subject to administrative, civil and criminal penalties, including civil fines, injunctions or both. Stricter laws, regulations or enforcement policies could be enacted in the future which would likely increase compliance costs and could adversely affect the financial performance of Energy Companies. Specifically, the operations of wells, gathering systems, pipelines, refineries and other facilities are subject to stringent and complex federal, state and local environmental laws and regulations.

Additionally, the SEC has proposed and enacted significant rules that will impact the business of Elda River and its Clients. In particular, the SEC has adopted a number of new rules that impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose and/or adopt additional rules in the future. Such current and future rulemaking is expected to materially impact Elda River and its Clients, which are expected

to bear increased and significant costs as a result of such enacted and proposed rules—including costs related to limited partner reporting and disclosures to investors. Significant time and resources are expected to be required to comply with the new regulations, which potentially will detract from the time and resources dedicated to Clients. Certain rules are or may become subject to legal challenge from private fund industry groups and others, and to the extent such legal challenges are successful, investors and limited partners will not be afforded some or all of the protections provided by such rules.

Affiliated Party Risk. Certain Energy Companies are dependent on their parents or sponsors for a majority of their revenues. Any failure by an Energy Company's parent or sponsor to satisfy their payments or obligations would impact such Energy Company's revenues and cash flows and ability to make distributions. Moreover, the terms of an Energy Company's transactions with its parent or sponsor are typically not arrived at on an arm's-length basis, and may not be as favorable to the company as a transaction with a non-affiliate.

Catastrophe Risk. The operations of Natural Resource Companies are subject to many hazards inherent in the exploration for, and development, production, gathering, transportation, processing, storage, refining, distribution, mining or marketing of, coal, natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons, including damage to production equipment, pipelines, storage tanks or related equipment and surrounding properties caused by hurricanes, tornadoes, floods, fires and other natural disasters or by acts of terrorism; inadvertent damage from construction or other equipment; leaks of natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons; and fires and explosions. These risks could result in substantial losses due to personal injury or loss of life, severe damage to and destruction of property and equipment and pollution or other environmental damage, and might result in the curtailment or suspension of their related operations. Not all Natural Resource Companies are fully insured against all risks inherent to their businesses. If a significant accident or event occurs that is not fully insured, it could adversely affect a Natural Resource Company's operations and financial condition.

Control Position Risk. Clients are generally expected to make investments from time-to-time that allow the Client to acquire control or exercise influence over management and the strategic direction of portfolio companies. The exercise of control over a portfolio company imposes additional risks of liability for environmental damage, workplace accidents, failure to supervise management and other types of liability in which the limited liability characteristic of business operations generally may be ignored. The exercise of control over an investment could expose the assets of the Client to claims related to such investment, its investors and its creditors. While the Adviser intends to manage Clients in a manner that will minimize the exposure of these risks, the possibility of successful claims cannot be precluded.

Sector Concentration Risk. The focus of any Client in the natural resources, alternative and/or renewable energy/infrastructure sectors may present more risks than if the Client were broadly diversified over numerous unrelated industry sectors. At times, the performance of a Client's investments in the natural resources, alternative and/or renewable energy/infrastructure sectors may lag the performance of other industry sectors or the broader market as a whole. Such underperformance may continue for extended periods of time. There are risks inherent in the natural resource, alternative and renewable energy/infrastructure sectors and the businesses of

Energy Companies. To the extent a Client invests a relatively high percentage of its assets in Energy Companies, the Client may be more susceptible than a more widely diversified investment company to any single economic, political or regulatory occurrence.

Difficulty in Valuing Investment Portfolio. Client portfolio companies will be valued from time to time at fair market values. Securities of portfolio companies that are publicly traded for which market prices are readily available will be valued based on trading prices; however, for almost every portfolio company, there will likely be no public market for its securities. Thus, the valuation of portfolio companies inherently is highly subjective and imprecise and requires the use of techniques that are costly and time consuming and ultimately provide no more than an estimate of value. In establishing the value of Client portfolio companies, the relevant Adviser (or an affiliate thereof, including the relevant General Partner, where applicable) may also consult with accounting firms, investment banks and other third parties when needed, to assist with the valuation of Client investments. However, there can be no assurance that an Adviser will have all information necessary to make valuation decisions or that any information provided by third parties on which such decisions are based will be correct. Valuations cannot necessarily be substantiated by comparison to available market data, including public markets. The value set by the Adviser (or an affiliate thereof, including the relevant General Partner, where applicable) or such third party may not reflect the price at which the Client could dispose of its interests in a particular portfolio company at any given time. Ultimately, there can be no assurance that the valuation decision with respect to an investment will represent the value ultimately realized by the Client on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. While the Advisers regularly seek third-party input on valuations for investments, an Adviser is not obligated to follow any such third-party methodology in making its determination on whether an investment should be written off or otherwise permanently impaired and is entitled to make its own determination, taking into account all facts and circumstances it deems relevant. Accordingly, an Adviser may be incentivized to increase valuations or assign undue importance to factors that would justify an investment not being deemed worthless.

Liquidity Risk. The investments made by a Client may be illiquid and consequently the Client may not be able to sell such investments at prices that reflect the Adviser's assessment of their value, the amount paid for such investments by the Client or the value at which the Client is carrying the securities on its books. Furthermore, the nature of the Client's investments may require a long holding period prior to profitability.

Clients are expected to invest in unregistered or otherwise restricted securities. Unregistered securities are securities that cannot be sold publicly in the United States without registration under the Securities Act, unless an exemption from such registration is available. Restricted securities may be more difficult to value and the Fund may have difficulty disposing of such assets either in a timely manner or for a reasonable price. In order to dispose of an unregistered security, the Fund, where it has contractual rights to do so, may have to cause such security to be registered. A considerable period may elapse between the time the decision is made to sell the security and the time the security is registered or is otherwise capable of being sold, enabling the Client to sell it. The contractual restrictions on the resale of securities vary in length and scope and are generally the result of a negotiation between the issuer and the acquirer of the securities. The Client would, in either case, bear the risks of any downward price fluctuation during that period.

The difficulties and delays associated with selling restricted securities could result in the Client's inability to realize a favorable price upon disposition of such securities, and at times might make disposition of such securities impossible.

ESG Considerations. With respect to certain investment strategies, the Adviser endeavors to evaluate material ESG criteria in the course of the due diligence process, portfolio monitoring and exit of investments. The application of, and weight attributable to, ESG criteria will vary based on the relevant Client's investment mandate. There are no universally accepted ESG investing standards and not all investors may agree on the appropriate ESG investing standards to apply in any particular situation or generally. Further, climate and ESG considerations as a whole are evolving rapidly and there are different frameworks and methodologies being implemented by other asset managers. The Adviser's approach may not align with the approach used by other asset managers or preferred by prospective investors or with future market trends. Further, the Adviser may determine in its discretion that it is not feasible or practical to implement or complete certain of its ESG initiatives based on cost, timing or other considerations. A Client may forego potentially lucrative investment opportunities to the extent the Adviser determines that such investments are inconsistent with the Client's investment objective and strategies. Such determinations could have an adverse impact on the results of the Client's performance. The Adviser's broader ESG program, may, to the extent it identifies material economic risks associated with an investment, cause a Client not to make an investment that it would have made or to make a management decision with respect to a portfolio company differently than it would have made in the absence of its ESG program. Although the Adviser believes its broader ESG program will enhance the performance of the portfolio companies in which Clients invest over the long-term, the Adviser cannot guarantee that its ESG program, which depends in part on qualitative judgments, will positively impact the financial, climate, or ESG performance of any individual portfolio company or any Client as a whole. Similarly, to the extent the Adviser or a third-party ESG specialist engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial or ESG performance of the investment. In addition, the Adviser's ESG programs and policies may change over time. In addition, in evaluating a company, the Adviser often depends upon information and data provided by the company or obtained via third-party reporting or advisors, which may be incomplete or inaccurate and could cause the Adviser to incorrectly assess the company's ESG practices and/or related risks and opportunities. Notwithstanding the foregoing and for the avoidance of doubt, it is not contemplated that the Adviser will subordinate investment return or increase investment risks for a Client as a result of (or in connection with) the foregoing climate and ESG considerations.

There is also growing regulatory interest, particularly in the U.S., UK, and EU, in improving transparency around how asset managers define and measure climate and ESG performance, in order to allow investors to validate and better understand sustainability claims. The Adviser's ESG program could become subject to additional regulation in the future (including pursuant to the various legislative initiatives stemming from the action plan on sustainable finance adopted by the EU Commission in March 2018), and the Adviser cannot guarantee that its current approach will meet future regulatory requirements or best practices.

Market Disruption, Health Crises, Terrorism and Geopolitical Risk. The Advisers and the Clients are subject to the risk that war, terrorism, global health crises or similar pandemics, and other related geopolitical events may lead to increased short-term market volatility and have

adverse long-term effects on world economies and markets generally, as well as adverse effects on issuers of securities and the value of the Clients' investments. War, terrorism and related geopolitical events, as well as global health crises and similar pandemics have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events as well as other changes in world economic, political and health conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of the Clients' investments. At such times, exposure to a number of other risks described elsewhere in this section can increase.

Clients may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to Clients from banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to a Client. Market disruptions may from time to time cause dramatic losses for a Client, and such events can subject otherwise historically low-risk strategies to unprecedented volatility and risk.

Financial Institution Risk; Distress Events. An investment in a Client is subject to the risk that one or more of the Client's banks, brokers, hedging counterparties, lenders to or other custodians of some or all of the Client's assets (each, a "**Financial Institution**") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a "**Distress Event**"). Distress Events can be caused by various factors, including eroding market sentiment, significant withdrawals (e.g., a bank run in which depositors collectively withdraw their balances within a short period of time), fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, Elda River, its Clients and/or their respective portfolio companies may not be able to access deposits, borrowing facilities or other services for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, or the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance (including Client assets maintained with qualified custodians pursuant to Rule 206(4)-2 under the Advisers Act) are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of the Advisers to manage the Clients and their portfolio investments, and on the ability of the Advisers, any Client and/or portfolio investments to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Although the Advisers seek to do business with Financial Institutions believed to be creditworthy and capable of fulfilling their respective obligations to the Clients, the Advisers are under no obligation to use a minimum number of Financial Institutions with respect to any Client or to maintain account balances at or

below the relevant insured amounts. Furthermore, such balances maintained by the Advisers and the Clients are generally expected to fluctuate, including with respect to the Funds in connection with capital calls to limited partners and dispositions of investments, and certain balances from time to time will substantially exceed applicable deposit insurance.

Investment Platforms. A Fund, alone or co-investing alongside third parties (including separately managed accounts) may create or acquire companies that serve as a platform for investment in a particular sector, geographic area or other niche (such arrangements, “***Investment Platforms***”). In the case of acquired Investment Platforms, a Fund may rely on the existing management, board of directors (or similar governing body) and other shareholders of such companies, which may include representation of other financial investors with whom the Fund is not affiliated and whose interests may conflict with the interests of the Fund. In other cases, a Fund may recruit a management team to pursue a new Investment Platform expected to lead to the formation of a future Investment Platform. A Fund may also form a new portfolio company and recruit a management team to build the Investment Platform through acquisitions and organic growth. The Fund or the Investment Platform, as applicable, will bear the expenses of such management team and their activities, including any overhead expenses, employee compensation, diligence expenses or other related expenses in connection with backing the management team or building out the Investment Platform. Such expenses may be borne directly by a Fund or indirectly as the Fund bears the start-up and ongoing expenses of the newly formed Investment Platform. There can be no assurance that such management team will lead to a successful Investment Platform or other portfolio company investments. In certain cases, the services provided by such management team may overlap with the services provided by the Adviser to the Fund. The compensation of management of an Investment Platform may include interests in the profits of the Investment Platform, including profits realized in connection with the disposition of an asset. Although an Investment Platform may be controlled by a Fund, members of the management team will not be treated as affiliates of the General Partner for purposes of the LLC Agreement. Accordingly, none of the expenses, profit interests or other arrangements described above will offset the Management Fee.

Toehold Investments. While not a primary focus of a Fund’s strategy, a Fund may accumulate minority positions in the outstanding debt securities or in voting stock, or securities convertible into the voting stock, of potential portfolio companies. While the General Partner will seek to achieve such accumulation through open market purchases, registered tender offers, negotiated transactions or private placements, the General Partner may be unable to accumulate a sufficiently large position in a portfolio company to execute its strategy. In such circumstances, a Fund may dispose of its position in the portfolio company within a short time of acquiring it; there can be no assurance that the price at which the Fund can sell such securities will not have declined since the time of acquisition. Moreover, this may be exacerbated by the fact that securities of the companies that a Fund may target may be thinly traded and that the Fund’s position may nevertheless have been substantial, although not controlling, and its disposal may depress the market price for such securities.

Investments in Public Companies. While none of the Clients expects investments in public companies to be a meaningful focus of its efforts, they may invest in public companies. Investments in public companies may subject a Client to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without

limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability to dispose of such securities at certain times (including due to the possession of material non-public information), increased likelihood of shareholder litigation against such companies' board members, which may include members of the Elda River investment team, regulatory action by the domestic or foreign securities regulators and increased costs associated with each of the aforementioned risks.

In addition, in connection with investments in public companies, a Client may be unable to obtain financial covenants or other contractual rights that it might otherwise be able to obtain in making directly originated or otherwise privately negotiated investments. Moreover, a Client may not have the same access to information in connection with investments in public securities, either when investing a potential investment or after making an investment, as compared to privately negotiated investments. A Client may also be limited in its ability to make investments, and to sell existing investments, in public securities because it may be deemed to have material, non-public information regarding the issuers of those securities. The inability to sell public securities in these circumstances could materially adversely affect the investment results of the relevant Client.

Investments in Special Situations and Distressed Companies. A Client may make investments in portfolio companies that are experiencing or are expected to experience financial difficulties which may never be overcome. These financial difficulties may cause such portfolio companies to become subject to bankruptcy proceedings and could, in certain circumstances, subject the Client to certain additional potential liabilities which may exceed the value of the Client's investment therein. For example, under certain circumstances, lenders who have inappropriately exercised control over the management and policies of a debtor may have their claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. Certain Client investments may be originated by or acquired from persons or entities, including financial institutions, that are insolvent, in serious financial difficulty or are no longer in existence and, as a result, the standards by which such investments were originated, the recourse to the seller or the standards by which such investments are being developed may be materially and adversely affected. Additionally, under certain circumstances, payments to, and distributions by, a Client to investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy and insolvency laws.

Failure to Make Capital Contributions. The interests of a Fund may be materially and adversely affected by the failure of an investor to meet its contribution or other payment obligations to the Fund (whether arising through an investor's default, its excuse or exclusion from one or more investments, or a permitted withdrawal or removal from the Fund). If an investor fails to make any contribution or payment to a Fund for any reason, the other investors may be required to fund the shortfall, with the consequence that the non-defaulting investors may have greater exposure to the Fund's investments or liabilities than they otherwise would. An investor's failure to make any contribution or payment to a Fund for any reason could also cause the Fund to be unable to meet the Fund's obligations when due, which could materially and adversely impair the Fund's ability to execute on its investment strategy or to otherwise continue operations. In such event, the relevant Fund may be subjected to significant liabilities or penalties that could materially reduce the returns to the participating investors (including non-defaulting investors). A substantial default by (or discontinued participation of) one or more investors would leave a Fund with less

available capital commitments and would limit opportunities for investment diversification and likely reduce returns to the Fund.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a portfolio company, whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons. There is no assurance that any Fund will make such follow-on investments or that any 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 impact on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made) or may result in a lost opportunity for such Fund to increase its participation in a successful operation. To the extent a portfolio company receives additional investments or other funding and the applicable Fund does not participate, such Fund's interest in such portfolio company would be diluted.

Non-U.S. Investments. Clients may invest in companies that are organized and/or have substantial sales or operations outside of the U.S., its territories and possessions. These investments may involve special risks not typically associated with investments in securities of U.S. issuers, including: (a) economic and political factors, such as the risk of expropriation, restrictions on repatriation of profits, and political and social instability; (b) potentially unsettled points of applicable governing law; (c) differences among U.S. and foreign practices, including the absence of uniform accounting, auditing, and financial reporting standards in foreign markets, the relatively greater price volatility and illiquidity of foreign securities markets; (d) the risks associated with fluctuating currency exchange rates and capital repatriation regulations (as such regulations may be given effect during the term of a Fund or investment); and (e) the application of complex tax rules to cross border investments, possible imposition of non-U.S. taxes on a Client or investors with respect to a Client's income, as well as possible non-U.S. tax return filing requirements for such Client and investors.

Boards of Directors—Director Liability and Compensation. The Funds will often obtain the right to appoint a representative to the board of directors (or similar governing body) of the companies in which they invest. Serving on the board of directors (or similar governing body) of a portfolio company exposes a Fund's representatives, and ultimately the Fund, to potential liability. Although portfolio companies often seek insurance to protect directors and officers from such liability, not all portfolio companies may obtain such insurance, which may be insufficient if obtained.

As a result of certain Funds' controlling interests in portfolio companies, Elda River and/or its affiliates typically have the right to appoint portfolio company board members, or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to Elda River and/or its affiliates. Such amounts will be in addition to any Management Fees, carried interest and/or incentive allocation paid by a Fund to Elda River. Such payments subject Elda River and its affiliates to conflicts of interest because the Funds generally do not have an

interest or share in these payments (other than, in certain cases, subject to the fee offsets described in “*Fees and Compensation*” above) and the amount of such payments may be substantial.

Risk upon Disposition of Certain Investments. In connection with the disposition of an investment in a portfolio company, the Funds may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of a business and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investment to the extent that any such representations or disclosure documents turn out to be inaccurate. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the Fund partners to the extent of their Commitments, plus any income or gains distributed in excess of their Commitments.

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

Material Non-Public Information. As a result of the operations of Elda River and its affiliates, Elda River frequently comes into possession of confidential or material non-public information. Therefore, Elda River and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Client. Consequently, a Client may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Elda River’s internal policies. Due to these restrictions, a Client may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Broken Deal Expenses. In connection with pursuing investment opportunities in furtherance of a Fund’s investment strategy, a Fund, Elda River and their respective affiliates expect to incur fees, costs and expenses in connection with prospective investments and other transactions that are not consummated, including, without limitation, all due diligence fees, costs

and expenses, legal and accounting fees, costs and expenses, fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for such prospective investment or other transaction, deposits or draw-down payments that are forfeited in connection therewith, and reverse break-up fees or termination fees, expense reimbursement amounts or other amounts payable to the sellers, targets, advisors, service providers or other counterparties or third-parties, related to such transaction, or other liabilities or obligations in respect of such unconsummated transactions or investment opportunities (including travel costs, which may include first or business class commercial airfare or private or charter airfare, incurred in connection therewith). In the event that an investment is not consummated, a Fund will bear some or all of such expenses, subject to any limitations thereon set forth in the applicable Governing Documents. Broken deal expenses could be significant, and accordingly, a Fund could incur substantial costs and expenses with no opportunity for a return. With respect to investments in which co-investors co-invest with the Fund, any investment expenses or indemnification obligations related to such investments are generally expected to be borne by the Fund and such co-investors (whether directly or through a co-investment vehicle) in an equitable manner as determined by Elda River in its sole discretion and subject to legal, tax and regulatory considerations. If a proposed co-investment opportunity and/or co-investment vehicle is not consummated, the Fund will bear some or all of the costs of such proposed co-investment or that would have been allocable to such co-investment (including broken deal expenses, diligence and pursuit expenses, and other third-party out-of-pocket expenses).

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

Each of these transactions has the potential for conflicts between the interests of a Fund or investor and those of the Advisers or any buyer group that typically are not applicable to more traditional investment sales. For example, in circumstances where an Adviser or an affiliate will continue to manage and receive fees and/or performance-based compensation relating to the subject assets following the transaction, their incentives are expected to diverge from those of investors who elect to sell their interests. Similarly, there are potential conflicts of interest among the selling Fund, an Adviser, the relevant General Partner and any buyer group relating to the

valuation and consideration offered for the investment(s) subject to the transaction. Further, the relevant General Partner is expected to be incentivized to make investments in portfolio companies with the view of holding such investments for longer periods of time or to make investments that it would not otherwise have made if the possibility of liquidity through a secondary transaction did not exist. Where co-investors historically have been invested in an investment subject to such a transaction, there can be no assurance that they will receive the same liquidity or other options as investors in the relevant Fund, and in such circumstances the Advisers reserve the right to compel co-investors to receive cash or continue to hold an interest in the relevant investment. In other circumstances, certain investors will not be permitted to continue to maintain exposure to the asset(s) due to a lack of eligibility to invest in a continuation vehicle under relevant securities, tax or other considerations. Although relevant potential conflicts of interest are disclosed to investors and/or the relevant Advisory Committee prior to the closing of the transaction, there can be no assurance that the Advisers will successfully identify all conflicts of interest or resolve or mitigate all such conflicts of interest in favor of the Fund or any individual investor or group of investors. However, the Advisers reserve the right, in their sole discretion, to determine to engage in such transactions, subject to any approvals required in the relevant Governing Documents.

Conflicts of Interest

Elda River and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of Clients, and providing transaction-related, investment advisory, management and other services to Clients and portfolio companies. In the ordinary course of Elda River conducting its activities, the interests of a Client may conflict with the interests of Elda River, one or more other Clients, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, Elda River will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the Advisory Committees of the participating Funds.

Management Fees, carried interest and incentive allocations have not been negotiated at arm's length. Management Fees are payable without regard to the overall success of or income earned by a Client. Carried interest and incentive allocations, which compensate the Advisers and General Partners (as applicable) based on the profits of Clients, may create an incentive on the part of the Advisers to make riskier or more speculative investments (including the use of leverage) to generate profits than would be the case if the Advisers or General Partners (as applicable) were not receiving performance-based compensation. As a result, an Adviser is incentivized in certain circumstances, including when Management Fees are calculated and charged based on invested capital, to hold on to investments that have poor prospective for improvement in order to receive ongoing Management Fees in the interim and, potentially, a more likely or larger carried interest and/or incentive allocation if such investment's value appreciates in the future. To the extent the Management Fee is calculated based upon invested capital, the Management Fee structure creates an incentive for an Adviser to deploy capital and/or to delay writing off investments when it might not otherwise have done so. In addition, the Advisers have a conflict of interest between (i) pursuing the most lucrative investment opportunities for Clients in seeking to maximize carried interest or incentive allocations and (ii) seeking to meet certain ESG criteria. The application of, and weight attributable to, ESG criteria will vary based on the relevant Client's investment

mandate. To the extent the Advisers forgo attractive investment opportunities because of ESG criteria, Clients' performance could be adversely impacted.

The Governing Documents provide the Advisers with wide-ranging authority on the determination of whether an investment has been written off or otherwise permanently impaired, and the criteria used by an Adviser in valuing an investment have the potential to be subjective, to be influenced by market information and other factors, and to vary over time. For example, there can be no assurance that a third party or an investor in a Fund would agree with the substance or timing of an Adviser's determination that an investment has been written off, and, except as set forth in the applicable Governing Documents, an Advisers is not obligated to follow any third-party methodology in making its determination as to whether an investment meets the relevant standards or whether value can be recovered or retained during a Fund's holding period. An Adviser is entitled to make its own determination taking into account all facts and circumstances it deems relevant, subject to the provisions of the applicable Governing Documents. As a general matter, the standards for determining that an investment has been permanently written down or written off are intended to be high and to not apply to investments experiencing partial or temporary declines in value. Because the amount of the Advisers' compensation is dependent in part on whether an investment has been written off, the Advisers face potential conflicts of interest in determining whether an investment meets, or continues to meet, the relevant criteria. Ultimately, subject to the applicable Governing Documents, the Advisers expect to continue to calculate and charge a Management Fee on invested capital for investments that have experienced a decline in fair value below cost but that have not otherwise experienced a permanent decrease below book value, as determined by the relevant Adviser in its sole discretion.

Elda River seeks to pursue all appropriate investment opportunities for the benefit of its Clients, subject to certain limited exceptions in accordance with its investment guidelines and subject to approval of its investment committee. Each Adviser (or an affiliate thereof) expects in the future to manage, other funds and accounts that utilize the same or substantially similar strategies as current Clients, with possible differences in investments, geographic areas, duration, leverage, hedging, portfolio concentration, sub-strategies employed and other factors, and such other funds and accounts may be subject to fee and liquidity terms that differ from those of current Clients and each other. Elda River believes the significant investment by Elda River in the Funds, as well as Elda River's interest in carried interest and incentive allocations across Clients (as applicable), operate to align the interests of Elda River with those of its Clients, although Elda River has economic interests in such other investment funds and investments, as well, and may receive management fees and carried interest relating to such interests. Such other investment funds and investments that Elda River may control may compete with a Client or portfolio companies acquired by such Client. At such time as Elda River is permitted to raise a successor investment fund to a particular Fund, Elda River will continue to manage such prior Fund's portfolio companies but also may, and likely will, focus its investment activities on other opportunities and areas unrelated to such Fund's portfolio companies. Since the investment strategy of a successor fund will overlap with the investment focus of such Fund, not all investment opportunities suitable for such Fund will be allocated to such Fund, which may create certain conflicts of interest in respect of the allocation of time, resources and investment opportunities.

Elda River, its affiliates, equity holders, officers, principals and employees may buy or sell securities or other instruments that Elda River has recommended to a Client. In addition, officers,

principals and employees may buy securities in transactions offered to but rejected by a Client. Such transactions are subject to the policies and procedures set forth in Elda River's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments may vary from those of any Client. To the extent that Elda River, its affiliates, equity holders, officers, principals or employees invest in a particular investment, the ability of a Client to invest in the same investment may be adversely affected by any limitation on availability of the investment. In addition, the Adviser may be required to choose between one Client and another in allocating investments. If multiple Clients should trade in the same securities on the same day, such securities will be allocated between such Clients in a manner which the Advisers believe to be fair and equitable to all Clients. Circumstances may occur, however, in which an allocation could have adverse effects on one Client or another with respect to the price or size of securities positions obtainable or saleable.

Certain expenses are paid for by a Client and/or its portfolio companies or, if incurred by an Adviser, are reimbursed by the Client and/or its portfolio companies. The Advisers may not necessarily seek out the lowest cost options when incurring (or causing a Client or its portfolio companies to incur) such expenses. The Advisers will be required to make allocations of expenses. Each Adviser generally intends to allocate Client investment and operating expenses that are incurred by the Adviser or any of its affiliates for multiple Clients on a *pro rata* basis based on the respective participation in the relevant portfolio company, but certain investment and operating expenses may be allocated non-*pro rata* as deemed fair and equitable by the Adviser. 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 number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or the Advisers). The Funds generally have different expense reimbursement terms, including with respect to Management Fee offsets, which is expected from time to time to result in the Funds bearing different levels of expenses with respect to the same investment. Further, the Advisers reserve the right to consider each relevant Fund's strategy as a component of its investment allocation, and as a general matter will not allocate expenses associated with one Fund's equity investment to a different Fund's debt investment, or *vice versa*, even if the two investments are in the same portfolio company.

The Advisers (or an affiliate thereof) may, in certain circumstances, take positions in accounts of some Clients opposite to those taken by other Clients, and/or take positions in accounts of some Clients which involve conflicts or potential conflicts with other Client positions (*e.g.*, investments in different levels of a company's capital structure). These positions could adversely affect the performance of investments held by Clients. For example, conflicts may arise if a Client has made an investment in a company in which another Client has also invested, whether in debt or equity of such company. Questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring, raise conflicts of interest. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Clients may or may not provide such additional capital, and, if provided, Clients will supply such additional capital in such amounts, if any, as determined by the Advisers (or an affiliate thereof).

In addition, a large short position in a security in an account of a Client could cause a decline in the value of a long position held by another Client in the same security.

Certain Clients may be subject to regulatory or contractual restrictions or considerations that, due to the role of the Advisers, could restrict, limit or materially impact the ability of a Client to purchase or sell the same securities held by another Client. Such laws and regulations may have the effect of limiting the investment opportunities available to a Client (including, but not limited to, limiting positions to avoid control positions) or potentially result in a limitation on voting rights. In such circumstances, the Adviser may in its discretion restrict or limit transactions or the exercise of rights for the Client, limit the amount of voting securities purchased for the Client or restrict the type of governance rights it acquires or exercises in connection with certain investments. The Advisers may also decline to make an investment for a Client out of concern that such investment might harm another Client.

The Advisers may engage in discussions or negotiations with U.S. and non-U.S. governmental entities regarding investments or matters related to Clients. These discussions or negotiations could give rise to conflicts of interest because the Advisers may be forced to address multiple entities' liabilities, including tax liabilities, in a single negotiation with a governmental entity, which could result in the Advisers negotiating in a manner to provide the best outcome across all such entities whereas the interests of multiple Clients may not be aligned. In addition, to the extent the Advisers (or their personnel) have investments in any one or more Clients, the Advisers will have a conflict of interest in acting in a manner which benefits the Clients in which the Advisers (or their personnel) are invested.

Investment opportunities may be appropriate for multiple Clients at the same, and such Clients may invest in different or overlapping levels of a portfolio company's capital structure. Conflicts may arise in determining the terms of each such investment, particularly where certain Clients are intended to invest in different types of securities in a single portfolio company. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring may raise conflicts of interest, particularly with respect to Clients that have invested in different securities within the same portfolio company.

Elda River may allocate a portion of any investment opportunity to one or more third-party investors, including a co-investment vehicle formed to participate in such investment alongside a Client in accordance with the Governing Document or applicable agreements of such Client. Such co-investment opportunities may be allocated to one or more existing investors of such Client, lenders, consultants, advisors, employees and/or strategic or other investors, in each case subject to the terms of the Governing Document or applicable agreements of such Client.

The Advisers will be subject to a conflict of interest in making investment allocation decisions and determining whether the size of a particular investment opportunity exceeds the aggregate desired allocation of existing Clients, particularly in light of potential allocations to proprietary accounts held by the Advisers, their respective affiliates and their respective principals and employees. While the Advisers expect that participation by such proprietary accounts in co-

investments will be on the same terms as their respective Clients (other than with respect to any compensation payable to the Advisers and their affiliates), the Advisers have a conflict of interest in determining the co-investment terms (including timing of purchases and sales) applicable to Clients and other parties. The Advisers also have substantial discretion in allocating co-investment opportunities among Clients and other parties. Given such discretion, many investors in Clients may not have an opportunity to participate in co-investments. The Advisers and their affiliates may receive fees, remuneration, or other benefits in respect of co-investment opportunities, and are not required to account to Clients (or investors therein) with respect to such benefits. Co-investors may also have greater access to information pertaining to the co-investment than investors in Clients. In addition, it is possible that a co-investor may be able to sell some or all of its interest in a co-investment while a Client retains (or is required to retain) its interest, such that the Client remains at risk to the future performance of the co-investment while the co-investor has already liquidated its position.

A portfolio company typically will reimburse Elda River or service providers retained at Elda River's discretion for expenses (including without limitation meals and travel expenses, which may include first or business class commercial airfare or private or charter airfare) incurred by Elda River or such service providers in connection with its performance of services for such portfolio company. This subjects Elda River and its affiliates to conflicts of interest because Clients generally do not have an interest or share in these reimbursements, and the amount of such reimbursements may be substantial. Elda River determines the amount of these reimbursements for such services in its own discretion, subject to the management services agreement entered into with the respective portfolio company and Elda River's internal reimbursement policies and practices. Elda River may not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Fee payment or expense reimbursement practices of Elda River or such service providers generally is subject to: arrangements with sellers, buyers and management teams; the review and supervision of the board of directors (or similar governing body) of or lenders to portfolio companies; and/or third-party co-investors in its transactions. These factors help to mitigate related conflicts of interest.

In certain circumstances where Elda River commits or has committed to seek "market" or "arms-length" rates or terms, Elda River will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Elda River reserves the right to deem third-party investment in a transaction to be verification that the transaction was entered into at a value that is "arm's-length." Consequently, Elda River undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking ultimately will be accurate, comparable or relate specifically to the assets, services, geographies or comparable markets to which such rates or terms relate. Where such rates or terms include hourly components, Elda River reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Under certain arrangements, there can be no assurance that the amount of compensation paid in a particular year will be proportional to the amount of hours worked or the amount or written work product generated. Any methodology, or choice among methodologies, involves potential conflicts of interest.

Elda River generally exercises its discretion to recommend to a Client or to a portfolio company thereof that it contract for services with (a) Elda River or a related person of Elda River (which may include a portfolio company of such Client), (b) an entity with which Elda River or

its affiliates or current or former members of their personnel has a relationship or from which Elda River or its affiliates or their personnel otherwise derives financial or other benefit, and/or (c) certain investors or their affiliates. For example, Elda River from time to time is presented with opportunities to receive portfolio company management services in connection with a Client's investments from certain investors that have relevant executive and/or management experience as determined by Elda River. Such investors or other service providers from time to time are granted the right to purchase a portfolio company equity interest or receive compensation in the form of a portfolio company equity interest or cash fees in connection with their management services to such portfolio company, and such interest from time to time is granted at a valuation made at a date prior to the date of such investment, including the date of the Client's original investment in such portfolio company. To the extent that such investors or service providers receive a portfolio company equity interest, it generally would be dilutive to the Client's investment in such portfolio company. This subjects Elda River to conflicts of interest, because although Elda River selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Client, Elda River may have an incentive to recommend the related or other person because of its financial or other business interest. Service providers may be granted the right to co-invest or otherwise participate alongside a Fund in transactions that they source or for which they provide advice. Such co-investment rights may result in a Fund investing less capital than it otherwise would have in such transactions. Fees or other payments or benefits received by service providers in connection with their services, including any amounts paid in connection with particular transactions or investments, will not reduce the Management Fee paid by a Fund. The decision by Elda River to initially perform particular services in-house for a Fund will not preclude a later decision to outsource such services, or any additional services, in whole or in part to third parties, and Elda River has no obligation to inform a Fund of such a change. There is a possibility that Elda River, because of such belief or for other reasons, (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Clients or Elda River) may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Whether or not Elda River has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost. A Fund will also generally bear, directly or indirectly, its share of any travel costs or other out-of-pocket expenses incurred by service providers in connection with the provision of their services. Accounting, network, communications, administration and other support benefits, including office space, may be provided by Elda River or their respective affiliates to service providers without charge. To the extent that communications or other equipment or services are provided by a Fund to a service provider, these costs may be borne by such Fund as a Fund expense.

Service providers may become aware of business opportunities or information that may be appropriate for a Client, as well as the other entities with which they may be affiliated and would be subject to conflicts of interest in determining to which entity a particular business opportunity or other material information should be presented.

The Advisers, Clients and/or portfolio companies may retain third-party ESG advisor(s), from time to time, to provide services with respect to a Client and/or its portfolio companies. The costs and expenses of such ESG advisor(s) will be borne by the Client and/or the portfolio

companies. Such ESG advisor(s) may also provide services to the Advisers and their affiliates, as well as multiple Clients, in which case the costs and expenses of such services will be allocated in accordance with the services provided, and the costs and expenses of such services will be allocated among them in a manner determined appropriate by the Advisers, which may or may not be pro rata. For administrative convenience, such ESG advisor(s) may be retained by the Advisers or their affiliates for the benefit of their Clients and/or portfolio companies. The ESG advisor(s) engaged by the Advisers, Clients and/or portfolio company should be expected to change from time to time.

Certain service providers, consultants and secondees retained by, and the employees of, the Advisers and their respective affiliates and the downstream companies operating certain physical assets currently or may in the future have affiliations with companies that a Client may seek to acquire or engage. Potential conflicts of interest exist in connection with such acquisitions or engagements and, as a result, the terms of such arrangements may not be as advantageous to the Client as they would have been absent any such conflict. In addition, to the extent that a consultant or advisor to a Client also acts as a counterparty with respect to the Client's purchase of the physical assets, such consultant or advisor faces a conflict of interest with respect to the advice it provides to the Client in connection with the purchase of such physical asset particularly and the purchase of physical assets generally.

Elda River and/or its affiliates from time to time may employ personnel with pre-existing ownership interests in portfolio companies owned by Clients or other investment vehicles advised by Elda River and/or its affiliates; conversely, former personnel or executives of Elda River and/or its affiliates may serve in significant management roles at portfolio companies or service providers recommended by Elda River. Similarly, Elda River, its affiliates and/or personnel maintain relationships with (and invest in) financial institutions, service providers and other market participants, including managers of private funds, banks and brokers. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates), to Elda River and/or its affiliates and/or the Clients or other investment vehicles they advise. In such a case, Elda River will have a conflict of interest with a Client in recommending the retention or continuation of a third-party service provider to such Client or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Clients, will provide Elda River information about markets and industries in which Elda River operates (or is contemplating operations) or will provide other services that are beneficial to Elda River. Elda River will have a conflict of interest in making such recommendations, in that Elda River has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Client, while the products or services recommended may not necessarily be the best available to the portfolio companies held by a Client.

The Advisers and their respective affiliates and/or downstream companies operating certain physical assets may retain secondees or other individuals from service providers, including, without limitation, consulting and legal personnel. In addition, given the complexity associated with acquiring and operating certain physical assets, the Advisers and their respective affiliates and/or downstream companies operating the physical assets may be required to retain additional and/or different types of secondees or individuals. The Advisers will not bear the costs associated with the services provided in connection with such arrangements; rather the applicable Client(s)

will bear its *pro rata* share of such costs. Thus, the Advisers have a conflict of interest in determining whether to hire an individual as an employee or retain such individual from a service provider as a secondee.

Clients typically pay certain fees to third-party consultants (including consultants introduced or arranged by an Adviser and/or its affiliates that may regularly provide services to one or more portfolio companies) and service providers, and such fees generally will not offset the Management Fee as described herein. The Adviser or another Elda River entity may bear the cost of certain former investment personnel used as third-party consultants, although in some cases such former personnel will be retained by the relevant portfolio company or Client.

Elda River and a Fund may from time to time enter into side letters and other agreements with one or more investors whereby, in consideration for agreeing to invest certain amounts in the Fund or other consideration, such investors may be granted rights not otherwise afforded to any or all investors. Such agreements may entitle an investor to make an investment in the Fund on terms not available to other investors. Any such terms, including with respect to (a) access to information and reporting obligations of the Fund, (b) transfer rights, (c) preferential withdrawal or liquidity rights, (d) consent rights to certain acts or amendments, (e) economic incentives, (f) purchase rights, (g) Advisory Committee seats, or (h) other matters, may be more favorable than those offered to any other investors. Such agreements will have the effect of establishing rights under, or altering or supplementing the terms of, the Governing Documents with respect to such investor. Elda River or a Fund may enter into such agreements with any party as Elda River or the Fund may determine, in its sole discretion, at any time. Other investors in the Fund will not necessarily have “most favored nation” rights in respect of all or any of the more favorable terms provided to others, and investors will have no recourse against the Fund, Elda River or any other person in the event that certain investors receive additional benefits or other rights pursuant to such agreements that are more favorable than the terms received by all investors. To the extent required by applicable law or otherwise agreed by Elda River or the Fund, material terms of certain side letters may be made available to certain investors on a redacted basis without making such terms available to all investors. Investors generally will not otherwise receive disclosure of side letter agreements. As a result of certain side letters, investors holding the same Interests will have different returns, or receive different information, depending on any arrangements applicable to a given investor’s Interest. In addition, if Elda River enters into a side letter entitling an investor to be excused or excluded from a particular investment, (a) any election to be excused or excluded by such investor will increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, future investments, and reduce the overall size of a Fund and/or (b) a Fund’s ability to consummate certain investments may be inhibited. Any co-investment rights granted to an investor in a side letter or other similar agreement may result in fewer co-investment opportunities (or reduced or no allocations) being made available to other investors.

Any of these situations subjects Elda River and/or its affiliates to conflicts of interest. Elda River attempts to resolve such conflicts of interest in light of its obligations to its Clients and the obligations owed by Elda River’s advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among its Clients and such investment vehicles in a fair and equitable manner. To the extent that an investment or relationship raises particular conflicts of interest, Elda River will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary,

Elda River consults and receives consent to conflicts from an Advisory Committee consisting of investors of the relevant Client and such other investment vehicles or accounts.

ITEM 9 DISCIPLINARY INFORMATION

Elda River and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As described above in “*Advisory Business*,” the Management Company is affiliated with Elda River Infrastructure Partners, LLC, which is expected to be a relying adviser of the Management Company that will be registered under the Advisers Act pursuant to the Management Company’s registration as an investment adviser in accordance with SEC guidance. The Management Company and Elda River Infrastructure Partners, LLC operate as a single advisory business and serve as managers of private investment funds, other pooled vehicles and separately managed accounts, and may share common owners, officers, partners, employees, consultants or persons occupying similar positions. All of the Advisers are under common control and subject to Elda River’s Code of Ethics and compliance programs adopted pursuant to the requirements of the Advisers Act.

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

Elda River has adopted the Elda River Code of Ethics and Securities Trading Policy and Procedures (the “**Code**”), which sets forth standards of conduct that are expected of Elda River principals and employees and addresses conflicts that arise from personal trading. The Code (a) requires certain Elda River personnel to report their personal securities transactions, (b) prohibits, or requires pre-clearance for, Elda River personnel directly or indirectly acquiring beneficial ownership or disposing of any securities (with limited regulatory exceptions), and (c) prohibits Elda River personnel from directly or indirectly acquiring beneficial ownership of securities in which Elda River has material non-public information. These requirements also apply to family members living in the same household as such Elda River personnel. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Elda River’s Chief Compliance Officer at (346) 614-4250. Personal securities transactions by employees who manage Client accounts are required to be conducted in a manner that prioritizes the Client’s interests in Client eligible investments.

Elda River and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about public companies which, if disclosed, might affect an investor’s decision to buy, sell or hold a security. Under applicable law, Elda River and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a Client of Elda River. Accordingly, should Elda River or any of its affiliated persons come into possession of material non-public or other confidential information with respect to any public company, Elda River would be prohibited from communicating such information to clients,

and Elda River will have no responsibility or liability for failing to disclose such information to Clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Elda River personnel serving as directors of public companies and may restrict trading on behalf of Clients.

Principals and employees of Elda River and its affiliates may, directly or indirectly, own an interest in the Funds or certain co-investment vehicles. Any co-investment vehicles may invest in one or more of the same portfolio companies as the Funds. Co-investment opportunities may also be presented to certain affiliates of Elda River, as well as third-party investors and other persons, and such co-investments may be effected through co-investment vehicles or directly in a particular portfolio company. Additionally, the Funds may invest together with other private investment funds advised by an affiliate of Elda River in the manner set forth in the LLC Agreements and Elda River's Allocation / Co-Investment Policy. Elda River will allocate investment opportunities in a manner it believes in its sole discretion is fair and equitable to its Clients, consistent with its fiduciary obligations, and may take into consideration factors such as the following: the Client's investment restrictions, objectives, criteria, operating guidelines and/or limitations (including those set forth in the relevant client's governing documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition (including diversification limitations) and cash level; applicable regulatory restrictions; potential conflicts caused by a particular allocation; whether an investment opportunity is a follow-on investment for a Fund; whether a Fund is in its investment period and whether a Fund has fully subscribed to the particular investment opportunity. In the case of co-invests, Elda River may grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in a Client's portfolio companies or otherwise to have priority in co-investment opportunities.

Elda River and its affiliates, principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in Clients, and may give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, Clients, even though their investment objectives may be the same or similar.

Use of Subscription Lines. As described above in "*Fees and Compensation*," the Funds may fund the making of investments with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, the undrawn capital commitments of investors, *i.e.*, subscription lines) prior to calling capital commitments. The interest expense and other costs of any such borrowings will be borne by the relevant Fund and, accordingly, may decrease net returns of such Fund. It is expected that interest will accrue on any such outstanding borrowings at a rate lower than the preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the relevant Fund. In light of the foregoing, Elda River has an incentive to cause such vehicle to borrow in this manner in lieu of drawing down capital commitments, subject to the operating and offering documents of each Fund.

Service Providers. As described above in "*Fees and Compensation*," Elda River and its personnel may maintain relationships with service providers (including lenders, brokers, attorneys, investment banking firms and other professional service providers), and such service providers

may be investors in a Fund or may be sources of opportunities for or counterparties in other transactions with the Fund or Elda River. Elda River and its personnel may receive other benefits from these relationships that are not made available to the Fund. This presents a conflict of interest, as it may influence the Fund or Elda River in deciding whether to select such a service provider or have other relationships with that service provider. Service providers to a Fund or Elda River may charge different rates for their services or may have different arrangements for specific types of services, which may be more beneficial to certain of such persons than others or may benefit Elda River or its affiliates to a greater degree than the benefit accorded to the Fund. These benefits may include more favorable rates or arrangements available to Elda River than those payable by the Fund, and the Fund will not be entitled to share in any such benefits.

Use of Placement Agents. As described below in “*Brokerage Practices*,” a Fund or Elda River may engage placement agents in respect of the offering of interests in the Fund to certain prospective investors. Any such placement agent acts for the Fund or Elda River and not as an investment adviser to prospective investors in connection with the offering of such interests.

Prospective investors must independently evaluate the offering and make their own investment decisions. In making those decisions, prospective investors should be aware that a placement agent would generally be paid a placement fee based upon the amount of capital invested or committed to the Fund by investors that such placement agent introduces to Elda River or the Fund. Any placement agent fees and expenses will be borne by the Fund. In the event any placement agent is engaged in respect of the Fund, prospective investors should also note that at various times such placement agent may act as placement agent for other fund sponsors and funds, including fund sponsors and funds that are not affiliated with Elda River, and including fund sponsors and funds that may offer interests that are similar to the interests in the Fund. Such unaffiliated fund sponsors may pay placement fees on terms different from the fees placement agents may receive in respect of the Fund, and such differences in fees may influence a placement agent’s decision to introduce prospective investors to the Fund. Furthermore, a placement agent may seek to do business with and earn fees or commissions from affiliates or investments of a Fund and Elda River (e.g., in connection with financing or investment banking services, securitization activity, lending or arranging credit, or other transactions). Accordingly, prospective investors should recognize that each placement agent’s participation as a placement agent for interests in a Fund may be influenced by its interest in such current or future fees and commissions. Prospective investors should also be aware that affiliates or employees of a placement agent could invest in the Fund on their own behalf and/or on behalf of their clients. Each prospective investor should consider these issues in making its investment decision.

Advisory Committee. Elda River may present potential conflicts of interest to the Advisory Committee of a Fund made up from representatives of investors in a Fund as appointed by Elda River. The LLC Agreement of a Fund provides that, to the fullest extent permitted by applicable law, none of the Advisory Committee members shall owe any fiduciary or other duties to such Fund or any other partner, other than to act in good faith. In addition, representatives of the Advisory Committee may have various business and other relationships with Elda River and its partners, employees and affiliates which may influence their decisions as members of the Advisory Committee. The members of the Advisory Committee of a Fund may disproportionately represent one or more of the entities or categories of investors comprising such Fund. Additionally, the composition of the Advisory Committee of a Fund may have substantial overlap with the

composition of the Advisory Committee of another Fund, which could lead to conflicts of interest if there are transactions between such Funds that require Advisory Committee consent or approval.

Other Private Equity Vehicles. Elda River's principals and employees invest in other private equity investment vehicles (including single-investor, co-investments) managed by other advisers. In some cases, Elda River, its affiliates or Clients may purchase portfolio companies that are owned by such other investment vehicles, which may indirectly benefit any such principals or employees.

ITEM 12 BROKERAGE PRACTICES

Elda River focuses on securities transactions of private investments and generally purchases and sells such investments through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, Elda River may also distribute securities to investors in the Clients or sell such securities, including through using a broker-dealer, if a public trading market exists.

If Elda River sells publicly traded securities for a Client, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Elda River. In such event, Elda River will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute Client transactions, Elda River may consider a variety of factors, including: (a) execution capabilities with respect to the relevant type of order; (b) commissions charged; (c) the reputation of the firm being considered; (d) the gross compensation paid to the broker; and (e) the financial strength of the broker.

Elda River 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 Elda River 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 Elda River seeking to obtain best execution, brokerage commissions on Client transactions may be directed to brokers in recognition of research furnished by them, although Elda River generally does not make use of such services at the current time and has not made use of such services since its inception. As a general matter, research provided by these brokers would be used to service all Elda River Clients. However, each and every research service may not be used for the benefit of each and every Client advised by Elda River, and brokerage commissions paid by one Client may apply towards payment for research services that might not be used in the service of such Client.

To the extent that Elda River allocates brokerage business on the basis of research services, it may have an incentive to select or recommend broker-dealers based on the interest in receiving

such research or other products or services, rather than based on its Clients' interest in receiving most favorable execution.

Elda River does not anticipate engaging in significant public securities transactions; however, to the extent that Elda River 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 any Clients are completed independently, Elda River may also purchase or sell the same securities or instruments for several Clients simultaneously. From time to time, Elda River 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 client of Elda River is favored over any other Client.

When an aggregated order is filled in its entirety, each participating Client 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.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Client participating in such buy or sell order in accordance with the amount of securities originally requested for such Client. Each Client generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided they are fair and equitable to Elda River Clients over time.

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

From time to time, Elda River may engage a broker-dealer or placement agent ("**Agent**") to assist with the sale of Fund interests to third parties. In accordance with the Governing Documents of the relevant Fund, the cost associated with the use of such Agent will typically constitute a permissible fund expense, but analysis should be done to determine the proper allocation among Funds, Elda River, or other entities.

ITEM 13 REVIEW OF ACCOUNTS

The investments made by Clients are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, Elda River closely monitors the portfolio companies in which Clients invest,

and the Chief Compliance Officer periodically checks to confirm that each Client is maintained in accordance with its stated objectives. Elda River principals serve on the investment committees of the Advisers and work closely with other Elda River professionals to oversee and monitor the operations, financial performance and strategic direction of each Client and its respective investments.

Elda River will generally provide to Fund investors (a) audited financial statements annually, (b) unaudited financial statements for the first three quarters of each fiscal year, (c) annual tax information necessary for each partner's U.S. tax returns, and (d) descriptive investment information for each portfolio company at least annually. In addition to the information provided to all investors, the Advisers may provide certain investors with additional information or more frequent reports that other investors will not receive.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Elda River and/or its affiliates provide certain business or consulting services to investments in a Client's portfolio and receive compensation and other remuneration (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio company) from these companies in connection with such services. Such compensation and remuneration is currently paid in addition to Management Fees and will not offset any Management Fees. Please see "*Fees and Compensation*" above for more information.

From time to time, the Advisers may enter into placement arrangements pursuant to which they compensate third parties for referrals that result in a potential investor becoming an investor in a Fund.

ITEM 15 CUSTODY

Due to Elda River's affiliates serving as General Partners of each Fund, Elda River is deemed under Rule 206(4)-2 of the Advisers Act to have custody of the Funds' cash and securities. The Funds' cash and securities are held by one or more qualified custodians that are not affiliated with Elda River, and Elda River regularly reconciles its records to those of the qualified custodians.

The Funds are subject to an annual audit in accordance with generally accepted accounting principles as promulgated in the United States. Audited financial statements are distributed to investors within 120 days of each Fund's fiscal year end in accordance with Rule 206(4)-2 of the Advisers Act.

Where Elda River has custody over assets in SMAs, Elda River requests that the qualified custodian that holds and maintains the client's investment assets send account statements to the Client at least quarterly. Elda River urges Clients to carefully review these statements and compare them to the account statements that Elda River may provide.

ITEM 16 INVESTMENT DISCRETION

Elda River has discretionary authority to manage investments on behalf of the Funds. As a general policy, Elda River does not allow a Fund's investors to place limitations on this authority.

Pursuant to the terms of the LLC Agreements, however, Elda River enters into “side letter” arrangements with certain investors whereby the terms applicable to such investor’s investment in a Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. Elda River assumes this discretionary authority pursuant to the terms of the Governing Documents and powers of attorney executed by the investors of the Funds.

With respect to SMAs, the Advisers provide discretionary investment advisory services and, as such, will tailor its advisory services to the needs of the client which owns the SMA. Clients may impose restrictions on investing in certain securities or types of securities in an SMA.

ITEM 17 VOTING CLIENT SECURITIES

Elda River has adopted the Elda River Proxy Voting Policies and Procedures (the “***Proxy Policy***”) to address how it will vote proxies, as applicable, for a Client’s portfolio companies. The Proxy Policy seeks to ensure that Elda River votes proxies (or similar instruments) in the best interest of Elda River Clients, including where there may be material conflicts of interest in voting proxies. Elda River will seek to vote proxies prudently and solely in the economic interests of, and for the exclusive purpose of providing economic benefits to, Clients. Social, political, or other objectives unrelated to the value of Clients’ investments will not be considered. Elda River generally believes its interests are aligned with those of a Client’s investors, including through the principals’ substantial capital commitment to the Funds, and therefore will not seek investor approval or direction when voting proxies.

In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Elda River may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund’s Advisory Committee on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund’s Advisory Committee may approve Elda River’s vote in a particular solicitation. Elda River does not consider service on portfolio company boards by Elda River personnel or Elda River’s 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 Elda River when voting proxies on behalf of a Fund. A copy of the Proxy Policy or information regarding how Elda River voted proxies for particular portfolio companies will be provided to any investor or prospective investor upon request to Elda River’s Chief Compliance Officer at (346) 614-4250.

ITEM 18 FINANCIAL INFORMATION

Elda River does not require prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure. None of the Advisers has been the subject of any bankruptcy petition.