

Guardian Smart Infrastructure Management Inc.

AMENDED AND RESTATED
CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

GUARDIAN SMART INFRASTRUCTURE PARTNERS LP
LIMITED PARTNER INTERESTS

January 2024

IMPORTANT NOTICE

This confidential Amended and Restated Private Placement Memorandum (as further amended, restated and/or supplemented from time to time, this “**Memorandum**”) is furnished on a confidential basis to a limited number of sophisticated investors for the purpose of providing certain information about an investment in limited partner interests (the “**Interests**,” and each purchaser thereof, a “**Limited Partner**”) of Guardian Smart Infrastructure Partners LP, a Delaware limited partnership (the “**Main Fund**” and, together with any Alternative Investment Vehicles, Parallel Funds and/or Feeder Funds (each as defined herein), the “**Fund**”) and supersedes and replaces in its entirety any prior version of this Memorandum and the supplements thereto previously provided to any prospective investor. Capitalized terms used throughout this document have the meanings ascribed to such terms in Section 8 — “*Summary Term Sheet*” or as otherwise defined herein.

Neither this Memorandum nor the Fund’s agreement of limited partnership (as amended, restated, supplemented, waived and/or otherwise modified from time to time, the “**Fund Agreement**”) nor the agreement of limited partnership of any Alternative Investment Vehicle, Parallel Fund or Feeder Fund has been filed with the United States Securities and Exchange Commission or with any securities administrator under state securities laws. The Fund will not be registered as a registered investment company under the U.S. Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder (the “**1940 Act**”). Consequently, investors will not be afforded the protections of the 1940 Act. No governmental authority has passed on or endorsed the merits of the contents of this Memorandum or the proposed offering described herein. Any representation to the contrary is unlawful.

There will be no public market for the Interests, which will not be transferable without the consent of the General Partner, and as permitted under the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the “**1933 Act**”), and any applicable non-U.S. securities laws or pursuant to registration or an exemption therefrom. The Interests will be offered and sold for investment only to qualifying recipients of this Memorandum pursuant to the exemption from the registration requirements of the 1933 Act provided by Section 4(a)(2) thereof and Regulation D promulgated thereunder and in compliance with the applicable securities laws of the states and other jurisdictions where the offering will be made.

Investment in the Fund will involve a high degree of risk due, among other things, to the nature of the Fund’s investments, including the risk of loss of an investor’s entire value of investment or other amount of capital. Prospective investors should pay particular attention to the information under Section 9 — “*Risk Factors and Potential Conflicts of Interest*” in this Memorandum. Investment in the Fund is suitable only for sophisticated investors and requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in the Fund. Investors in the Fund must be prepared to bear such risks for an extended period of time. No assurance can be given that the Fund’s investment objective will be achieved or that investors will receive a return of their capital.

In making an investment decision, investors must rely on their own examination of the Fund and the terms of this offering, including the merits and risks involved. Prospective investors should not construe the contents of this Memorandum as legal, tax, investment or accounting advice, and each prospective investor is urged to consult with its own advisers with respect to legal, tax, regulatory, financial and accounting consequences of its investment in the Fund.

This Memorandum is not a prospectus and does not purport to contain all the information an investor may require to form an investment decision. It is not intended to be relied upon solely in relation to and must not be taken solely as the basis for, an investment decision. This Memorandum contains a summary of the Fund Agreement and certain other documents referred to herein. However, the summaries set forth in this Memorandum do not purport to be complete. They are subject to and qualified in their entirety by reference to the Fund Agreement and such other documents, copies of which will be provided to any prospective investor upon request, and which should be reviewed for

complete information concerning the rights, privileges and obligations of investors in the Fund. In the event that the descriptions in or terms of this Memorandum are inconsistent with or contrary to the descriptions in or terms of the Fund Agreement, the Fund Agreement shall control. The General Partner reserves the right to modify the terms of the offering and the Interests described in this Memorandum, and the Interests are offered subject to the General Partner's discretion to reject any subscription in whole or in part. The General Partner may issue amendments and supplements to this Memorandum at any time.

This Memorandum is to be used by the prospective investor to which it is furnished solely in connection with the consideration of the purchase of the Interests described herein. This Memorandum contains confidential, proprietary, trade secret and other commercially sensitive information, should be treated in a confidential manner and may not be reproduced or used in whole or in part for any other purpose, nor may it be disclosed without the prior written consent of Guardian Smart Infrastructure Management Inc. (the "**Manager**"). Each prospective investor, by accepting this Memorandum, hereby agrees to the foregoing terms and to return the Memorandum to the General Partner promptly upon request.

Each prospective investor is invited to meet with representatives of the Fund and to discuss with, ask questions of and receive answers from such representatives concerning the terms and conditions of the offering of Interests, and to obtain any additional information, to the extent that such representatives possess such information or can acquire it without unreasonable effort or expense, necessary to verify the information contained herein, and such additional information shall be treated in a confidential manner.

No person has been authorized in connection herewith to give any information or make any representations other than as contained in this Memorandum and any representation or information not contained herein may not be relied upon as having been authorized by the Fund, the General Partner, the Manager or any of their respective directors, managers, officers, employees, members, partners, shareholders or affiliates.

The delivery of this Memorandum does not imply that any other information contained herein is correct as of any time subsequent to the date shown on the cover of this Memorandum. Certain statements of fact in this Memorandum are intended to be accurate at the initial closing date of the Fund rather than the date hereof, including, but not limited to, interpretation of the Fund's legal structure.

Prospective investors should inform themselves as to the legal requirements and tax consequences within countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of the Interests, and any foreign exchange restrictions that may be relevant thereto.

In this Memorandum, references to "\$", "dollars" and "Dollars" are to the lawful currency of the United States.

The distribution of this Memorandum and the offer and sale of the Interests in certain jurisdictions may be restricted by law. This Memorandum does not constitute an offer to sell or the solicitation of an offer to buy in any state or other U.S. or non-U.S. jurisdiction to any person or entity to whom it is unlawful to make such offer or solicitation in such state or jurisdiction. This offering does not constitute an offer of the Interests to the public, and no action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. The Interests may not be offered or sold, directly or indirectly, and this Memorandum may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Prospective investors should review Section 11 — "*Offering Legends*" for certain information relating to offers and sales of Interests to investors in various states of the United States as well as certain non-U.S. jurisdictions.

Forward-Looking Statements; Other Information; Sources

Statements contained in this Memorandum (including those relating to current and future economic or market conditions and trends in respect thereof and analyses of past events and conclusions drawn therefrom) are based on current expectations, estimates, projections, opinions and/or beliefs of the General Partner. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Certain information contained in this Memorandum (including, without limitation, relating to current or future market conditions and trends in respect thereof) constitute “forward-looking statements,” which can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue,” “target,” or “believe,” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, including those set forth in Section 9 — “*Risk Factors and Potential Conflicts of Interest*,” actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. Statements contained herein are not made in any person’s individual capacity, but rather on behalf of the Manager, which manages and implements the investment program of the Fund. Certain information contained herein relating to the Fund’s targets, including with respect to sector, the size of individual investments, diversification and participation in such investments, is subject to change, and no assurance can be given that such targets will be met. See Section 8 — “*Summary Term Sheet — Investment Limitations*” and Section 9 — “*Risk Factors and Potential Conflicts of Interest*.” Neither the delivery of this Memorandum at any time nor any sale hereunder shall under any circumstances create an implication that the information contained herein is correct as of any time after the earlier of the relevant date specified herein or the date of this Memorandum. In addition, unless the context otherwise requires, the words “include,” “includes,” “including” and other words of similar import are meant to be illustrative rather than restrictive.

Certain information contained herein has been obtained from published sources and from third parties, including information provided by the Bechtel Corporation, some of which may have been published in the context of marketing certain products and services, such as engineering, procurement and development services, legal, accounting and/or consulting services. While such information is believed to be reliable for the purpose used herein, none of the Fund, the General Partner, the Manager, Bechtel or such third parties or any of their respective directors, managers, officers, employees, members, partners, shareholders, or affiliates assumes any responsibility for the accuracy or completeness of such information. Certain economic, financial, market and other data and statistics produced by governmental agencies or other sources set forth herein or upon which the General Partner’s analysis and decisions rely may prove incomplete or inaccurate. Further, the inclusion of any third-party firm and/or company names, brands and/or logos does not imply any affiliation with such firms or companies. None of such firms or companies have endorsed the Manager, General Partner, Fund or any of their affiliates or personnel.

Prior Investments

Information about any prior investments (the “**Prior Investments**”) made or managed by the Alberta Investment Management Corporation or Highstar Capital (collectively, the “**Prior Firms**”), where certain of the senior investment professionals previously worked, is provided for informational and discussion purposes only and does not purport to be a complete list of all companies in which the Prior Firms invested or with which the senior investment professionals have otherwise been involved. The Prior Investments were made during different economic cycles and were not managed as a single investment fund or portfolio by the Prior Firms. Other professionals not employed or retained by the Manager or General Partner, including other investment professionals of the Prior Firms, as well as advisors, operating partners and operating executives, consultants, principals, vice presidents, associates and analysts, were involved in the identification, evaluation, due diligence, negotiation, and execution of operational initiatives and sale or liquidity processes with respect to such Prior Investments. The Prior Investments do not represent any track record of the Manager, or any funds

or portfolios managed by the Manager and such information is not intended to be indicative of the Fund's future results. There can be no assurance that the Fund's investments will be comparable in quality or achieve comparable results to the Prior Investments. Improved investment results are due to a number of factors in addition to the asset management approach of the Manager, General Partner or the Prior Firm, as the case may be, including the skills and capabilities of investment management, contributions by consortium, operating or joint venture partners, industry trends and conditions and general economic and financial conditions. Actual results may differ materially, positively or negatively, from those reflected herein. The asset management approach of the Manager and General Partner with respect to each investment is unique and will depend on the facts and circumstances of that particular investment. No assurances are given that any particular asset management approach will be employed by the Manager or General Partner or that any asset management approach employed will achieve any particular result.

Target Returns

In considering the target performance information contained herein, prospective investors should bear in mind that past or targeted performance is not a guarantee, projection or prediction and is not necessarily indicative of future results. There can be no assurance that the Fund will achieve comparable results, that targeted returns will be met or that the Fund will be able to implement its investment strategy and investment approach or achieve its investment objectives. Actual gross and net returns for the Fund may vary significantly from the targeted returns set forth herein. The Fund's target returns are expected to be realized from the disposition of investments, operating cash flows and proceeds from borrowings, using leverage where the General Partner believes it is appropriate. All target rates of return stated herein are based on the General Partner's belief about the returns that may be achievable on investments in light of the General Partner's and its professionals' experience with similar investments, their view of current and expected market conditions, potential investment opportunities and the indicative terms thereof that the General Partner is currently reviewing or has recently reviewed, availability of financing, leverage levels and terms and certain assumptions about investing and disposition pace and conditions, default and recovery rates and market fluctuation or recovery as of the date of this Memorandum. Further, the target returns stated herein are based on an assumption that economic, market and other conditions will not deteriorate and, in some cases, improve. The target returns are also based on models, estimates and assumptions about performance believed to be reasonable under the circumstances, but actual realized returns on the Fund's investments will depend on, among other factors, the ability to consummate attractive investments, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the targeted returns are based. Additional information regarding the preparation of target rates of return and the assumptions upon which such target rates of return are based is available upon request.

Placement Agent Disclosures

HODES WEILL SECURITIES, LLC (TOGETHER WITH ITS AFFILIATES, "**HODES WEILL**"), WHO ACTS AS PLACEMENT AGENT FOR THE GENERAL PARTNER.

IN CONNECTION WITH THE OFFERING OF THE INTERESTS, ALL OTHER U.S. REGULATED CAPITAL MARKET AND SECURITIES ADVISORY SERVICES ARE PROVIDED BY HODES WEILL SECURITIES, LLC, A REGISTERED BROKER-DEALER WITH THE SEC, AND A MEMBER OF FINRA AND SIPC, AND INTERNATIONALLY, BY NON-U.S. HODES WEILL AFFILIATES (THE "**PLACEMENT AGENT**").

THE MANAGER HAS ENGAGED HODES WEILL AS PLACEMENT AGENT FOR THE LIMITED PARTNER INTERESTS IN THE FUND, AND, IN THAT CAPACITY, IS NOT ACTING AS

INVESTMENT ADVISOR TO PROSPECTIVE INVESTORS IN THE FUND. HODES WEILL IS NOT A CURRENT CLIENT OF, OR INVESTOR IN ANY VEHICLE MANAGED BY, THE MANAGER. HODES WEILL WILL RECEIVE A PLACEMENT FEE FROM THE MANAGER (OR ITS AFFILIATES) THAT IS GENERALLY BASED UPON THE AMOUNT OF INTERESTS SUBSCRIBED FOR BY THE INVESTORS, AND/OR FEES PAID TO THE MANAGER, SUCH FEE NOT TO EXCEED 1.75% OF CAPITAL COMMITMENTS IN RESPECT TO THE FUND, AND WILL RECEIVE REIMBURSEMENT OF EXPENSES INCURRED IN CONNECTION WITH THE OFFERING. IN SOME INSTANCES, HODES WEILL'S PLACEMENT FEES MAY BE IMPACTED BY THE TERMS AGREED UPON BY FUND INVESTORS. RECIPIENTS SHOULD BE AWARE THAT, AS A RESULT OF SUCH COMPENSATION, HODES WEILL IS SUBJECT TO CERTAIN CONFLICTS OF INTEREST, INCLUDING AN INCENTIVE TO RECOMMEND THE FUND OVER OTHER PRODUCTS FOR WHICH IT MAY RECEIVE LESS COMPENSATION. HODES WEILL ALSO MAY SEEK TO DO BUSINESS WITH AND EARN FEES OR COMMISSIONS FROM AFFILIATES OF THE MANAGER, AS WELL AS WITH OTHER THIRD-PARTY FUND SPONSORS THAT MAY HAVE SIMILAR OR DIFFERENT INVESTMENT OBJECTIVES AS THE FUND. EXAMPLES OF SUCH BUSINESS MAY INCLUDE, WITHOUT LIMITATION, PROVISION OF ADVISORY AND PLACEMENT SERVICES. ACCORDINGLY, POTENTIAL INVESTORS SHOULD RECOGNIZE THAT HODES WEILL'S PARTICIPATION AS PLACEMENT AGENT IS INFLUENCED BY ITS INTEREST IN SUCH CURRENT OR FUTURE FEES AND COMMISSIONS, INCLUDING DIFFERENTIALS IN THE PLACEMENT FEES THAT ARE OFFERED BY OTHER THIRD-PARTY FUND SPONSORS FOR WHICH HODES WEILL ACTS AS PLACEMENT AGENT.

THIS MEMORANDUM IS NOT INTENDED TO PROVIDE, AND SHOULD NOT BE RELIED UPON FOR, TAX, LEGAL, ACCOUNTING OR INVESTMENT ADVICE. ANY STATEMENTS OF FEDERAL TAX CONSEQUENCES CONTAINED IN THIS MEMORANDUM WERE NOT INTENDED TO BE USED AND CANNOT BE USED TO AVOID PENALTIES UNDER THE INTERNAL REVENUE CODE OR TO PROMOTE, MARKET OR RECOMMEND TO ANOTHER PARTY ANY TAX RELATED MATTERS ADDRESSED HEREIN.

HODES WEILL ASIA LIMITED, AN AFFILIATE OF HODES WEILL SECURITIES, LLC, WILL CARRY OUT PLACEMENT ACTIVITIES WITH RESPECT TO THE FUND IN HONG KONG. HODES WEILL ASIA LIMITED IS LICENSED BY THE HONG KONG SECURITIES AND FUTURES COMMISSION TO CARRY ON TYPE 1 (DEALING IN SECURITIES) REGULATED ACTIVITY IN HONG KONG TO PROFESSIONAL INVESTORS (WITHIN THE MEANING OF THE SECURITIES AND FUTURES ORDINANCE (CAP. 571) AND THE SECURITIES AND FUTURES (PROFESSIONAL INVESTOR) RULES (CAP. 571D) MADE THEREUNDER). HODES WEILL ASIA LIMITED IS EXEMPT FROM THE REQUIREMENT TO HOLD AN AUSTRALIAN FINANCIAL SERVICES LICENSE UNDER THE CORPORATIONS ACT 2001 (CTH) IN RESPECT OF THE FINANCIAL SERVICES IT PROVIDES TO WHOLESALE CLIENTS IN AUSTRALIA AND HODES WEILL ASIA LIMITED IS REGULATED BY THE SFC UNDER HONG KONG LAWS, WHICH DIFFER FROM AUSTRALIAN LAWS.

HODES WEILL EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY REGARDING INVOLVEMENT IN OR RESPONSIBILITY FOR ANY FORWARD-LOOKING OR ANY OTHER STATEMENTS CONTAINED IN THIS MEMORANDUM. HODES WEILL IS ACTING AS PLACEMENT AGENT FOR THE GENERAL PARTNER, AND, IN THAT CAPACITY, IS NOT ACTING AS A LEGAL, INVESTMENT, OR TAX ADVISOR TO POTENTIAL INVESTORS IN CONNECTION WITH THE INTERESTS TO BE OFFERED IN THIS MEMORANDUM. POTENTIAL INVESTORS MUST MAKE THEIR OWN INVESTMENT DECISIONS. IN MAKING THOSE DECISIONS, POTENTIAL INVESTORS SHOULD BE AWARE THAT HODES WEILL WILL RECEIVE A PLACEMENT FEE FROM THE GENERAL PARTNER (OR ITS AFFILIATES) THAT IS GENERALLY BASED UPON THE AMOUNT OF INTERESTS SUBSCRIBED FOR BY THE INVESTORS, SUCH FEE NOT TO EXCEED 1.75% OF CAPITAL COMMITMENTS. IN SOME INSTANCES RELATED TO INVESTORS CO-

INVESTING WITH THE FUND, HODES WEILL'S PLACEMENT FEES MAY BE IMPACTED BY THE LEVEL OF INVESTMENT MANAGEMENT FEES, CARRIED INTEREST OR OTHER TERMS AGREED UPON BY SUCH INVESTORS. HODES WEILL ALSO MAY SEEK TO DO BUSINESS WITH AND EARN FEES OR COMMISSIONS FROM AFFILIATES OF THE MANAGER, AS WELL AS WITH OTHER THIRD-PARTY FUND SPONSORS THAT MAY HAVE SIMILAR OR DIFFERENT INVESTMENT OBJECTIVES AS THE FUND. EXAMPLES OF SUCH BUSINESS MAY INCLUDE, WITHOUT LIMITATION, PROVISION OF ADVISORY AND PLACEMENT SERVICES. ACCORDINGLY, POTENTIAL INVESTORS SHOULD RECOGNIZE THAT HODES WEILL'S PARTICIPATION AS PLACEMENT AGENT FOR THE INTERESTS MAY BE INFLUENCED BY ITS INTEREST IN SUCH CURRENT OR FUTURE FEES AND COMMISSIONS, INCLUDING DIFFERENTIALS IN THE PLACEMENT FEES THAT ARE OFFERED BY OTHER THIRD-PARTY FUND SPONSORS FOR WHICH HODES WEILL ACTS AS PLACEMENT AGENT.

NONE OF THE FUND, THE GENERAL PARTNER, THE MANAGER OR HODES WEILL MAKES ANY REPRESENTATION TO ANY OFFEREE OR INVESTOR OF THE INTERESTS REGARDING THE LEGALITY OF AN INVESTMENT THEREIN BY SUCH OFFEREE OR INVESTOR UNDER APPROPRIATE LEGAL INVESTMENT OR SIMILAR LAWS OR REGULATIONS. EACH PROSPECTIVE INVESTOR OF THE INTERESTS MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS THE INTERESTS OR POSSESSES THIS MEMORANDUM AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE INTERESTS UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE FUND, THE GENERAL PARTNER, THE MANAGER, ANY AFFILIATE OF THE FUND OR HODES WEILL SHALL HAVE ANY RESPONSIBILITY THEREFORE.

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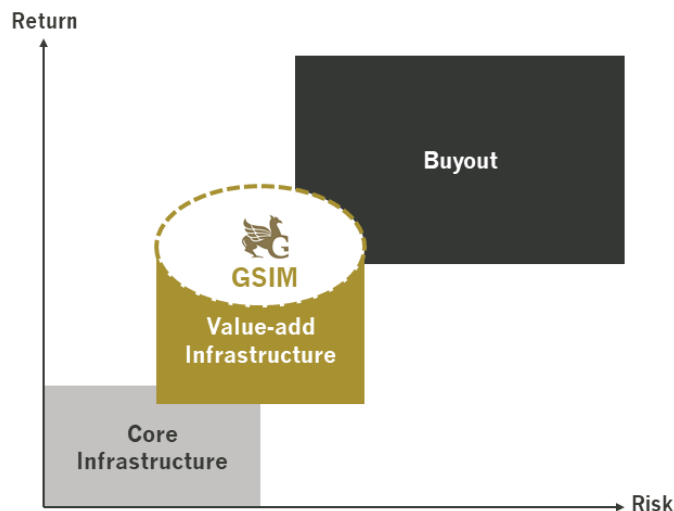
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1. EXECUTIVE SUMMARY

Guardian Smart Infrastructure Partners LP (the “**Main Fund**” and, together with any Alternative Investment Vehicles, Parallel Funds and/or Feeder Funds (each as defined herein), the “**Fund**”) was recently formed by Guardian Smart Infrastructure Management Inc. (“**GSIM**” or the “**Manager**”) and headed by seasoned infrastructure investor Rob Mah to invest in the growing number of opportunities where digital and traditional infrastructure are converging – which GSIM calls “**Smart Infrastructure**.” The Fund is seeking to raise \$800 million in capital commitments to deploy in the Smart Infrastructure space, with significant opportunities for co-investment.¹

With approximately US \$42.1 billion of assets under management and administration as of 9/30/23², Guardian Capital Group Limited (“**Guardian**”) has been managing institutional assets since 1962, executing investment strategies on behalf of pension plans, insurers, foundations, endowments, family offices and mutual funds around the world.

GSIM is headquartered in Toronto with team members in three key metropolitan markets (Washington, D.C., Toronto and London), crucial to sourcing and executing Smart Infrastructure transactions in GSIM’s target locations. In addition to Rob, Chris Lee and Kevin Roseke anchor GSIM’s senior investment team with approximately 20 years of average investing experience – including over a decade working and investing together.



Rob and Kevin were the senior members of the Alberta Investment Management Corporation (“**AIMCo**”) team that built the direct infrastructure investment portfolio from C\$1.7BN to C\$6.5BN across 14 transactions between September 2010 and April 2017; notable investments included: Autopista Central, Grupo Saesa, Porterbrook and London City Airport. Rob’s relationship with Guardian stems from his time at AIMCo, which is a longstanding Guardian client. Chris, as a Founder and Managing Partner of Highstar Capital, sourced and invested with AIMCo across a number of infrastructure investment transactions, including two that are directly relevant to GSIM’s strategy: InterGen – a global power generation portfolio; and Aerostar – a US airport P3 under the FAA Airport Privatization Pilot Program.

The Internet of Things (the “**IoT**”) is a principal driver of Smart Infrastructure, allowing previously inanimate infrastructure assets to communicate – both with other, interrelated assets, and with human operators and users. This sector wide disruption has far-reaching consequences; notably the opening of many new avenues to improve the performance and utility of infrastructure assets, including significantly improved efficiencies and reduced operating costs in many instances. While technological improvement plays an important role in the growth of Smart Infrastructure, GSIM believes that the space is primarily solution – and not technology – driven. For example, the

¹ There can be no assurance that any or all Fund investors will be offered any co-investment opportunities.

² GUARDIAN CAPITAL GROUP LIMITED Quarterly Earnings Release dated November 9, 2023, Operating Results for Quarter Ended September. US Dollar equivalent calculated at US\$.75 – CDN\$1.00.

application of Smart Infrastructure is enabling cities to cope with urban congestion, renewable energy producers to bridge the gap between production and storage, and air traffic control to upgrade from early 1980's networks.

Smart Infrastructure typically combines physical assets – such as sensors, communications networks and interactive terminals – with new operating and utilization solutions; often delivered through software sales and service agreements on a continuing/multi-year basis. Capital is typically required to develop and enhance these Smart Infrastructure asset-based solutions (including recurring 'refresh' capital expenditures ("**Capex**")), and to acquire and grow solution providers. Accordingly, new and accelerating investment opportunities range from concessions to deliver smart city solutions, to acquisition and growth capital for Smart Infrastructure focused businesses.

Concessions and operating company service and software contracts can offer medium to longer term contracted/stable cash flow, often at high operating margins, and significantly accelerated payback periods than traditional infrastructure investments. The value provided by many Smart Infrastructure operating companies to their customers often leads to extended incumbency, further improving a portfolio investment's ability to protect margins and effectively combat competitive and market threats. Taken together, GSIM believes these characteristics can offer a similar risk-reward profile to traditional core infrastructure, combining appropriate downside protections with upside, value creation potential.

GSIM believes Smart Infrastructure represents a transformational cross-over investment opportunity for both private equity and traditional infrastructure investors, from the digitalization of existing transportation assets – such as transit systems, ports and airports – to the electrification of vehicles and the advent of driverless cars, to the growth of smart grids, smart waste management and entire smart cities.

To take advantage of these trends, GSIM is seeking to raise \$800 million for the Fund to pursue attractive risk-adjusted returns through Smart Infrastructure investments primarily in transportation, energy and communications opportunities in North America and Europe. GSIM expects that forecasted accelerated growth in Smart Infrastructure solutions and applications, coupled with its industry and financial relationships – including with Cisco and Bechtel as described in Section 2 below – will enable GSIM to source and close attractive investment opportunities for the Fund. GSIM has identified a wide range of both near-term and long-term potential investment opportunities, principally ranging from \$50 million to over \$500 million of equity. The Fund intends to invest between \$100 million to \$150 million in various opportunities, with the balance expected to create potential co-investment opportunities.

The Fund

The Fund will be established as a Delaware limited partnership and will be advised by GSIM, who will typically seek to make 6 to 8 investments ranging in size from \$100 million to \$150 million – with a target 20% per annum gross IRR per investment (net IRR of 14–15% per annum),³ and a

³ Based on the target IRR of 20% per annum, the General Partner has derived a corresponding net IRR of 14.6% per annum to limited partners pre-tax to each such limited partner, based on certain assumptions, and calculated through a model created by GSIM (the "**GSIM Fund Model**"). Terms used in this note but not otherwise defined herein shall have the meanings set forth in the Fund Agreement. These estimates are calculated based on \$784 million in total Limited Partner Capital Commitments and \$16 million in a General Partner Capital Commitment, aggregating to total Capital Commitments of \$800 million, and assuming the target gross return of 20% p.a. (discounted back to the date of the assumed closing of the Fund) on each Portfolio Investment pro forma of Management Fees, Carried Interest amount, taxes, and estimated transaction costs in connection with the

hold period anticipated to average approximately five years GSIM believes that many opportunities would be of larger equity size, which could create significant co-investment opportunities for interested Fund investors.⁴

The Portfolio Construction Opportunity

GSIM believes that most infrastructure owners and builders have been slow to adapt new technologies and processes arising through digitalization and smart solutions – including the Cloud, the IoT, mass sensors, mobile applications, high-speed data transmission and expanded data analytics – which collectively afford a significant opportunity for the Fund. GSIM will look for investment opportunities where smart applications and processes applied to traditional infrastructure assets can create intelligent and more sustainable infrastructure, including smarter ports and airports, smarter roads, smarter cities and smarter power generation and distribution.

This includes: (i) investing in technological advances in digitalization that allow existing infrastructure owners to increase the value and operational efficiency of their assets; and (ii) working with governments to design and execute long term concession/contractual agreements to use game changing technologies to enhance operational efficiencies for both new and existing infrastructure.

New technology and digitalization are now mission critical for global infrastructure builders, owners and other stakeholders. GSIM believes that through the Fund it has the opportunity to

disposition of unrealized Portfolio Investments and other estimated expenses to be borne by the Fund, including audit, tax preparation and Organizational Expenses. Other assumptions of the GSIM Fund Model include: (i) two Portfolio Investments per annum for each of the first three years of the Fund's term, aggregating to six Portfolio Investments in total; (ii) a holding period of five years for each Portfolio Investment; (iii) an average capital call of \$110 million per each such Portfolio Investment (including deal specific fees and expenses); (iv) 'broken deal' costs of \$750,000 per each such 'broken deal' for four prospective investments in the aggregate on which full due diligence and first draft documentation has taken place, but which do not become Portfolio Investments; and (v) other expenses absorbed by the Fund averaging \$1 million per annum during the Investment Period and \$750,000 per annum thereafter through the Fund's life. The \$3 million cap for Organizational Expenses is assumed to be fully utilized. While GSIM expects that prospective investment returns for the Fund will be principally through capital gains, GSIM believes that certain of the investments made will allow for pre-realization distributions through operating cash flow utilized to make distributions to the Fund. In the GSIM Fund Model, four Portfolio Investments are expected to be made that generate an average per annum cash 'yield' to the Fund of 6.00% per annum. Following the third anniversary of the first closing, the Investment Period is assumed to end for purposes of calculating Management Fees. No receipt of third-party fees and expenses received by the Fund has been assumed, which, if so received, would reduce the amount of Management Fees in the manner set forth in Section 8 - "*Summary Term Sheet - Management Fee Offset*" of this Memorandum. Prior to the termination of the Investment Period, Management Fees are applied to a Limited Partner's Capital Commitments. Thereafter, Management Fees are calculated and paid only on Limited Partner's Invested Capital. The calculation of net returns takes account of a reserve for future Management Fees which reduces the amount of capital which is allocated to investments. Distributions are allocated according to the waterfall described in Section 8 - "*Summary Term Sheet - Distributions*" of this Memorandum. The target gross IRR of 20% per annum on each Portfolio Investment assumed by the General Partner as the Fund's investment target range implies that the Preferred Return would not be relevant to calculating and distributing Carried Interest Amount in this particular GSIM Model scenario. The net IRR for each individual Portfolio Investment is calculated as if each such Portfolio Investment was initiated and concluded independent of any other made by the Fund, and is, therefore, presented as unaffected by any results or expenses attributable to any other Portfolio Investment (including any 'clawback'). The nature of the illustrative calculations of net IRRs at the level of each individual Portfolio Investment may result in differences in returns when compared to the calculation of net IRR of the Portfolio Investments in the aggregate. The net IRRs are inclusive of all cash inflows and outflows, whether classified as short-term returns of capital or not. The computation of net IRRs as herein presented may differ from the specific terms of the Fund Agreement. Target returns incorporate a substantial number of considerations, which may not be comprehensive of the potential factors that could affect the success of the investment strategy, or may contain assumptions that GSIM believes to be reasonable (several, but not necessarily all, of which are identified above), but which ultimately turn out to be inaccurate, in whole or in part. The adoption of these performance objectives is not intended to either predict the Fund's performance or that of any individual Portfolio Investment; instead, the objectives are used to help illustrate how GSIM intends to construct the Fund's portfolio. Correspondingly, prospective investors should not base any investment decision on target returns, as the Fund's performance could differ materially from what is stated herein. There can be no expectation that the target returns will be achieved or that the Fund will be successful in implementing its investment strategy. Past performance is not indicative of future results. Further details with respect to the methodology utilized to calculate net returns are available upon request.

4 GSIM's policy on co-investment is summarized in Section 8 — "*Summary Term Sheet*."

create a first-mover advantage in an environmentally important and rapidly growing market, and to be a catalyst for global consolidation and proliferation of existing technology to benefit infrastructure stakeholders in a profitable and ESG significant manner. The GSIM team has substantial experience in recognizing this value-enhancing opportunity based on prior ownership and building experiences.

GSIM believes the integration of software, data analytics, big data, artificial intelligence and new energy technologies into hard asset operations – to create Smart Infrastructure – can be used to improve asset performance, drive higher margins and deliver higher returns with appropriate downside risk mitigation. This creates the opportunity to earn attractive investment returns with a value-added infrastructure risk profile.

GSIM considers that an investment in the Fund should allow investors to differentiate their capital with the potential to earn an expected risk-adjusted return in a space of economic and social importance which it expects to grow at double digits each year. GSIM believes that the opportunities in Smart Infrastructure investing create an attractive adjacency strategy for infrastructure investors looking to move beyond the return limitations of core and core plus strategies to find an attractive risk-reward niche in the value-add space between core plus and buyout/traditional private equity.

The GSIM Team – Deep Domain Expertise

GSIM was formed by Guardian when Rob Mah joined from Smart Infrastructure Managers, which he and Chris Lee formed in 2018 to develop Smart Infrastructure opportunities. Rob is President and Managing Partner of GSIM, which is solely dedicated to raising and managing Smart Infrastructure investment vehicles.

The GSIM team is built around individuals who have worked extensively with Rob as he assembled the infrastructure and private equity investment team at AIMCo into one of the more dynamic, innovative and successful groups in the industry. Joining Rob are co-founders, Chris Lee, former Founder and Managing Partner of Highstar Capital, and Kevin Roseke, former Director of Infrastructure Investments for AIMCo and head of its London office.

With their 20 years of average investment experience (including over a decade working together on investments and co-investments), Rob, Chris and Kevin anchor a core team with significant expertise, including in the building and constructing of concession/public-private partnership (“P3”) models, relationships with local government agencies, and investment and fund management experience.

While at AIMCo, Rob and Kevin built the direct infrastructure portfolio from C\$1.7 billion to C\$6.5 billion across 14 transactions including Autopista Central, Grupo Saesa, Porterbrook and London City Airport between September 2010 and April 2017. Chris worked with AIMCo on a number of transactions, including two that GSIM believes are directly relevant to GSIM’s strategy.

In Smart Infrastructure, the team invested in the design, build, finance, and operations of a high-speed cellular system for all underground stations in the New York City subway system; oversaw the implementation of renewable and sustainable technologies achieving carbon neutral status such as the investment in a new Digital Air Traffic Control tower at London City Airport; and led a smart solution with a leading data science consultancy to improve data usage for maintenance, fuel usage, customer cost savings and revenue growth with a portfolio investment in the UK rail sector.

During this period, AIMCo’s client allocations (“AUM”) increased by C\$6.6 billion, representing commitments from over 25 Canadian pension plans and endowments. This experience has

fostered an investor-focused culture at GSIM.

This experience is further complemented by a group of advisors who are domain experts with knowledge in telecommunications, transportation and energy, as well as extensive experience in P3s: Carlos Cordero of Cisco Systems, Inc. and Keith Hennessey of Bechtel Group, Inc. (collectively, the “**Senior Advisors**”).⁵ The Senior Advisors have all worked with Rob Mah and/or Chris Lee in prior roles. GSIM believes such technology domain expertise is a source of real differentiation and key competitive advantage against traditional infrastructure funds.

The following chart outlines the capabilities and expertise of the GSIM team and how GSIM views themselves relative to competitors in the industry:⁶

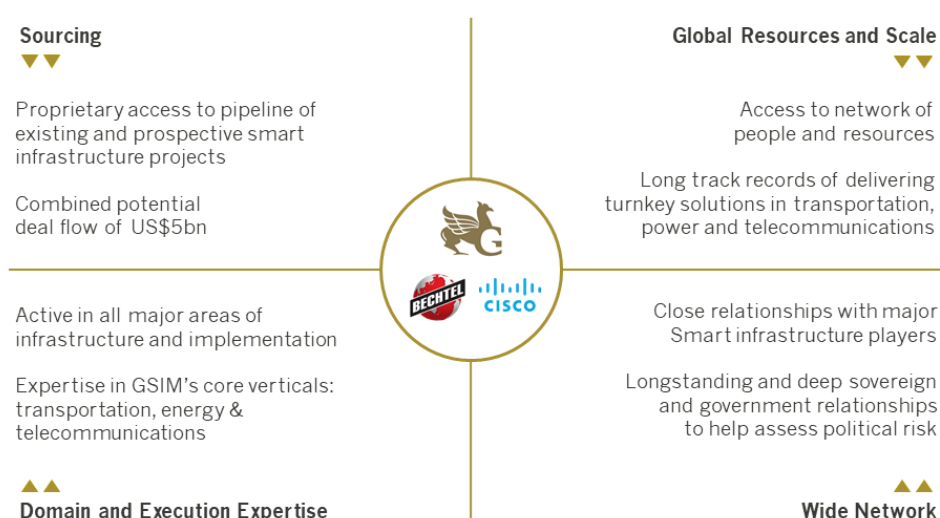
Capability	GSIM	Infra GPs	Pension Plans	SWFs	Telecom/Data Competitor	PE Funds	PPP Funds	Venture Competitor
Relationships with Private Infra Owners (SWFs, Global Infra GPs, Direct Pensions)	●	●	●	●	●	●	●	○
Relationships with Public Infra Owners (Municipalities, Local Planning Authorities)	●	●	●	●	○	○	●	●
Brownfield Infra Investment Experience	●	●	●	●	●	●	○	○
Digital Infra/Smart City PPP experience, PPP/Development Greenfield Experience	●	○	○	●	○	○	●	●
Strategic EPC Relationship	●	●	○	●	○	○	●	●
Buyout Experience	●	●	●	●	●	●	○	●
Domain Expertise with Municipalities, Local Planning Authorities	●	●	○	○	○	○	○	●

⁵ The Senior Advisors are part of the Strategic Advisory Board (the “**SAB**”). The SAB has no investment authority or other governance role with GSIM. Neither Messrs. Cordero and Hennessey, nor Cisco or Bechtel, respectively, receive any compensation from either GSIM or the Fund for serving on the SAB.

⁶ Market analysis based on GSIM's proprietary research and assessment. This chart has been provided for illustrative purposes only and does not purport to reflect a comprehensive list of similarly situated investors.

2. STRATEGIC RELATIONSHIPS

GSIM has relationships with the Global Infrastructure team (“**GIF**”) of Cisco Systems Inc. (“**Cisco**”), and the Bechtel Corporation (“**Bechtel**”), based on prior associations with Chris and Rob. GSIM considers its relationships with Cisco and Bechtel to have strategic value for the Fund and its investors; in particular, GSIM believes Cisco and Bechtel will be helpful in sourcing opportunities for the Fund.⁷ GSIM further anticipates that Cisco and Bechtel’s global reach and resources have the potential to provide the Fund with access to investment opportunities and market knowledge. This could include helping GSIM execute its strategy of delivering turnkey solutions in transportation and energy infrastructure, with the goal of becoming a ‘one-stop’, ‘go to’ solution source for municipal and private sector infrastructure sponsors, owners and operators of assets where digitalization is required to increase revenues and returns, reduce costs, and provide ESG sustainability.



Cisco’s Carlos Cordero and Bechtel’s Keith Hennessy serve on the GSIM Strategic Advisory Board. Mr. Cordero and Mr. Hennessy’s backgrounds are described in Section 7– “*Guardian, the General Partner and the Manager.*”

Cisco Systems, Inc. (www.cisco.com):

Founded in 1984, Cisco has become one of the top technology brands globally. The company is a leading player in the telecommunications equipment market and dominates the enterprise network infrastructure market, according to *Statista*.⁸ GSIM believes that Cisco’s market leadership in networking, cloud, mobility, smart cities, and IoT, its network of channel partners, and its extensive sales force can result in deal flow for the Fund sourced through the GSIM-Cisco relationship.

In their 2023 Annual Report Cisco states: “Cisco designs and sells a broad range of technologies that power the Internet. We are integrating our platforms across networking, security, collaboration, applications and the cloud... These platforms are designed to help our customers manage more users, devices and things connecting to their networks. This will enable us to

⁷ While GSIM believes these strategic relationships will be helpful in, among other things, sourcing investment opportunities, neither Cisco nor Bechtel has any obligation to present investment opportunities to GSIM or the Fund and there can be no assurance that such relationships will ultimately lead to investments executed by the Fund.

⁸ Cisco – Statistics and Facts. Thomas Alsop, Statista, Jan 10, 2024. <https://www.statista.com/topics/2286/cisco/>

provide customers with a highly secure, intelligent platform for their digital business.” The same report states that “as of the end of fiscal 2023, our worldwide sales and marketing functions consisted of approximately 26,000 employees, including managers, sales representatives, and technical support personnel.”⁹

Cisco goes on to state: “As our customers add billions of new connections to their enterprises, and as more applications move to a multi-cloud environment, the network becomes even more critical. Our customers are navigating change at an unprecedented pace. In this dynamic environment, we believe the priorities are to transform infrastructure, secure the enterprise, power hybrid work, reimagine applications, and drive toward sustainability.”¹⁰

GSIM understands that Cisco is a leader in the overall IoT market with a comprehensive suite of products, solutions, and services providing connectivity, security, automation, and insights supporting key verticals including utilities, transportation, and cities and communities. These solutions include:

- Communications Infrastructure
- Environmental and Air Quality Monitoring
- Smart Lighting
- Smart Parking
- Public Wi-Fi
- Safety and Security
- Transportation
- Urban Mobility
- Waste Management
- Water Management

Bechtel Corporation (www.bechtel.com):

According to its public releases, “Bechtel is a trusted engineering, construction and project management partner to industry and government. Differentiated by the quality of our people and our relentless drive to deliver the most successful outcomes, we align our capabilities to our customers’ objectives to create a lasting positive impact. Since 1898, we have helped customers complete more than 25,000 projects in 160 countries on all seven continents that have created jobs, grown economies, improved the resiliency of the world’s infrastructure, increased access to energy, resources, and vital services, and made the world a safer, cleaner place.”¹¹

GSIM agrees with Bechtel that, “Great infrastructure transforms communities. Our customers’ projects have a higher purpose – their roads, rail, communications, airports and energy projects are a gateway to a modern prosperous world. A world that caters for growing populations and keeps up with rapid technological change; A world that is resilient to economic and geophysical setbacks; A world powered by cleaner energy and systems that accelerate the path to global decarbonisation; A world connected by smart and affordable transport networks to empower disenfranchised communities and unlock access to opportunities.”¹²

9 Cisco Systems Inc. Annual Report, 2023, Page 1 and Page 7. https://www.cisco.com/c/dam/en_us/about/annual-report/cisco-annual-report-2023.pdf

10 Ibid, Page 34.

11 <https://www.bechtel.com/newsroom/releases/2020/09/bechtel-cityfibre-uk/>

12 <https://www.bechtel.com/services/infrastructure/>

3. INVESTMENT STRATEGY AND APPROACH

The Fund intends to invest in areas where digitalization and traditional infrastructure are converging to create a new Smart Infrastructure private investment paradigm. GSIM's focus is on transport and energy sector solutions with telecommunications as a key overlay and driver. GSIM expects that Smart Infrastructure can open up new revenue streams for private and public infrastructure owners, reduce operating costs, limit operating risk, and be sustainable from a business and ESG perspective. GSIM believes that in both the U.S. and Europe, municipalities are increasingly facing budgetary issues, which is resulting in an increasing use of concession/P3 solutions for both traditional and Smart Infrastructure, such as the announced 20+ year P3 for creating a cellular and data network in one of the world's largest subway and transit systems (for which the principals of GSIM co-led a short-listed consortium of major telecommunications companies, prior to joining GSIM). GSIM expects that these tailwinds will continue for the foreseeable future.

GSIM believes that significant opportunities in Smart Infrastructure already exist but have not been adequately funded to greater scale and efficiency. ***The Fund will not take on what GSIM believes to be new application or technology risk and will only invest in what it regards as demonstrated technology solutions.*** GSIM does not intend for the Fund to be another data center/cell tower fund; rather the Fund will be focused on opportunities at the intersection of digitalization and traditional infrastructure which GSIM calls "Smart Infrastructure."

GSIM believes that Smart Infrastructure offers investors the opportunity to earn higher returns without taking a proportionately higher degree of risk, which GSIM thinks makes it attractive to traditional infrastructure investors, as well as to investors seeking the relatively lower risk profile of P3s, concessions and infrastructure related operating companies. GSIM believes that the opportunities in Smart Infrastructure investing create an attractive adjacency strategy for infrastructure investors looking to move beyond the return limitations of overly competitive core and core plus strategies to find an attractive risk-reward niche in the value-add space between core plus and buyout/traditional private equity.

Key Investment Themes¹³

GSIM has identified six themes underpinning the Smart Infrastructure investment opportunity (collectively, the "**Key Investment Themes**"):

- (i) There is a transition from capital expense or 'capex' procurement to operational expense or 'opex' procurement requiring third party investors to own assets;
- (ii) The IoT is creating dramatic new ways to distribute the ownership, operation and utility of infrastructure assets;
- (iii) There are new monetization opportunities for infrastructure, including presale of telecommunication/5G capacity;
- (iv) An empowerment of consumer awareness and choice is driving disruption and investment opportunity in energy and transportation infrastructure;

¹³ The characteristics of each investment are expected to vary. Accordingly, there can be no assurance that every Fund investment will include any or all of the characteristics noted above.

- (v) The transformation of data from a by-product of social and economic activity to a key, if not the key, driver of growth; and
- (vi) There is a lack of responsive, knowledgeable growth equity funding in between venture capital funding and the public markets for operating companies in the energy and transportation infrastructure space.

To support the execution of its investment strategy and approach GSIM believe that it brings two key differentiators: (i) the ability to generate meaningful, differentiated deal flow, that other industry participants are not able to access, and (ii) a blend of technology domain expertise and a hands on, operational focus, that can create meaningful value within its portfolio investments for the benefit of the Fund.

The Ability to Generate Deal Flow

GSIM believes that the relationships and experience of its team puts it in a position to source and execute proprietary opportunities with public and private infrastructure owners, developers and builders. GSIM believes that the Fund has the potential to rapidly become a 'one-stop', 'go to' solution source for municipal and private sector sponsors and owners at the intersection of digitalization and infrastructure, including through the Bechtel and Cisco strategic relationships. GSIM believes that its competitive advantage in sourcing and executing attractive Smart Infrastructure opportunities centers around:

- (i) **Proprietary Deal Flow:** through Bechtel's, Cisco's and the GSIM team's municipal, financial and corporate networks, including smart city players, vendors and original equipment manufacturers ("**OEM's**").
- (ii) **Negotiated Deals:** avoiding lengthy and competitive municipal procurement and capital project bids by delivering fully financed, competitive, typically opex (as opposed to capex) utilization-based solutions.
- (iii) **Established Credibility with Sponsors:** based on the GSIM team's experience having closed a number of innovative P3s and project financings, including the first major U.S. airport P3, and the first U.S. P3 to qualify for tax exempt debt.
- (iv) **Exploiting Nimbleness and Speed:** versus large telecommunications companies and other traditional providers of digital solutions in North America and Europe.
- (v) **Experience in Working with Key Counterparties:** the GSIM team has significant experience in managing, negotiating and operating investments in partnership with local stakeholder groups such as government agencies and local municipalities globally.

GSIM's Value Add

GSIM believes that it offers a compelling value proposition to the Fund through:

- **Technology Domain Expertise:** Developed and maintained in-house and sourced via third party partnerships – this is a source of real differentiation and competitive advantage against traditional infrastructure funds, allowing the Fund to readily evaluate the value-added aspects of how technology can enhance infrastructure. Further, GSIM's access to Fortune 500 global technology providers allows GSIM to evaluate the Smart Infrastructure opportunities in a more efficient and timely manner.
- **Extensive Operational Experience and a Hands-on Approach:** The GSIM team and its Senior Advisors bring extensive experience related to the operation and ownership of large infrastructure assets. GSIM brings significant experience in developing existing company and project management teams, including building new teams, upgrading and realigning existing teams, restructuring and recapitalizing businesses and managing portfolio investments through economic cycles. This is supported by a demonstrated ability to create and execute compelling value-added strategies, drive corporate direction and vision, instill and propagating budgeting, cost control, strategic planning, resource management and HR functions. GSIM's relationships, complemented by the Bechtel and Cisco global network also enables GSIM to add value to their portfolio investments in terms of new customers, channel partners, joint ventures, as well as the execution of acquisition and divestiture strategies.

ESG: Combining Societal and Economic Benefits with a Financial Return

GSIM is committed to promoting ESG sustainability and believes that investing primarily in digital technology solutions that make infrastructure more efficient and cost effective is green, sustainable, and especially promising when it comes to promoting quality job creation and GDP growth. Accordingly, GSIM seeks to follow best ESG practices, including the six principles of responsible investing as enumerated by the PRI Association, and the responsible investment guidelines issued by the American Investment Council and the United Nations Principles of Responsible Investing ("UNPRI"). GSIM believes that it can invest in a segment of the market which fosters such a commitment to ESG as can be seen in the following chart:

 Environmental	 1. Air and water pollution (e.g. traffic management systems)  2. Deforestation (e.g. intelligent materials and transportation)  3. Energy efficiency (e.g. smart power grids)  4. Hazardous materials (e.g. leak detection)	 5. Land degradation (e.g. smart storm/flood management)  6. Resource depletion (e.g. renewables, EV infrastructure)  7. Waste management (e.g. leak detection)  8. Water conservation (e.g. smart water meters)
 Social	 1. Customer satisfaction (e.g. e-government)  2. Data protection (e.g. network security)  3. Employee recruitment and retention  4. Labour standards (e.g. information management systems)	 5. Privacy (e.g. network security)  6. Safety (e.g. smart lighting, sensors on new construction)  7. Supply chain management (e.g. smart distribution)
 Governance	 1. Accounting standards  2. Anti-competitive behavior  3. Board composition  4. Bribery and corruption	 5. Business ethics  6. Compliance  7. Executive remuneration  8. Risk management

GSIM believes that Smart Infrastructure solutions in both transportation and energy will become an increasingly important driver of infrastructure value-add related to ESG.

Significant Opportunity to Co-Invest¹⁴

GSIM expects that many investments the Fund makes will likely exceed the amount that the General Partner will determine is appropriate for the Fund to invest in, giving rise to potential co-investment opportunities.

Cybersecurity

Cybersecurity is the practice of protecting systems, networks, and programs from digital attacks. Cybersecurity has emerged as a principal risk across all sectors of investing as cyber-attacks are often aimed at accessing, changing, or destroying sensitive information; extortion; or interrupting normal business processes.¹⁵

Infrastructure can be a target for cyber criminals and terrorists, whether for extortion or to take out a critical network, as evidenced by the attack on the Colonial pipeline system in the U.S. As GSIM is focused on the adaption of technologies designed to improve and enhance infrastructure, we believe that managing and appropriately mitigating cybersecurity risk is a core competency of our investment strategy and approach.

In this regard our relationship with Cisco is particularly relevant as GSIM considers Cisco to be a leading provider of cybersecurity expertise solutions. Discussing this threat, Cisco believes that:

- “A successful cybersecurity approach has multiple layers of protection spread across the computers, networks, programs, or data that one intends to keep safe. In an organization, the people, processes, and technology must all complement one another to create an effective defence from cyber-attacks. A unified threat management system can automate integrations across select ... [solutions] and accelerate key security operations functions: detection, investigation, and remediation...¹⁶
- The value of cloud-based security architectures cannot be understated. Organizations that claim to have mature implementations of Zero Trust or Secure Access Service Edge (“**SASE**”) architectures are 35 percent more likely to report strong security operations than those with nascent implementations.¹⁷
- Organizations that leverage threat intelligence move twice as fast to repair damage caused by security threats, than organizations that do not use threat intelligence.¹⁸
- As the threat landscape continues to evolve, testing business continuity and disaster recovery capabilities regularly and in multiple ways is paramount, with proactive organizations 2.5 times more likely to maintain business resiliency.¹⁹

¹⁴ There can be no assurance that any or all Fund investors will be offered any co-investment opportunities.

¹⁵ <https://www.cisco.com/c/en/us/products/security/what-is-cybersecurity.html>

¹⁶ <https://www.cisco.com/c/en/us/products/security/what-is-cybersecurity.html>

¹⁷ <https://investor.cisco.com/news/news-details/2021/Global-Cisco-Study-Identifies-Top-Security-Practices-to-Detect-Threats-and-Ensure-Business-Resiliency/default.aspx>

¹⁸ <https://investor.cisco.com/news/news-details/2021/Global-Cisco-Study-Identifies-Top-Security-Practices-to-Detect-Threats-and-Ensure-Business-Resiliency/default.aspx>

¹⁹ <https://investor.cisco.com/news/news-details/2021/Global-Cisco-Study-Identifies-Top-Security-Practices-to-Detect-Threats-and-Ensure-Business-Resiliency/default.aspx>

- Organizations with board-level oversight of business continuity and disaster recovery efforts that have operations residing within cybersecurity teams perform best.”²⁰

Building on the investment team’s previous experience, GSIM intends to utilize the experience of Cisco and the Fund’s other Senior Advisors in advising, planning, and implementing cybersecurity capabilities and solutions. GSIM plans to use what it believes are industry-leading cybersecurity frameworks and methodologies for protecting systems, networks, and programs from digital attacks. Moreover, we consider that in each digital infrastructure deployment, the people, processes, and technology components must all complement one another to create an effective defense from cyberattacks and accelerate key security operations functions: detection, investigation, and remediation. We plan to approach cybersecurity protection with multiple layers of protection spread across computing, networks, applications, and data.

As recommended by Cisco, this will include what GSIM considers appropriate board-level oversight and dedicated cybersecurity responsibility and empowerment within each Portfolio Investment.

GSIM believes that it is critically important that the latest generation of cybersecurity technology forms an integral part of infrastructure deployments in order to guard against malicious attacks which could adversely impact solution performance and integrity.

While each cybersecurity plan would be tailored to the opportunity in question, there are a variety of key workstreams that GSIM believes need to be considered. Relevant cybersecurity measures include firewalls at network entry points, Domain Name Service (“**DNS**”) security, malware protection and cloud security, including review of external connection sources and penetration testing.

Network security assessments – including firewall, endpoint, web security, deep packet inspection, wireless networks and vulnerability audits – as well as data encryption processes are intended to be assessed and applied as required.

Data centers and private and public cloud computing represent yet another threat surface, so workload security and the use of dedicated SASE technology are critical components that we consider. Intrusion protection and threat analytics, including the use of ‘white hat’ hackers who find and report back on security vulnerabilities, are valuable tools.

GSIM believes the need for ongoing updates in cybersecurity protection provides a potential benefit to the Fund’s strategy. Providing ongoing cybersecurity software updates to customers should in GSIM’s view encourage longer-term service contracts and increase the competitive position of software services around Smart Infrastructure.

Investing in the post COVID-19 Environment

As a result of changes wrought by COVID-19, GSIM expects to see greater opportunities in improving remote connectivity, wireless service and the welfare of citizens to spur economic growth. GSIM believes that public and private infrastructure owners will face challenges to recover alpha that has been lost through operating plans developed before COVID-19. The increased use and necessity of remote connectivity to monitor, operate and maintain infrastructure is now ‘top of mind’ with asset owners, operators, and investors.

Extensive Pipeline with Potential Early Investments

²⁰ <https://investor.cisco.com/news/news-details/2021/Global-Cisco-Study-Identifies-Top-Security-Practices-to-Detect-Threats-and-Ensure-Business-Resiliency/default.aspx>

GSIM has identified a wide range of both near-term and long-term potential investment opportunities ranging from \$50 million to over \$500 million of equity. The Fund intends to invest between \$100 million to \$150 million in each opportunity, with the balance expected to create potential co-investment opportunities.²¹ These opportunities were sourced through GSIM's technology infrastructure and engineering, procurement and construction ("**EPC**") relationships, including Cisco and Bechtel, and through GSIM's own proprietary sources. The risk-reward profile of these opportunities evidences the asymmetric returns found in Smart Infrastructure: value-add infrastructure downside protection with private equity upside potential.

Several examples of live near-term investment opportunities include:²²

- **Project Berry:** A leading Intelligent Transportation Systems company, focused on Electronic Tolling and Commercial Vehicle Enforcement. The company has two main business units. The first is a leading provider of Electronic Tolling capabilities, including the installation of necessary technology for modern free-flowing tolling operations, and then long-term contracts that sustain the operations for the various municipal authorities and departments of transportation ("**DOTs**"). The second is a world-leading Advanced Traffic Management Systems ("**ATMS**") Products business focused on Commercial Vehicle Enforcement, which is evolving into a similar long-term business as current tolling operations, with a greater emphasis on back-office services and longer-term contracts. Contract lengths are typically 10-15 years and are often renewed for longer periods. All customers are public sector DOTs, state agencies or municipalities.
- **Project Sky:** A transaction alongside a global leader in digital air traffic management infrastructure and technology, involving the direct ownership of digital infrastructure and control centres to enable a network of centralised digital air traffic control towers. This opportunity builds from the GSIM team's previous experience overseeing the installation of a relevant system at London City Airport in 2019, and recognition of the growth opportunity of this emerging critical infrastructure
- **Project Tunnel:** Acquisition of a global business that provides infrastructure communications networks for mass transit systems both above and below ground. The company finances, designs, builds and operates leading 4G/5G wireless networks and contracts the infrastructure out to the prevailing Mobile Network Operators on a long-term basis. The company currently owns three 25-year concessions with major cities and targets future concessions in 4 other major global cities which are looking to deploy the same state-of-the-art technology. The GSIM team and Senior Advisors have a deep knowledge of the company, having helped its transformation and growth.
- **Project Kodiak:** the roll-out of hardware and software that provides a unique solution to internet connection issues at the edge of the internet, through the development of a mobile content delivery network. Working in partnership with one of the world's largest mobile network providers and several major internet content providers.

21 There can be no assurance that any or all Fund investors will be offered any co-investment opportunities.

22 There can be no assurance that any potential transactions referenced herein will be consummated by the Fund.

GSIM believes these opportunities demonstrate its execution capabilities including managing a complex consortium of technology firms and financing partners as well as the ability to secure exclusivity in an attractive opportunity in the Fund's target market: Smart Infrastructure.

4. INVESTMENT ACTIVITY

Since the initial close of the Fund in October 2023, the Fund has made the below investments:

Q-Free ASA

In December 2023, the Fund made an investment in the Intelligent Transportation Systems industry. GSIM led an off-market acquisition of a controlling stake (70%) in Q-Free ASA (“**Q-Free**” or the “**Company**”), which was publicly announced on September 26th, 2023. The transaction was exclusive to GSIM and generated through its industry network, knowledge of the market and transaction leadership. The deal came about after high-level discussion with the majority-owner of the Company, including evaluating GSIM’s business plan and vision for the Company. They then opted to retain a 30% stake in a joint venture with the Fund. An offer was made to the remaining public shareholders, and Q-Free was successfully taken private and de-listed from the Oslo Stock Exchange on December 15th, 2023.

Since its founding in 1984, Q-Free has been at the forefront of the transportation management industry. The Company delivered the first free-flow road tolling system in 1988 and continues to maintain their position as a prime mover in traffic technology. Q-Free is one of a few companies globally with experience in providing digital solutions for urban congestion management, a high-growth industry, especially in the US. Q-Free’s systems provide traffic signal management, electronic multi-lane free-flow toll collection, truck and ferry tolling, adaptive signal control, congestion charging, road user charging, bicycle and pedestrian monitoring, weigh-in-motion, connected intersections, and automatic license plate recognition. The Company is headquartered in Trondheim, Norway, has ~ 350 employees, and is active in over 50 markets, with offices across 15 countries (including the US).

Q-Free’s business is split into two main business lines: (1) Tolling (under long-term contracts), which provides turnkey systems such as multi-lane free-flow, congestion charging, truck tolling, on-board units and transceivers, imaging and license plate recognition, back-office software, and service and maintenance, including 24/7 remote monitoring, and (2) Traffic Management under recurring revenue contracts, which provides ATMS for freeway, urban, and other environments.

Key elements of the strategy are based on a set of diversified, creditable revenue streams. The industry is typified by a sticky customer base with very low churn, as evidenced by (1) contract lengths up to 15 years; (2) equipment leasing contracts with 7- to 8-year terms; and (3) customer relationships spanning multiple decades. Q-Free’s customers are typically government entities, including state and DOTs and municipal governments, whom Q-Free has been in business with for over 20+ years. Their government customers tend to have investment grade credits. The Company’s revenue is split 60% Europe, 30% Americas and 10% for the rest of the world, with exposure to higher growth areas outside North America and Europe. Q-Free takes no traffic risk and is paid regardless of traffic on the roads they serve. A significant portion of their contracts have inflation-linked escalators.

The Fund provided \$100 million in equity for the transaction, \$57 million of which was funded by an affiliate of Guardian as a bridge financing that will be repaid to such affiliate based on the pro rata contributions of newly admitted limited partners in connection with their admission to the Fund. See Section 8 – “*Summary Term Sheet – Guardian Bridge Investment*” for additional information.

5. SUMMARY OF KEY FUND TERMS

The following information is a summary of certain anticipated key terms of the Fund. These terms are subject to change and are qualified in their entirety by reference to the more detailed information appearing in Section 8 — “*Summary Term Sheet*” and in the final governing documents of the Fund. Capitalized terms not defined below are defined in Section 8 — “*Summary Term Sheet*.”

The Fund	Guardian Smart Infrastructure Partners LP and Guardian Smart Infrastructure Partners-A LP
General Partner	Guardian Smart Infrastructure Partners GP LP
Target Commitments	\$800 million
Primary Investment Objective	Generate attractive risk-adjusted returns through Smart Infrastructure investments, primarily in transportation, energy and communications opportunities
Geographic Focus	Principally North America and Europe
Management Fees	1.75% per annum on Capital Commitments during the Investment Period (including any extensions), and 1.75% per annum on Invested Capital (as defined herein) thereafter (the “ Fund Management Fee ”)
Carried Interest Amounts	20%, subject to a Preferred Return to the Limited Partners of 8%
Final Close	12 months from the Closing (as defined herein), subject to a 3-month extension in the General Partner’s discretion
Investment Period	5 years from the Effective Date (as defined herein), which may be extended with the consent of the LPAC
Fund Term	10 years from the Final Closing Date (as defined herein), subject to extension for one additional one-year period with the consent of the General Partner and two additional one-year periods with the consent of the LPAC
Minimum Commitment	\$10 million, or any smaller amount agreed to by the General Partner in its sole discretion
General Partner Commitment	At least 2% of the aggregate Capital Commitments.
Currency	U.S. Dollars

6. INVESTMENT STRATEGY

Investment Approach

The primary investment objective of the Fund is to generate attractive risk-adjusted returns principally through investments in Smart Infrastructure in North America and Europe. GSIM will initially seek to invest in Smart Infrastructure related transportation and energy projects, as well as operating companies. GSIM intends to leverage its own networks, complemented by preferred access to Bechtel and Cisco deal flow, to execute on these Smart Infrastructure opportunities.

GSIM intends to focus on investments in both operating assets (brownfield) and new Smart Infrastructure assets (greenfield). It is anticipated that the Fund will invest in areas where digitalization and traditional infrastructure are coming together to create a new Smart Infrastructure private investment paradigm. Smart Infrastructure can open new revenue streams for private and public infrastructure owners, reduce operating costs, limit operating risk, and be sustainable from a business and ESG perspective.

GSIM believes that significant opportunities in this area already exist but have not been adequately funded to greater scale and efficiency. The Fund will not take on new application or technology risk and will only invest in demonstrated technology solutions. The Fund is not another data center/cell tower fund; rather it is focused on opportunities at the intersection of smart and traditional infrastructure. The Fund will target 6 to 8 investments, with approximately a quarter to a half of the capital per investment coming from the Fund and the balance expected to be offered as co-investment,²³ with a hold period averaging five years.

The below diagram illustrates the expected initial focus on transport and energy sector solutions with communications as a key overlay/driver.

The following table includes examples of how Smart Infrastructure solutions may be utilized in infrastructure, summarizing potential benefits to owners, sponsors, operators and investors.

23 There can be no assurance that any or all Fund investors will be offered any co-investment opportunities.

Representative Smart Infrastructure Solutions

Transportation:		
	<u>Solution</u>	<u>Benefit</u>
Traffic Management	Connected interchange, smart city traffic management systems, e.g., multiple linked traffic lights communicating with each other to coordinate stop and go timing	Increase traffic throughput and decrease travel times and energy burn. Improves traffic safety and helps to stabilize or even lower auto insurance premiums. Reduces carbon emissions and pollution. Potential for P3's
Air Traffic Control	Provides safety-critical communication and information solutions –principally the development and construction of Digital Air Traffic Control Towers to owners and operators of airports and related aviation infrastructure.	Cost-savings and safety enhancements. Allows Air Traffic Control to operate multiple airfields simultaneously, reducing staffing and overhead. Leads to better airspace traffic management, allowing for better scheduling, pre-flight planning, and real-time navigation/safety management. Reduces carbon emissions and pollution. Potential for P3's
Airport Operations	Improves the passenger's travel experience delivered through every checkpoint, service, stop, and agent. Maintains constant contextual and situational awareness through airport monitoring. Uses data-driven insights and collaboration for operational efficiency.	Reduced security wait times. Real time baggage tracking for passengers. Reduced lost luggage claims. Real time flight information. Increased retail revenue. Enhanced passenger and employee safety and cyber security. Improved efficiency in ground operations, and error mitigation. Improves operating margins. Potential for P3's
Container Terminals	Digital vessel and port (crane, spreader, stacking, truck and rail) interface for port automation and command and control. Using data-driven insights to make cargo information and application delivery conveniently available and securely protected.	Increase traffic throughput and decrease travel times and energy burn. Improved application availability and effective delivery. Enhanced insights into cargo information. Improved service delivery, logistics, and operational performance. Reduces carbon emissions and pollution. Improves operating margins. Potential for P3's
Collection and payment processing platforms	Integrated mobility and payment solutions including connected meters/terminals, mobile payment, guidance and navigation apps, payment processing. Digital signage opportunity.	Recurring payment model enhances municipal cash flow. Can be integrated with smart traffic management to increase throughput. Reduces carbon emissions and pollution. Improve operating margins. Potential for P3's
Smart Mass Transit	Neutral host cellular network serving the local Multi Network Operators (Telecom Carriers). A fiber or mm-wave backhaul network utilizing above-ground transit and subway tunnels and right of way corridors to offer: – a wholesale and retail broadband network – a public Wi-Fi networks – support for private LTE networks/CBRS – an IoT low-power network	Enhances transit experience both personal and business. Enhanced safety, security and emergency response capabilities. Addresses coverage and capacity issues. Enables new monetizable IoT use-cases for municipalities and their constituents with societal rates of return. Potential for P3's.
Energy:		
	<u>Solution</u>	<u>Benefit</u>
Battery Storage	Low cost, high-capacity electricity storage and grid balancing.	Enables renewables (wind, solar and hydro) to achieve dispatch parity with fossil fuels. Recent scalability allows for synthetic battery driven natural gas 'peaker' power plant displacement. Reduces carbon emissions and pollution. Improves operating margins.
Smart Grids/Distributed Energy	Enables utilities, grid operators, large energy users and power generators to significantly enhance the monitoring and automation of energy assets on the grid including remote control.	Reduces transmission and distribution network capacity requirements, decreases electrical losses, can improve reliability, resiliency, and other operating metrics. Reduces carbon emissions and pollution. Improves operating margins.
EV Charging¹	Supply electric energy for high-capacity, fast recharging of cars and trucks to replicate the convenience of existing gas stations.	Critical step to acceleration of EV adoption from a specialty niche to a true internal combustion engine replacement on a broad scale. Reduces carbon emissions and pollution.

1. Cross over between transport and energy.

ESG: Combining Societal and Economic Benefits with a Financial Return

GSIM's investment strategy, and the nature of its investing, will also allow investors to have a direct impact on ESG investing. GSIM has a deep commitment to: (i) ensuring best ESG practices, and (ii) building a select group of sustainable investments and partnerships with investors in the Fund.

GSIM incorporates ESG analysis into its investment process to limit stakeholder risks and position its companies for sustainable growth. Before every deal, its leadership team and Senior Advisors conduct an in-depth review of a company's cybersecurity, health and safety standards, labor standards, service reliability and stakeholder relationships amongst other ESG considerations. Additionally, GSIM engages legal advisors to assess potential ESG risks and opportunities. All material findings are communicated to the investment committee. Each new investment submitted to the final "Investment Review Team" will be reviewed using GSIM's 23 Key ESG Metrics to identify strengths, weaknesses, and areas for improvement including risks.

GSIM's Key ESG Metrics

ENVIRONMENTAL



Air and water pollution
(e.g., traffic management systems)
Deforestation (e.g., intelligent materials and transportation)
Energy efficiency
(e.g., smart power grids)
Hazardous materials
(e.g., leak detection)
Land degradation (e.g., smart storm and flood management)
Resource depletion (e.g., renewables, EV infrastructure)
Waste management
(e.g., leak detection)
Water conservation
(e.g., smart water meters)

SOCIAL



Customer satisfaction
(e.g., e-government)
Data protection
(e.g., network security)
Employee recruitment and retention (e.g., remote social infrastructure)
Labor standards (e.g., information management systems)
Privacy (e.g., network security)
Safety (e.g., smart lighting, sensors on new construction)
Supply chain management
(e.g., smart distribution)

GOVERNANCE



Accounting standards
Anti-competitive behavior
Board composition
Bribery and corruption
Business ethics
Compliance
Executive remuneration
Risk management

After an investment has closed, GSIM continues to monitor ESG performance and progress both during the value creation planning process and throughout the life of each investment:

- During the first 100 days of each portfolio investment, an ESG Scorecard with rankings for the applicable metrics will be produced for monitoring purposes.
- Subsequently, GSIM will ensure ESG measures are maintained through regular conversations and documented check-ins with GSIM management and regular board meetings.

GSIM strives for full transparency with investors and will look to comply with international standards of disclosure on environmental, social, and governance issues. GSIM will provide an

ESG Annual Report to its Limited Partners as well as update: (i) the Fund's Limited Partners on ESG at every Annual Group Meeting; and (ii) the LPAC on quarterly calls.

Investment Opportunity

GSIM believes that the Key Investment Themes have the potential to translate into investment opportunities for the Fund and its investors as follows:

- (i) Brownfield assets and greenfield projects being spun off and transferred from municipal and corporate owner/operators to financial owner/operators;
- (ii) The expansion in the universe of P3 opportunities including, smart highways, rail, airports and cities;
- (iii) New monetization opportunities that make investing in public transportation and municipal services more attractive; and
- (iv) The expansion of the base of interrelated growth phase operating company investment opportunities.

Investment Process

GSIM intends to follow a thoughtful and consistent investment approach that includes a bottom-up analysis for all potential transactions pursued. The following is a graphical representation of the typical investment process:



Investment Committee

GSIM has a six-member Investment Committee, chaired by Rob Mah (the “**Investment Committee**”). In addition to Rob, the Investment Committee consists of Chris Lee, Kevin Roseke, George Mavroudis, Denis Larose, and Steve Bates. All decisions by the Investment Committee require the affirmative vote of at least three out of six members, including that of Rob and Chris.

The Investment Committee must approve a transaction before a binding offer/bid is submitted in any investment process. However, the lead team member for each portfolio investment or prospective portfolio investment is given discretion to make decisions during the investment process, with the exception of:

- (i) An increase in the maximum investment amount/purchase price;
- (ii) Additional capital commitments; and
- (iii) Any other matters expressly stipulated in an Investment Committee approval.

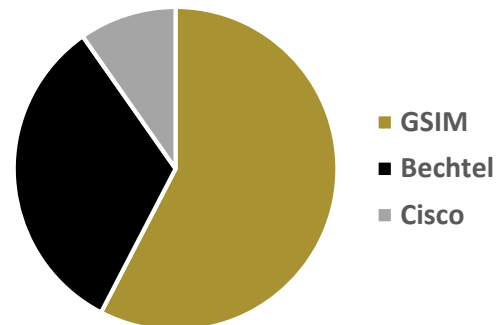
The Investment Committee intends to be involved in all material events affecting an investment, including follow-on financings, material M&A activities, and the realization process.

Investment Sourcing

GSIM's pipeline is primarily sourced using in-house capabilities and is supported by strategic relationships.²⁴ The chart to the right summarizes the sourcing of GSIM's current pipeline of investment opportunities.

Access to appropriate and attractive deal flow is a key factor for successful Smart Infrastructure investing. GSIM believes that the Fund has the potential to rapidly become a 'one-stop', 'go to' solution source for municipal and private sector sponsors and owners at the intersection of digitalization and infrastructure, including through the Bechtel and Cisco strategic relationships.

GSIM believes that its competitive advantage in sourcing and executing attractive digital infrastructure opportunities centers around:



- (i) **Proprietary Deal Flow:** through Bechtel's, Cisco's and the GSIM team's municipal, financial and corporate networks.
- (ii) **Negotiated Deals:** avoiding lengthy and competitive municipal procurement and capital project bids by delivering fully financed, competitive, typically operating expenses (as opposed to capital expenditures) utilization-based solutions.
- (iii) **Established Credibility with Sponsors:** based on the GSIM team having successfully closed a number of innovative P3s and project financings, including the first major U.S. airport P3, and the first U.S. P3 to qualify for tax exempt debt.
- (iv) **Exploiting Nimbleness and Speed:** versus large telecommunications companies and other traditional providers of digital solutions in North America and Europe.
- (v) **Experience in Working with Key Counterparties:** the GSIM team has extensive experience in managing, negotiating and operating investments in partnership with local stakeholder groups such as government agencies and local municipalities, globally.
- (vi) **Technology Domain Expertise:** developed and maintained in-house, and contributed via Cisco and Bechtel third party partnerships, is a source of real differentiation and competitive advantage against traditional infrastructure funds.

²⁴ Weighted by number of opportunities as of December 31, 2023.

Investment Screening

GSIM expects to first review and compare the key characteristics of each potential investment against the Fund's investment objectives to determine if the opportunity deserves further consideration. If the potential investment warrants further review, GSIM will then proceed to assess, among other things:

- (i) Investment scope and size fit;
- (ii) Value of proposed solution or operating company to stakeholders;
- (iii) Stability of forecast cash flows and the key factors influencing its future revenue and cash flow generation profile;
- (iv) Current financial position of the business and projections for significant items of operating and capital expenditure;
- (v) Opportunities to improve the cash flows or downside protection; and
- (vi) Path to exit.

Preliminary Due Diligence

Once an opportunity successfully passes through the screening process, a group of GSIM investment professionals in consultation with one or more of the Senior Advisors from a domain expertise perspective (the **"Deal Team"**) performs an initial assessment of the opportunity drawing from the group's respective experience as well as the operating and financial expertise of GSIM's Senior Advisors and strategic relationships. This initial assessment includes:

- (i) Overview of the business including summary of downside protection and competitive positioning;
- (ii) Key investment merits, risks, and mitigants; and
- (iii) Initial thinking about transaction structure, valuation, and projected returns.

Based on this assessment, which is shared within GSIM, the Deal Team determines whether a recommendation, in the form of a concept paper, is made to the Investment Committee to move forward with the opportunity. The concept paper includes the preliminary findings, requests permission to engage in definitive diligence, and includes a budget for consultants and advisors, if deemed necessary.

Definitive Due Diligence

A critical part of the investment process is the performance of extensive due diligence. GSIM believes this enables the Fund to: (i) assess and mitigate risks where possible; (ii) thoroughly discuss and strategize approaches to maximize value; and (iii) analyze the operational efficiencies of an opportunity. This thorough process includes, but is not limited to:

- (i) Onsite visits with management;
- (ii) Access to the relevant Bechtel and Cisco domain experts and databases;
- (iii) Analysis of the market opportunity;

- (iv) Review of historical and projected financials;
- (v) Review of sales & marketing strategy;
- (vi) Legal review of the opportunity;
- (vii) Management, customer, vendor, and competitor references when possible; and
- (viii) Use of outside consultants and advisors, when appropriate.

Investment Approval Process

Upon completion of the detailed due diligence process, the Deal Team presents its analysis, conclusions, and recommendations to the Investment Committee, principally through an Investment Committee memorandum (“**IC Memorandum**”) that outlines what the Deal Team believes to be the chief investment merits and risks. Among other things, the IC Memorandum:

- (i) Provides the Investment Committee with all relevant details on a prospective investment and the Deal Team’s recommendation; and
- (ii) Requests permission from the Investment Committee to pursue a binding investment offer, including, but not limited to:
 - a. Target and maximum investment amount;
 - b. Range of projected returns that consider various base, upside and downside scenarios;
 - c. Investment merits, risks, and mitigants;
 - d. ESG characteristics and likely effect on the risk-reward/governance profile and range of outcomes;
 - e. Governance and terms and conditions; and
 - f. Management team strategy, including composition, and oversight.

Asset Management

The GSIM team brings significant experience in developing existing company and project management teams, including building new teams, upgrading and realigning existing teams, restructuring and recapitalizing businesses and managing portfolio investments through cyclical downturns. This is combined with a demonstrated ability to create and execute compelling value-added strategies and corporate direction and vision, including instilling and propagating distilled budgeting, cost control, strategic planning, resource management and HR development plans.

This hands-on, operational focus has helped develop an asset management framework which GSIM will seek to implement for all Portfolio Investments to ensure that appropriate business planning, performance reporting, governance and risk management are put in place and maintained. GSIM’s own relationships, complemented by the Bechtel and Cisco global network, also enables GSIM to add value to portfolio investments in terms of new customers, channel partners, joint ventures, as well as the execution of acquisition and divestiture strategies.

GSIM will seek to add value to Portfolio Investments through:

- (i) Active representation on boards and committees;
- (ii) Development and review of strategy, business and financial plans;

- (iii) Management team improvements;
- (iv) Aligning management compensation with the achievement of key goals;
- (v) Governance enhancements;
- (vi) Capital structure management;
- (vii) Regulatory, government and other key stakeholder relationships;
- (viii) Proactive ESG initiatives and oversight; and
- (ix) Leveraging the operational and strategic expertise of the Deal Team and the Board of Advisors.

Ownership Strategy

GSIM intends to apply an active ownership strategy in order to enhance the return potential of its portfolio investments. This strategy can be divided into two primary approaches:

- (i) Business model evolution
 - a. Acquiring majority or controlling interests in businesses and then motivating management teams and existing human capital resources to re-think growth potential and market-penetration strategies.
 - b. Encouraging a shift from one-time fees and individual/existing customer-oriented sales to subscription and long-term contract-oriented recurring revenue models.
- (ii) Platform scaling
 - a. Investing at the platform-level and then scaling the business by winning multiple concessions or contracts, often with the option for follow-on investment at the contract/SPV level to further enhance return potential.
 - b. Pursuing both organic and inorganic growth by exploring new business lines, products, and digital solutions for the infrastructure assets, as well as proactive platform expansion through bolt-on M&A.

The diverse and highly relevant collective experience of the GSIM team provides them with the skills and capabilities to execute this strategy across their target investment and asset types. Namely, their deep expertise with traditional infrastructure investment has allowed them to develop relationships with public and private sector infrastructure developers, owners, and operators, including with municipal governments, procurement authorities, regulatory agencies, EPC firms, and other high quality potential vendors and counterparties. The GSIM team believes that its' prior experience with the digitalization of traditional infrastructure will allow them to execute these strategies effectively in the Smart Infrastructure space.

Strategic investment structuring and asset-based project finance are additional tools that will be used by GSIM to maximize the return potential of its investments. GSIM intends to structure certain of the Fund's investments as a combination of preferred equity and warrants, with the preferred component providing minimum return protection through cash sweep coupons and dividends, and the warrants as a tool to maintain upside potential. By asset-based project finance, GSIM is referring to a strategy whereby assets are financed in a manner that creates an infrastructure-like ownership and cash flow profile. For example, this can be achieved by financing asset construction, retaining asset ownership, and entering into a long-term lease-back

arrangement with an asset operator, thereby creating a stable and predictable cash flow stream that will also provide attractive exit options to larger infrastructure investors seeking de-risked investments with long-term contracted revenue from high quality counterparties.

Exit Strategy and Timing

The General Partner intends to consider multiple paths to exit, including negotiated sales and auctions – principally to strategic and financial acquirers, recapitalizations, and public offerings. GSIM expects the Fund's hold period in each Portfolio Investment will average approximately five years.

7. GUARDIAN, THE GENERAL PARTNER AND THE MANAGER

Guardian

Founded in 1962 and headquartered in Toronto, Canada, Guardian Capital Group Limited (“**Guardian**”) is a diversified, global financial services company operating in two main business segments: asset management and wealth management. As of September 30, 2023, Guardian had approximately US \$42.1 billion of assets under management and advisement.²⁵ Guardian provides extensive institutional and private wealth financial solutions to clients through its subsidiaries. Its Common Shares and Class A Shares are listed on the Toronto Stock Exchange as GCG and GCG. A, respectively.

Guardian recognizes the growing importance of ESG factors as part of the investment process and certain of its asset management subsidiaries, including Guardian Capital LP (“**GCLP**”), have actively implemented a Responsible Investing (“**RI**”) framework and approach in order to benefit both the long-term sustainability of the company, as well as the sustainability of the world and its inhabitants. GCLP’s approach focuses on ESG integration and active ownership and has led the firm to become a signatory to the UNPRI, with the ultimate goal of enhancing long-term investment performance while facilitating the powerful benefits of global sustainability efforts inherent in responsible investing. Guardian is also a member of the Sustainability Accounting Standards Board Alliance, an independent nonprofit organization that sets standards to guide the disclosure of financially material sustainability information by companies to their investors.

The General Partner

The general partner of the Fund will be Guardian Smart Infrastructure Partners GP LP, a Delaware limited partnership.

The Manager

GSIM is wholly owned by Guardian with team members in three key markets (Toronto, Washington, D.C. and London), crucial to sourcing and effectuating infrastructure transactions in GSIM’s target locations. While GSIM was recently founded, Rob, Chris and Kevin anchor a senior team with approximately 20 years of average investment experience – including over a decade working and/or investing together. Rob and Kevin were the senior members of the AIMCo team that built the direct infrastructure investment portfolio from C\$1.7BN to C\$6.5BN across 14 transactions between September 2010 and April 2017: notable investments included: Autopista Central, Grupo Saesa, Porterbrook and London City Airport.

Chris, during his time as a Founder and Managing Partner of Highstar Capital, sourced and invested with AIMCo across a number of infrastructure investment transactions including two that are directly relevant to GSIM’s strategy: InterGen – a global power generation portfolio; and Aerostar – a US airport P3 under the FAA Airport Privatization Pilot Program.

This deeply experienced team brings significant expertise, including in the building and constructing of concession/P3 models, relationships with local government agencies, and investment and fund management experience. The GSIM team’s experience is further complemented by a group of advisors who are domain experts with knowledge in telecommunications, transportation and energy, as well as extensive experience in P3s: Carlos Cordero of Cisco Systems, Inc., Keith Hennessey of Bechtel Group, Inc., and Jim Hassell,

²⁵ GUARDIAN CAPITAL GROUP LIMITED Earnings Release dated November 9, 2023, [Operating Results for Quarter Ended September 30, 2023](#).

formerly with BAI Communications, an AIMCo portfolio company. The Senior Advisors have all worked with Rob Mah and/or Chris Lee in prior experiences.

Founders

- **Rob Mah – GSIM President and Managing Partner:** Former Executive Vice President Private Investments for Alberta Investment Management Corporation, where he managed over C\$26 billion in assets, including C\$7 billion in infrastructure and timber assets, helping to turn AIMCo into one of the largest global institutional infrastructure investors, with over C\$100 billion in total assets under management. At AIMCo, Rob managed a team of over 60 investment professionals. Prior to AIMCo, Rob was an investment banker for 20 years working out of London, New York and Toronto. He has an MBA from the University of Toronto, and a bachelor's degree in Finance & Economics from McGill University.
- **Kevin Roseke – GSIM Managing Director:** Former Director of Infrastructure Investments for Alberta Investment Management Corporation, and Head of AIMCo's London Office. Kevin was responsible for AIMCo's infrastructure investment activities across the UK and Europe, both in sourcing new transactions and managing a portfolio of over C\$2.5 billion. He worked at AIMCo for over 15 years and relocated to London in January 2014 to start AIMCo's first international office. He has led infrastructure investments on four continents, most recently in Porterbrook, London City Airport, and Eolia Renewables, where he served as Chairman. He is a Charterholder of the CFA Institute. Kevin has a Bachelor of Commerce (with Distinction) from the University of Alberta.
- **Chris Lee – GSIM Managing Director:** Founder and former Managing Partner of Highstar Capital, an infrastructure investment firm that he founded in 2000 and sold to Oaktree Capital in 2014. Through four funds, Highstar managed \$7.8 billion in assets. Chris sourced, procured, structured and financed some of the most successful P3 projects in the U.S. (including the award-winning Seagirt Marine Terminal in the Port of Baltimore and Luis Munoz San Juan Puerto Rico Airport projects). More recently, Chris has advised on the formation of a digital private equity fund with Cisco. Chris and Rob worked together in a portfolio manager/LP/co-investor capacity at Highstar and AIMCo respectively. Chris has a BA in History from The Johns Hopkins University, where he served as a trustee and member of the Finance Committee for six years, including as Chair of the Debt Committee – where he oversaw a successful refinancing of substantially all of the University's long-term obligations, significantly enhancing the average life and improving the cost of financing.

Key Team Members

- **Laura Ryan - Chief Financial Officer/Chief Compliance Officer:** Laura has more than 17 years' experience in the financial services sector. Prior to GSIM, Laura worked in the Finance Group for Guardian where she primarily worked on acquisitions, investor relations and corporate development. Prior to Guardian, Laura worked for 12 years in the audit practice at KPMG LLP covering pension funds, financial institutions, and real estate clients. Laura is responsible for GSIM's dedicated compliance process. Laura is a Chartered Professional Accountant (CA) and has a Bachelor of Commerce Degree from Dalhousie University.

- **Pieter Quartero – Principal:** Formerly an associate at AIMCo, Pieter has over 10 years of experience, most of which where he worked closely with Rob and Kevin. While at AIMCo Pieter worked on numerous direct transactions including London City Airport, the disposition of a minority stake into CLH, and an investment into backbone fiber company Zayo Inc. Prior to AIMCo, Pieter worked as an investment banker at BMO Capital Markets in the Global Energy Group. Pieter holds degrees in Political Science from the University of Alberta and in Finance and Economics from the University of Calgary.

Senior Advisors

GSIM has established a group of individuals whom it considers having extensive experience and expertise related to GSIM’s strategy and investment focus (the “**Strategic Advisory Board**” or “**SAB**”).²⁶ To date GSIM has made extensive use of the SAB and expects to continue this practice with the Fund. Each of the members of the SAB has worked with Rob, Chris and Kevin prior to GSIM’s formation.

- **Carlos Cordero – Director of Corporate Development Finance at Cisco Systems, Inc. in the Global Infrastructure Funds (“GIF”) team:** Carlos has over 23 years of investment and management consulting experience. In his current role, he leads deal sourcing, go-to-market alignment and business planning for GIF, in support of private equity investments in digital infrastructure which are accretive to Cisco’s business strategy and growth. At GIF, Carlos worked closely with Chris Lee, when Chris was advising on digital infrastructure investment strategies from 2016 to 2017. Previously, Carlos spent 11 years in the Service Provider Transformation Group, a global strategy and management consulting team at Cisco, focused on establishing transformative strategies, crafting go-to-market plans, driving market development, and developing new business models that allow network service providers to create new sources of value and disrupt the marketplace. Prior to Cisco, Carlos was a Senior Manager at Deloitte Consulting, where he served clients worldwide. He was selected for two international assignments to grow Deloitte’s telecommunications practices in Madrid, Spain and Tokyo, Japan. Carlos holds a Bachelor of Applied Science - Engineering Physics from the University of British Columbia, and a PhD in Electrical Engineering from Stanford University.
- **Keith Hennessey – Chief Financial Officer of Bechtel Group, Inc., and previously President of Bechtel Enterprises Inc.:** Keith has developed approximately \$2 billion in assets for Bechtel. He has also served respectively as the Head of Bechtel’s P3 business, and Head of Strategy, Marketing and Business Development for Bechtel’s infrastructure business unit. In that role, he was responsible for managing approximately \$3 billion of new contract awards. Keith was also the Chief Financial Officer of Bechtel Power Corporation. He worked for over twenty years in investment banking at both Morgan Stanley and Bank of America. Rob Mah and Keith worked closely together at Morgan Stanley from 1997 to 2002. Keith holds a BS in finance from Georgetown University magna cum laude, and an MBA from Harvard Business School.
- **Jim Hassell – Former Group CEO of BAI Communications (“BAI”), a telecoms and**

²⁶ The SAB has no investment authority or other governance role with GSIM. Neither Messrs. Cordero and Hennessey, nor Cisco or Bechtel, respectively, receive any compensation from either GSIM or the Fund for serving on the SAB. Mr. Hassell receives a retainer from GSIM and participates in a performance-based incentive program related to investments within his area of expertise.

technology company operating in Australia, U.S., Canada, Hong Kong and the UK: BAI is an AIMCo portfolio company, and Jim worked closely with Rob Mah and Kevin Roseke from 2013 to 2019. With 30 years' experience in the Information Technology and Telecoms sectors, Jim also served as Head of Product Management & Sales at the Australian Government-owned National Broadband Network, COO of Broadcast Australia and Managing Director of Sun Microsystems Australasia. Jim has a strong track record of driving growth and business turnaround and delivering new revenue streams, coupled with significant experience in high value negotiations with both Government and private entities. Jim holds a BA (Honors) Business Studies from Nottingham Trent University and has completed the Australian Institute of Company Directors Company Directors Course.

Investment Committee Members

In addition to Rob, Chris and Kevin, the Investment Committee comprises the following members:

- **George Mavroudis – President and CEO, Guardian:** He joined Guardian in 2005 in a senior executive role, progressively assuming overall responsibility for the business management of the firm's investment operations, including both institutional and private wealth management. George became a Board Director in November 2011. His career in the financial services industry began in 1992 at Coopers & Lybrand. Prior to joining Guardian, George was a managing director at JPMorgan Fleming Asset Management, holding several senior management roles across their network of offices including London, New York and Toronto. He also served as CEO for Robert Fleming's Russia institutional brokerage and investment banking business, from his base in Moscow from 1995 to 1998. George graduated with a B.Comm from the University of Toronto. He is a Fellow of the Chartered Professional Accountants (CPA) of Ontario. George holds the Certified Financial Planner designation from the Financial Planners Standards Council.
- **Denis Larose – Chief Investment Officer for Guardian Capital LP ("GCLP"):** He joined GCLP in 2011 to assume his current role. Denis is Chairman of a number of investment committees for Guardian. In his role as CIO Denis adds depth to the executive team responsible for managing the investment management business of GCLP. During his successful career he has demonstrated leadership in the investment management industry and consistently garnered the respect of clients, peers and his colleagues. Previous to GCLP Denis served as Chief Investment Officer, Americas and a Principal, National Partner for Mercer Global Investments. He also performed the role of CIO for the Colleges of Applied Arts and Technology. Denis graduated from Université Laval with a BA, Actuarial Science. He is a Fellow of the Canadian Institute of Actuaries, a Fellow of the Society of Actuaries and a CFA Charterholder.
- **Steve Bates – Chief Investment Officer of GuardCap Asset Management Ltd, Guardian's London based business:** He joined the Group in 2014 following the acquisition by Guardian of Zephyr (UK), a boutique specializing in Emerging Markets ("EM"), of which Steve was a founder in 2003. He has broad responsibility for the London business and has overseen its growth over the past seven years to a level of AUM of \$16 billion. He began his career in financial services in 1980 and has managed institutional money in a variety of geographical areas. Prior to founding Zephyr, he was a Managing Director and Head of EM at JP Morgan Asset Management. He graduated

from Cambridge University in England and has an MA in Law. He also holds the CFA designation.

Identified Prospective Team Members²⁷

- Senior executive with over 10 years of investment experience with a leading financial services institution. This individual was responsible for investments across infrastructure and private equity.

The Manager and the Management Fees

The General Partner has appointed the Manager to act as investment adviser to the Fund.

The Manager may delegate certain of its duties to sub-advisers, including its affiliates, at no additional cost to the Fund. The services to be provided by the Manager will be governed by an agreement between the Fund and the Manager (as amended, restated, supplemented, waived and/or otherwise modified from time to time, the “**Management Agreement**”). The Management Agreement will terminate upon the termination of the Fund or the earlier removal of the General Partner or in other circumstances as described in the Management Agreement.

For the provision of its services to the Fund, the Manager (or other entity as otherwise directed by the General Partner) will be paid a fee by the Fund quarterly in advance, equal to the sum of the following amounts calculated separately with respect to each Limited Partner: (i) until the termination of the Investment Period (including any extensions thereof) 1.75% per annum multiplied by the Capital Commitment of each Limited Partner; and (ii) following the termination of the Investment Period 1.75% per annum multiplied by such Limited Partner’s Invested Capital.

General Partner Alignment and Principal Commitments

The General Partner seeks to promote the alignment of interests between the Limited Partners and key professionals over the life of the Fund. The General Partner is indirectly incentivized through the Carried Interest Amount paid to the General Partner to maximize returns for Limited Partners. The Carried Interest Amount, as more particularly detailed in Section 8 — “*Summary Term Sheet*,” represents the Catch-up Amount plus 20% of distributions of Investment Proceeds subject to an 80%/20% Catch-Up plus a Preferred Return to the Limited Partners of 8%. The General Partner will cause its aggregate capital commitment (together with capital commitments of its affiliates) to be equal to at least 2% of the aggregate capital commitments to the Fund. Any Smart Infrastructure investment opportunities in excess of \$10,000,000, other than publicly listed securities, of which Guardian becomes aware will be allocated 100% to GSIM, and GSIM will not be required to allocate any opportunities to Guardian or its clients.

²⁷ There can be no assurance that any or all identified candidates or positions will be hired or filled, as applicable, with the unnamed individuals described above or at all.

8. SUMMARY TERM SHEET

The following is a summary of certain information about the Fund and an investment in limited partner interests therein. This summary is not complete and is subject to and qualified in its entirety by reference to the agreement of limited partnership of the Fund (as amended, restated, supplemented, waived and/or otherwise modified from time to time, the “**Fund Agreement**”) and the subscription agreement and related documentation with respect thereto (together with the Fund Agreement, the “**Agreements**”), copies of which will be provided to each prospective investor upon request. The forms of such Agreements should be reviewed carefully. To the extent that the terms set forth below or elsewhere are inconsistent with those of the Agreements, or additional terms are contained in the Agreements, the Agreements will control.

The Fund

Guardian Smart Infrastructure Partners LP (the “**Main Fund**”) and Guardian Smart Infrastructure Partners-A LP (the “**Blocker Fund**”), each a Delaware limited partnership (collectively, the “**Fund**”). The Fund is being established to make investments as described in *Investment Objective* below.

Investors will subscribe for limited partner interests in the Fund, which are referred to herein as “**Interests**.”

The General Partner may create Alternative Investment Vehicles, Parallel Funds and Feeder Funds to facilitate investment by certain investors. See “*Parallel Funds*” and “*Feeder Funds*” below.

General Partner

The general partner (the “**General Partner**”) of the Fund will be Guardian Smart Infrastructure Partners GP LP, a Delaware limited partnership. Limited partners in the Fund are referred to as the “**Limited Partners**” and together with the General Partner are referred to as the “**Partners**.”

The services to be provided by the General Partner will include managing the day-to-day operations of the Fund and making determinations with respect to the acquisition and disposal of, and dealings with, investments by or for the account of the Fund consistent with the investment guidelines. The General Partner may delegate all or certain of its duties to the Manager, provided that the General Partner will remain ultimately responsible for the management of the Fund. See Section 7 – “*Guardian, the General Partner and the Manager*.”

Manager

Guardian Smart Infrastructure Management Inc. (the “**Manager**”) will be appointed by the General Partner to act as investment manager to the Fund and will receive the Fund Management Fee (as defined below) as compensation for certain services to be provided to the Fund, including the provision of investment management services to the General Partner; *provided* that the General Partner will remain ultimately responsible for the management of the Fund. The Manager may delegate certain of its duties to sub-advisers, including its affiliates, at no additional

cost to the Fund. The Manager shall be included in all references to the General Partner herein as appropriate.

The services to be provided by the Manager will be governed by an agreement between the General Partner and the Manager (as amended, restated, supplemented, waived and/or otherwise modified from time to time, the “**Management Agreement**”). The Management Agreement will terminate upon the termination of the Fund or in other circumstances as described in the Management Agreement. See Section 7 – “*Guardian, the General Partner and the Manager.*”

Investment Objective

The Fund’s investment objective is to generate attractive risk-adjusted returns through investments in opportunities where digital and traditional infrastructure are converging (“**Smart Infrastructure**”), principally in transportation, energy and communications. Investments acquired by the Fund are collectively referred to herein as “**Portfolio Investments**.” Except as provided for under “*Investment Limitations*” below, the Fund will not be limited in the size or type of its investments. See Section 6 – “*Investment Strategy.*”

Warehoused Investments

During the period commencing on the Initial Closing and ending 180 days after the Final Closing Date, the Fund shall be permitted, in the General Partner’s sole discretion, to purchase from the General Partner, the Manager, or one or more of their respective affiliates and/or certain other persons (collectively, the “**Warehouse Investor**”), and the Warehouse Investor shall be permitted to sell certain securities and other investments (collectively, the “**Warehouse Investments**”) that the Warehouse Investor has purchased or committed to purchase with the intent to sell as of, or subsequent to, the Initial Closing. If any such purchase of a Warehouse Investment is consummated, the purchase price shall be equal to the Warehouse Investor’s original cost for such Warehouse Investment, including the amount of any loans and follow-on and follow-up investments in respect thereof. The Fund shall also proportionately reimburse the Warehouse Investor for (a) legal and out of pocket expenses related to such investment, plus (b) an amount calculated at 8% per annum on the amounts described in the immediately prior sentence and clause (a) above, plus (c) a reimbursement for all legal and out-of-pocket fees, costs, expenses (including interest paid to third parties) and any applicable taxes incurred by the Warehouse Investor (and not otherwise borne or reimbursed by the Fund), in connection with the Warehouse Investor’s purchase of such Warehouse Investment and such sale to, and purchase by, the Fund, as applicable, of such Warehouse Investment. Prior to any sale of a Warehouse Investment to the Fund, the Warehouse Investor may receive cash payments of dividends, interest or other yield, fees of the type included in the below definition of “*Other Fees*,” or other fees, securities or other compensation in connection with such

Warehouse Investment, in which case any such amounts will not be shared with the Fund or the Partners, will not be considered “Other Fees” and will not otherwise reduce the Fund Management Fee payable by the Fund.

Minimum Capital Commitments

The minimum capital commitment (“**Capital Commitment**”) by investors in the Fund will be \$10 million or any smaller amount agreed to by the General Partner in its sole discretion.

General Partner Commitment

The General Partner, the Manager and their respective partners, members, investment professionals and employees and their respective affiliates (including their respective foundations and estate, wealth and family vehicles) will commit to the Fund at least 2% of the Fund’s aggregate Capital Commitments (the “**GP Commitment**”). A portion of the GP Commitment is expected to be structured as a profits interest in connection with a reduction in the Fund Management Fee (as defined below). See “*Management Fees*” below.

Guardian Bridge Investment

The initial closing of the Fund was held with an affiliate of Guardian (the “**Anchor Limited Partner**”) on October 4, 2023 (the “**Initial Closing**”), pursuant to which the Anchor Limited Partner made an \$87 million Capital Commitment (the “**Guardian Commitment**”), \$57 million of which consisted of bridge equity for the Fund’s initial investment in Juniper (the “**Guardian Bridge Investment**”), with the balance being long-term equity. After the initial closing with Limited Partners other than the Anchor Limited Partner (the “**Closing**”), 100% of any cash capital contributions received by the Fund from Limited Partners unaffiliated with Guardian shall, after the payment of any actual or anticipated expenditures, liabilities, obligations and commitments of the Fund or its subsidiaries (including Fund Expenses), be used to repay the Guardian Bridge Investment, and the portion of the Anchor Limited Partner’s Capital Commitment attributable to the Guardian Bridge Investment shall accordingly be redeemed until such time as the Guardian Bridge Investment has been repaid in full. Such redemption payments shall be equal to the amount the Anchor Limited Partner would receive pursuant to “Subsequent Closings” below if the Anchor Limited Partner’s entire Capital Commitment were made as a long-term equity investment and no portion of the Anchor Limited Partner’s Capital Commitment was made as the Guardian Bridge Investment.

Investment Limitations

The Fund will not, without the consent of the LPAC (as defined below) or at least a majority in interest of the Limited Partners:

- (i) invest (1) an amount greater than 20% of the aggregate Capital Commitments in one Portfolio Investment (including guarantees, but excluding “bridge financings”) or (2) more than 30% of the aggregate Capital Commitments in one Portfolio Investment (including guarantees and “bridge

financings” expected to be recouped within 18 months of the date of investment);

- (ii) invest in any transaction to acquire control of a publicly traded company by means of a tender offer if the transaction at the time of the investment is formally opposed by a majority of the members of such business’s board of directors; *provided* that the acquisition of a business in connection with a bankruptcy or similar restructuring will not be prohibited, notwithstanding any opposition of the equity owners or any other constituency of any such business or their representatives; or
- (iii) invest in “blind pool” investment funds (other than, for the avoidance of doubt, temporary investments in money market funds and similar funds and joint ventures and platform arrangements) in which the Fund pays, on a net basis, a management fee or carried interest.

With respect to investments made prior to the Fund’s Final Closing Date, all determinations made with respect to the foregoing limitations will be determined as if the Fund’s aggregate Capital Commitments were equal to the greater of the actual amount of aggregate Capital Commitments and \$800 million.

The Fund is authorized to enter into hedging transactions (including derivative contracts or instruments) in connection with the acquisition, holding, financing, refinancing, restructuring or disposition of any investment.

Notwithstanding the foregoing, if the General Partner determines in its sole discretion, it is necessary or advisable for legal, tax, regulatory, accounting or other considerations, the Fund may, in lieu of holding a Portfolio Investment in the relevant underlying company or other asset or entity, structure a Portfolio Investment either through an Alternative Investment Vehicle or such other investment structure as it determines.

The investment limitations set forth herein shall be subject to the interpretation of the General Partner and may generally be modified or amended by the General Partner with the consent of the LPAC.

Subsequent Closings

The Closing will be held as soon as practicable on a date determined by the General Partner. Subsequent closings may occur at the discretion of the General Partner, at any time up to the 12-month anniversary of the Closing (the “**Final Closing Date**”), subject to the General Partner’s option to extend the Final Closing Date by an additional three-month period in its sole discretion and any additional period thereafter with the consent of the LPAC.

In addition to Fund Management Fee payments as described below, Limited Partners admitted or increasing their Capital Commitment at subsequent closings will pay for their share of the

Capital Contributions previously made for any Portfolio Investments still held by the Fund at the time of their admission or increase in Capital Commitment and for their share of Capital Contributions previously made for organizational expenses and Fund expenses (including expenses related to borrowings, guarantees, letters of credit or other credit support obligations by the Fund) previously funded by prior or existing Limited Partners, plus, additional amounts (“**Additional Amounts**”), if any, calculated by multiplying each such payment by an 8% per annum compounded internal rate of return from the Initial Closing to the date of the drawdown in connection with subsequent closing (which Additional Amounts will not be treated as Capital Contributions), and will share in any subsequent distributions and allocations of income, gain, loss or expense of the Fund that are attributable to any such Portfolio Investment as of the Initial Closing, regardless of when a Limited Partner is actually admitted to the Fund. Such amounts (including any Additional Amounts) paid by Limited Partners admitted or increasing their Capital Commitment at subsequent closings will be refunded to the Partners pro rata based on their Capital Contributions, and the amounts of such refunds in respect of Portfolio Investments, Fund expenses (including expenses related to borrowings, guarantees, letters of credit or other credit support obligations by the Fund) and organizational expenses (but not the Additional Amounts thereon) will be added to their Undrawn Capital Commitments and will be subject to recall, and will otherwise be treated as never having been made by such Partners.

If the General Partner in its sole discretion determines that payment from a Limited Partner on the foregoing basis at a subsequent closing would not appropriately reflect a material change in the value of any Portfolio Investment then held by the Fund, the General Partner is authorized to (i) adjust the payment required to be made by such Limited Partner at such subsequent closing appropriately to reflect such change in value or (ii) exclude such Limited Partner from participation in such Portfolio Investment; *provided* that no Limited Partner will be allowed to acquire an interest in an existing Portfolio Investment at any subsequent closing at a discount to the original acquisition cost of such Portfolio Investment unless such action is consented to by the LPAC.

Investment Period

The Investment Period will last through the earlier of: (a) the five-year anniversary of the Effective Date (as defined below), which may be extended with the consent of the LPAC or a majority in interest of the Limited Partners; and (b) the date on which the obligation of Limited Partners to make Capital Contributions for new Portfolio Investments is otherwise terminated pursuant to the Fund Agreement (the “**Investment Period**”). Following the expiration or termination of the Investment Period and during the

remaining life of the Fund, all Partners generally will be released from any further obligation with respect to their undrawn Capital Commitments (the “**Undrawn Capital Commitments**”) except to the extent necessary to: (i) fund expenses, liabilities and obligations of the Fund (including the Fund Management Fee (as defined below) or any guarantee or pay any indebtedness of the Fund or an investment); (ii) complete investments in transactions which were in process or under active consideration as of the expiration of the Investment Period; (iii) fund then-existing commitments and other reserves to make, or obligations with respect to, investments or to fund amounts with respect to the business plan, operating budget or other activities of an investment (including amounts to fund redevelopment or development activities); (iv) exercise any options, warrants, convertible securities or purchase rights which existed as of the end of the Investment Period; (v) maintain or protect the value of, or cover expenses relating to, an investment (including in connection with a buy/sell event); (vi) provide funding in connection with a workout, restructuring or recapitalization of an investment; (vii) execute hedging strategies relating to investments; (viii) fund follow-on investments not covered in clauses (i)-(vii) above in (or other additional investments related to or in) an investment or its subsidiaries (including any investment that will become part of or be adjacent or ancillary to another investment) in an aggregate amount not to exceed 25% of the aggregate Capital Commitments without the consent of the LPAC; (ix) fund reserves for any of the foregoing; and (x) fund any other investment with the consent of the LPAC (clauses (i)-(x), “**Pending Investments**”). The General Partner may withhold from distributions or cause the Fund to borrow money to fund capital expenditure requirements and make Pending Investments at any time during the life of the Fund, whether before or after the end of the Investment Period.

“**Effective Date**” shall mean the Closing date or such later date as is determined by the General Partner.

Drawdowns

Subject to certain excuse, exclusion and cancellation provisions described below, Capital Contributions will be called down from Partners’ Capital Commitments, generally on an as-needed basis (or for general working capital reserves) for Portfolio Investments (including deposits thereon), fees and expenses, with a minimum of 10 business days’ prior notice to the Limited Partners (each such call down, a “**Capital Contribution**”).

Pending investment or distribution by the Fund, monies held by the Fund may be placed at call or on deposit with major banks or in certain other short-term investments pursuant to the Fund Agreement (“**Temporary Investments**”).

Recycling of Capital

The General Partner is authorized to increase Undrawn Capital Commitments: (i) by the amount of any capital contributed by the

Partners for a Portfolio Investment to the extent that the amount of such capital has been returned (A) within 18 months of making such Portfolio Investment (either from Current Proceeds or Disposition Proceeds) as a result of a sale, dividend, refinancing, disposition or other distribution relating to such Portfolio Investment, (B) in lieu of its application toward such Portfolio Investment in the event that the General Partner determines that a proposed Investment in respect of which Partners have made Capital Contributions will not be consummated or that the amount of Capital Contributions made exceeds the amount required to consummate such proposed Investment, or (C) in connection with a bridge financing; and (ii) as otherwise described in the Fund Agreement. In addition, any amount drawn down to pay the Fund Management Fee, Fund expenses or organizational expenses will reduce Undrawn Capital Commitments but, to the extent Limited Partners receive subsequent distributions, will (without duplication) be added back to Undrawn Capital Commitments and will be subject to recall.

Distributions

Distributions from the Fund may be made at any time as determined by the General Partner in its sole discretion. The General Partner will not typically make any such distribution until the aggregate amount of Investment Proceeds available for distribution at such time exceeds \$5 million.

“Current Proceeds” means any current cash receipts from dividends, interest, scheduled amortization payments and operating income from Portfolio Investments net of current expenses. **“Disposition Proceeds”** means net cash proceeds (which, to avoid any doubt, do not include buyer deposits or similar amounts held until such time as the applicable disposition has been fully consummated) from the completed sale of Portfolio Investments or any portion of a Portfolio Investment.

“Investment Proceeds” refers to Disposition Proceeds and Current Proceeds. See *“Recycling of Capital”* above.

The General Partner will be entitled to withhold from any distributions amounts necessary to, in its sole discretion, satisfy, or create reserves for, working capital, capital expenditures or investments relating to, or in furtherance of the objectives, business plans or commitments of, the Fund or any Portfolio Investments (including Pending Investments), expenses (including, without limitation, the Fund Management Fee, the Carried Interest Amount, Fund expenses and expenses reimbursable to the General Partner), repaying indebtedness and other liabilities of the Fund as well as for any required taxes and tax withholdings.

Distributions of Investment Proceeds will be made to the Limited Partners in proportion to each of their percentage interests with

respect to such Portfolio Investment. The amount so apportioned to the General Partner generally will be distributed to it. The portion of any Investment Proceeds tentatively assigned to each Limited Partner will be divided between such Limited Partner and the General Partner and be distributed as follows:

- (a) first, 100% to such Limited Partner until such Limited Partner has received cumulative distributions of Investment Proceeds in an aggregate amount equal to such Limited Partner's funded Capital Commitment (such amounts being referred to as such Limited Partner's **"Contributed Capital"**);
- (b) second, 100% to such Limited Partner until the cumulative distributions of Investment Proceeds to such Limited Partner represent an 8% per annum internal rate of return on the amount included in clause (a) (the amount of cumulative distributions required to provide such internal rate of return, the **"Preferred Return"**);
- (c) third, (i) 80% to the General Partner and (ii) 20% to such Limited Partner until the General Partner has received an amount equal to 20% of the sum of the Preferred Return and the total amounts distributed pursuant to this clause (c); and
- (d) thereafter, (i) 20% to the General Partner and (ii) 80% to such Limited Partner.

Distributions to the General Partner pursuant to, or corresponding to, clauses (c)(i) and (d)(i) above are referred to as the **"Carried Interest Amount."** The General Partner reserves the right, in its sole discretion, to designate certain Partners as "affiliated partners" that will be exempted from payment of all or some portion of the Carried Interest Amount and/or the Fund Management Fee.

The Preferred Return will take into account the time value of money and thus be payable on a Capital Contribution from the applicable due date for such Capital Contribution or, at the General Partner's discretion in the case of any late payments, the date on which such Capital Contribution was actually received by the Fund, through the date of its return from any distribution of Investment Proceeds, and will cease accruing on the amount of any Capital Contribution that has been returned to such Limited Partner from any distribution or deemed distribution immediately upon such distribution or deemed distribution. The realized portion of a Portfolio Investment will generally be treated as a separate investment pursuant to the Fund Agreement.

Distributions of income from Temporary Investments will be made among all Partners in proportion to their respective proportionate interests in the Fund property or funds that produced such income, as reasonably determined by the General Partner.

The Fund reserves the right to make cash distributions to the Partners in an amount sufficient to pay their income taxes on income allocated to them for tax purposes. Generally, any tax payments made by the Fund or withheld from proceeds received by the Fund will be deemed to have been distributed to the Limited Partners, as reasonably determined by the General Partner.

The General Partner may elect not to receive all or any portion of any Carried Interest Amount payment that otherwise would be made to it. Any such payment so deferred will be, in the General Partner's sole discretion, either retained by the Fund on the General Partner's behalf or distributed to the other Limited Partners. To the extent that the General Partner elects not to receive any cash Carried Interest Amount payment, subsequent payments will be made on a priority basis to the General Partner until it has received the amount of Carried Interest Amount payments it would then have been entitled to receive without such election. In no event will interest accrue on or be paid to the General Partner with respect to any such deferred Carried Interest Amount payments.

In-Kind Distributions

Except upon the dissolution and liquidation of the Fund, the withdrawal of a Limited Partner or with the consent of a Limited Partner or the LPAC, distributions prior to the dissolution of the Fund may only take the form of cash or marketable securities. Upon dissolution and winding up of the Fund, the withdrawal of a Limited Partner or with the consent of a Limited Partner or the LPAC, distributions may also include non-marketable securities and other assets of the Fund. Distributions of in-kind securities generally will be made in the same proportions as would cash in an amount equal to the fair market value (determined in accordance with the Fund Agreement) of the securities distributed. The Carried Interest Amount in respect of securities to be distributed in-kind (even where a Limited Partner elects instead to receive cash (if such election is offered by the General Partner pursuant to the terms of the Fund Agreement) or where the Limited Partner has notified the General Partner that it cannot receive securities in-kind as further provided in the last paragraph of this section) will generally be calculated based on the fair market value of the securities distributed as determined according to the Fund Agreement.

With respect to all or any portion of any marketable securities held by the Fund, the General Partner may, in its sole and absolute discretion, offer one or more of the following options to each Limited Partner: (i) receive the net cash proceeds from the liquidation of all or any portion of its pro rata share of such marketable securities; and/or (ii) receive all or any portion of its pro rata share of such marketable securities in kind.

In the event the General Partner determines to distribute to each Partner all or any portion of its pro rata share of any securities in kind, the General Partner will not make any distribution in kind to any Limited Partner if such Limited Partner has provided the General Partner with an opinion of such Limited Partner's counsel that such distribution (or any portion thereof) would cause such Limited Partner to violate any material law to which such Partner is subject without the receipt of a consent, approval or license from any regulatory authority. In such event, the General Partner shall either (i) dispose on behalf of such Partner all (or such portion) of such marketable securities as set forth in the Fund Agreement and to distribute to such Partner instead the proceeds from such disposition or (ii) distribute to such Limited Partner only such securities to the extent permitted by such applicable material law.

Clawback

Following the final distribution of the Fund's assets, the General Partner will be required to restore distributions to the Fund for distribution to the applicable Partner to the extent that (i) it has received carried interest distributions in excess of 20% of the Fund's net profit distributions pursuant to the formula set forth in "Distributions" above, or (ii) it has received carried interest distributions and such Partner has not received the Preferred Return, but in no event more than the cumulative carried interest distributions received by the General Partner with respect to such Partner, less income taxes thereon.

Allocations

The Fund will establish and maintain a capital account for each Partner. All items of income, gain, loss and deduction will be allocated to the Partners' capital accounts in a manner generally consistent with the distribution procedures outlined under "*Distributions*" above.

Management Fees

The Manager will be paid a fee by the Fund (the "**Fund Management Fee**") quarterly in advance, equal to the sum of the following amounts calculated separately with respect to each Limited Partner: (i) until the termination of the Investment Period (including any extensions thereof) 1.75% per annum multiplied by the Capital Commitment of each Limited Partner; and (ii) following the termination of the Investment Period, 1.75% per annum multiplied by such Limited Partner's Invested Capital (as defined below). The Fund Management Fee may be reduced in the manner designated in the Fund Agreement in exchange for a reduction in the General Partner's aggregate cash capital contribution obligation and/or a corresponding interest in Fund profits.

A Limited Partner's "**Invested Capital**" will mean the sum, without duplication, of (a) such Limited Partner's Capital Contributions with respect to Portfolio Investments (or portions thereof) that have not been disposed of or completely written off and (b) such Limited Partner's pro rata share of the amount of any outstanding commitment or reserve by the Fund (or an affiliate thereof) to

complete investments by the Fund (to the extent capital has not yet been called therefor) and minus (c) such Limited Partner's pro rata share of the aggregate amount of permanent write downs of Portfolio Investments that have not been disposed of or completely written off for U.S. federal income tax purposes.

The Fund Management Fee is calculated by reference to the daily balances of Invested Capital and unpaid Capital Commitments for each Limited Partner.

Certain commissions, fees, costs and expenses (other than indemnification) of any third-party placement agents or finders may reduce Fund Management Fees payable at the General Partner's election as described under "*Offering and Organizational Expenses*" below. The Fund Management Fee will commence as of the Effective Date, regardless of when a Limited Partner is actually admitted to the Fund. In addition to its Capital Contributions in respect of Portfolio Investments, organizational expenses and other Fund expenses, a Limited Partner participating in a subsequent closing will make a payment equal to its share of the Fund Management Fee plus Additional Amounts, if any, thereon (which payments for Additional Amounts will not reduce such Limited Partner's Undrawn Capital Commitment) calculated at an 8% per annum compounded internal rate of return from each date on which the Fund Management Fee would otherwise have been due and payable to the date of such subsequent closing.

The Fund Management Fee will be paid to the Manager (or as otherwise directed by the Manager) by the Fund out of Capital Contributions from the Limited Partners. The Fund Management Fee may also be paid out of Investment Proceeds, income from Temporary Investments of the Fund and any other available cash.

The Fund Management Fee is calculated exclusive of any value added tax.

Management Fee Offset

Except as provided herein, the Fund Management Fee will be reduced by an amount equal to 100% of Other Fees attributable to Partners not designated as "affiliated partners" by the General Partner. "**Other Fees**" include: (i) directors' fees, financial consulting fees or advisory fees paid to the General Partner with respect to any Fund investment; (ii) transaction fees paid to the General Partner with respect to any Fund investment; and (iii) break up or topping fees with respect to Fund transactions not completed that are paid to the General Partner, in each case net of certain expenses (including those described below) as set forth in the Fund Agreement; but not including, in any event, any amount received by the General Partner or other person from a Portfolio Investment (a) as reimbursement for expenses directly related to such Portfolio Investment, (b) as payment for services provided to such Portfolio Investment in the ordinary course of such Portfolio

Investment's business, (c) as compensation for services provided by the General Partner or other person as an employee of or in a similar capacity for such Portfolio Investment or (d) as compensation (including fees, incentive equity or other stock awards) for services rendered by the Operations Group (or a member thereof) to a portfolio investment or prospective portfolio investment.

Various costs and expenses will reduce Other Fees (and therefore such amounts will not reduce or offset the Fund Management Fee), including out-of-pocket costs and expenses (including travel expenses) incurred by the General Partner in connection with any consummated or unconsummated transaction or in connection with generating any such Other Fees.

To the extent that any other fund or any other entity or individual co-invests alongside the Fund in any portfolio investment, any Other Fees will be allocated among the Fund and the co-investors in proportion to the cost of the potential investment held (or committed to be held) by each. Accordingly, the Fund will, in most cases, only benefit from the Fund Management Fee reduction described above with respect to its allocable portion of any such Other Fee and not the portion of any fee allocable to any other investor in a portfolio investment.

Offering and Organizational Expenses

Each Limited Partner will pay its pro rata share of all legal, accounting, filing and other expenses (including, without limitation and for the avoidance of doubt, any expenses in relation to the initial and/or preliminary registrations, filings and compliance obligations in connection with the requirements of the AIFMD and any other applicable European law) incurred in connection with organizing and establishing the Fund, each Parallel Fund, each Feeder Fund that is an affiliate of the General Partner, the General Partner and the marketing and offering of interests in the Fund, any Parallel Funds and any Feeder Fund that is an affiliate of the General Partner (including travel and accommodation expenses, filing fees and expenses and printing costs, or other similar amounts, incurred by the General Partner or its affiliates with respect to the offering of and subscription for Interests in the Fund or interests in any Parallel Fund or Feeder Fund that is an affiliate of the General Partner). The Fund's share of organizational expenses in excess of \$3 million borne by Limited Partners will result in a corresponding reduction in future Fund Management Fees on a dollar-for-dollar basis.

Any commissions, fees, costs and expenses payable to any placement agents or finders, which may be engaged in respect of the sale of Interests to Limited Partners, may, at the General Partner's election, either be borne by the General Partner and its affiliates, or be paid proportionately by the Fund, as a

corresponding dollar-for-dollar reduction in future Management Fees payable.

General Partner Expenses

The General Partner will generally be responsible for the compensation of the investment personnel of the General Partner involved in the business of the Fund and the following costs and expenses: the costs and expenses incurred by the General Partner in providing for its normal operating overhead, including rent, salaries of the General Partner's employees and other expenses incurred in maintaining the General Partner's places of business.

Fund Expenses

The Fund will pay, or reimburse the General Partner for, all other fees, costs, expenses, liabilities and obligations relating to the Fund, its joint venture partners, subsidiaries and/or their respective activities, business, subsidiaries, or actual or potential investments (to the extent not borne or reimbursed by a subsidiary or an investment or potential investment), including all fees, costs, expenses, liabilities and obligations relating or attributable to the items set forth on Exhibit A hereto.

The General Partner may allocate any expenses of the Fund among the Fund, and all other Alternative Investment Vehicles, Parallel Funds or Feeder Funds in a manner that the General Partner determines to be reasonable in its discretion.

The Fund may withhold from distributions or make a capital call at any time to fund any of the foregoing expenses, and any Capital Contributions made by a Limited Partner in respect thereof will reduce such Limited Partner's Undrawn Capital Commitment, subject to the recycling provisions described under "*Recycling of Capital*" above and in the Fund Agreement. The General Partner may in its sole discretion cause the Fund or any Alternative Investment Vehicle to apply any such withheld amounts to satisfy any such expenses, liabilities and capital requirements in respect of the Fund or any Alternative Investment Vehicle.

Key Person Event

If a Key Person Event (as defined below) occurs, the General Partner shall promptly give notice to the Limited Partners of such fact. Thereafter, the obligation of Partners to make Capital Contributions for Portfolio Investments shall be terminated, unless, on or before the date that is 180 calendar days after such notice, either: (i) one or more replacement(s) for the applicable Key Person(s) (as defined below) have been appointed in accordance with the procedures described below such that a Key Person Event is no longer continuing; or (ii) the General Partner is notified of the written election or vote of at least a majority in interest of the Limited Partners to continue to make Capital Contributions for Portfolio Investments throughout the remainder of the Investment Period in accordance with the Fund Agreement; *provided*, that any such termination shall not take effect in the case of Pending Investments.

A “**Key Person Event**” means any event or circumstances as a result of which Rob Mah or Christopher Lee cease to be actively involved in the investment activities of the Fund as set forth in the Fund Agreement.

“**Key Person**” means each of Rob Mah, Christopher Lee and any person whom the General Partner determines is suitably qualified to be designated as a Key Person and who is consented to by a majority in interest of the Limited Partners or by a majority of members of the LPAC.

LPAC

The General Partner will establish an advisory committee for the Fund (the “**LPAC**”) composed of Limited Partner and parallel investment entity investor representatives, which shall only be selected by the General Partner from Limited Partners that, together with their affiliated investors in the Parallel Fund or Feeder Funds, have a Capital Commitment of at least \$50 million. The General Partner may, in its sole discretion, also select nonvoting members of the LPAC or appoint observers. The LPAC will have the authority to resolve certain issues involving conflicts of interest, including, but not limited to, certain variations of the investment strategy of the Fund, and other matters presented to the LPAC by the General Partner as provided for in the Fund Agreement and agreements referred to therein. The General Partner may remove any member of the LPAC pursuant to the terms set forth in the Fund Agreement. The LPAC shall at no time take part in the control of the business of the Fund and, as a result, shall not have any consent or approval rights in respect of the investment decisions of the Fund, which shall be the sole responsibility of the General Partner and the Manager. The consent of a majority in interest of Limited Partners to any matter which could be submitted to a vote of the LPAC will have the same effect as approval by the LPAC.

Certain out-of-pocket expenses of the LPAC will be paid by the Fund (see “**Fund Expenses**” above). LPAC members will be entitled to the benefit of certain indemnification and exculpation provisions, as described in the Fund Agreement. Representatives of the General Partner will be able to attend and serve as chairman of meetings of the LPAC but may not vote on any matters being discussed at such meetings. The LPAC will act by a majority of its non-abstaining members, subject to the procedures set forth in the Fund Agreement. The General Partner in its sole discretion may allow certain Limited Partners to appoint a non-voting observer to the LPAC to attend all or specific meetings of the LPAC and/or to receive all or specific information and materials provided to the members of the LPAC.

Operations Group

The General Partner intends to create an Operations Group (the “**Operations Group**”) that is comprised of, or is permitted in the future to be comprised of, persons that are retained by the General Partner or an affiliate thereof, in each case, who will spend all or

any portion of their time providing operational due diligence for prospective and consummated transactions, as well as to assist with post-closing operating initiatives and, in certain instances, direct management on a transitional, interim or temporary basis for Portfolio Investments, including, without limitation, manufacturing, sales, marketing, finance, tax, technology, operations, financing, legal, consulting, real estate/facilities management, human resources, acquisition integration/rationalization and/or other operations services, acquisition or other due diligence, or similar services to the Fund, any Alternative Investment Vehicle or any Portfolio Investment or prospective portfolio investment of the Fund or any Alternative Investment Vehicle. Any compensation, including, without limitation, cash fees, retainers, transaction fees, profits or equity interests in a Portfolio Investment, incentive equity or other stock awards, profits or equity interests in the Fund or the General Partner, remuneration from the Manager and/or the Fund or their affiliates, guaranteed minimums or other compensation, as well as reimbursement of overhead and other out-of-pocket expenses received by the Operations Group or its members, is expected to be paid by a Portfolio Investment or prospective portfolio investment or directly by the Fund (which payments are not considered “Other Fees” and will not offset or reduce the Fund Management Fee).

Certain members of the Operations Group may receive certain benefits or other indicia of employment from the General Partner, the Manager or any of its affiliates, including guaranteed payments, office space, business cards and/or health insurance.

Successor Funds

Unless consented to by the LPAC or at least a majority in interest of the Limited Partners, the General Partner and any of its affiliates will not commence the investment operations of another privately offered, pooled investment fund for which any of them act as the manager and primary source of transactions and that the General Partner has determined has the same primary investment objective, strategy and criteria as the Fund (a “**Successor Fund**”) until the earlier of: (i) the expiration or termination of the Investment Period; or (ii) such time as at least 70% of the Capital Commitments of the non-defaulting Limited Partners have been invested, committed or allocated for investment, used for Fund expenses or reserved for Pending Investments, reasonably anticipated expenses of the Fund or the repayment of indebtedness (“**Full Investment**”). Notwithstanding the foregoing, and for the avoidance of doubt, a Successor Fund will not include: (i) any Parallel Fund, Feeder Fund, co-investment vehicle, direct investment vehicle, or Alternative Investment Vehicle; (ii) any pooled investment fund that has as its primary objective (A) investments in other collective investment vehicles (i.e., funds of funds), (B) mezzanine, debt or non-equity investments, (C) non-controlling investments, (D) investments acquired in non-privately negotiated transactions, (E) investments in publicly traded

securities or instruments or (F) other investments that are, with respect to the Fund, precluded or limited pursuant to the terms of the Fund Agreement or applicable legal, tax, regulatory, accounting or other similar considerations; (iii) any other Manager-managed or sponsored investment funds or similar vehicles in existence prior to the Effective Date and any successor funds thereto; (iv) any vehicle formed to acquire one asset or a series of related assets; (v) any Parallel Fund, Feeder Fund, co-investment vehicle, direct investment vehicle, or Alternative Investment Vehicle of any of the foregoing or any other vehicle or arrangement not prohibited by the Fund Agreement; or (vi) any vehicle formed primarily to facilitate participation of any employees of the Manager or its affiliates.

If a Successor Fund commences investment operations after Full Investment but before the end of the Investment Period, investment opportunities will be allocated between the Successor Fund and the Fund by the General Partner and the general partner of such Successor Fund on a basis they believe in good faith to be fair and reasonable (which may include not allocating the opportunity to the Fund).

Co-Investment

The General Partner is authorized, in its sole discretion, to give certain persons an opportunity to co-invest in one or more Portfolio Investments alongside the Fund and the General Partner has or expects to commit to provide co-investment opportunities to certain anchor investors in the Fund. The terms of any such co-investment, including the management, performance and other fees and/or carried interest applicable to such co-investment, if any, will be separately negotiated by the General Partner (or an affiliate thereof) and the potential co-investor. The General Partner (or an affiliate thereof) may make an investment in any vehicle formed for a co-investment opportunity, including, to the extent desirable, for-profit allocation treatment. The General Partner or its affiliates may serve as the general partner or similar manager or controlling entity of any vehicle formed for a co-investment opportunity.

JV Partners

The Fund intends to venture or otherwise invest in projects and other investments with capital partners, strategic investors and other third parties for competitive or strategic reasons or for other reasons that the General Partner determines will be to the benefit of the Fund and the General Partner reserves the right to offer to such third parties to opportunity to co-invest with the Fund (and the General Partner is permitted to do so without offering such opportunity to any Limited Partner). The General Partner and its affiliates are permitted to receive and retain compensation, including a management fee and carried interest, promote or other similar incentive payments in conjunction with arranging and managing such arrangements.

Term

The Fund will dissolve on the last date of the calendar quarter in which the 10-year anniversary of the Final Closing Date occurs, subject to extension for one additional one-year period with the consent of the General Partner and for two additional one-year periods with the consent of either the LPAC or at least a majority in interest of the Limited Partners. The Fund is subject to earlier dissolution, including, for example: (i) by the General Partner if it determines that such earlier dissolution is necessary or advisable in light of applicable business considerations, or because there has been an adverse change in applicable law or regulation or to avoid violations of (or registration under) applicable law; (ii) upon the bankruptcy, dissolution or similar event of withdrawal of the General Partner; or (iii) as otherwise provided for in the Fund Agreement. The Fund may be dissolved upon the vote of 85% in interest of the Limited Partners at any time after the second anniversary of the Effective Date.

Following an event of dissolution, the Fund will liquidate in an orderly manner and distribute all investments or proceeds in accordance with the Fund Agreement.

Excuse, Exclusion and Cancellation

Excuse. Any Limited Partner may be excused from making all or any part of its Capital Contribution in respect of a particular Portfolio Investment to the extent its participation in such Portfolio Investment would be reasonably likely to violate any law, regulation or governmental order. Any Limited Partner seeking to be excused will be required to comply with certain procedures specified in the Fund Agreement. In addition, the General Partner may, in its sole discretion, excuse a Limited Partner for any reason with the consent of such Limited Partner.

Exclusion. The General Partner may exclude a particular Limited Partner or particular category of Limited Partners (including, for instance, ERISA Partners and/or U.S. tax-exempt Limited Partners) from participating in all or any part of a Portfolio Investment to the extent the General Partner determines that: (i) a significant delay, extraordinary expense or adverse effect on the Fund, the General Partner, any Parallel Fund, any alternative investment vehicle or any of their respective affiliates, or any Portfolio Investment or any future investment is likely to result from such Limited Partner's participation in such Portfolio Investment; or (ii) there is a likelihood that such Limited Partner's participation, in whole or in part, in such Portfolio Investment would cause (A) a violation of any law, regulation or governmental order to which such Limited Partner, the Fund, the General Partner or any Portfolio Investment or any future investment or any of their respective affiliates is subject or (B) the assets of the Fund or any Alternative Investment Vehicle to be characterized as assets of an employee benefit plan for purposes of ERISA, Section 4975 of the Code or any applicable similar law. In addition to the foregoing, the

General Partner may, in its sole discretion, exclude a Limited Partner from any Portfolio Investment for any reason with the consent of such Limited Partner.

Mandatory Withdrawals

A Limited Partner may be required to completely or partially withdraw from the Fund if: (i) in the judgment of the General Partner, by virtue of that Limited Partner's interest in the Fund, the assets of the Main Fund would be reasonably likely to be characterized as assets of an employee benefit plan or plan for purposes of ERISA, Section 4975 of the Code or any applicable similar law, or the Fund or any Partner is reasonably likely to be subject to any requirement to register under the 1940 Act; (ii) in the judgment of the General Partner, a significant delay, extraordinary expense or material adverse effect on the Fund or any of its affiliates, any person in which the Fund holds Portfolio Investments or any prospective investment is reasonably likely to result without such withdrawal; or (iii) in the judgment of the General Partner such Limited Partner has breached certain obligations or representations as specified in the Fund Agreement or its subscription agreement.

Default Provisions

Upon failure of a Limited Partner to make any required funding under the Fund Agreement when due, such Limited Partner may, in the General Partner's sole discretion, be charged interest on the outstanding amounts (it being understood that such charged interest would be in addition to such Limited Partner's Capital Commitment) and be deemed in default (a "**Defaulting Limited Partner**"). The General Partner may, in its sole discretion, determine that a Defaulting Limited Partner shall:

(i) not be entitled to make any further Capital Contributions and forfeit to the Fund all distributions of income from Temporary Investments, Current Proceeds, Disposition Proceeds and liquidating distributions that such Defaulting Limited Partner would otherwise receive;

(ii) be required to transfer all of its Interest to one or more Limited Partners or other persons (as determined by the General Partner) at a transfer price equal to such Defaulting Limited Partner's capital account and upon the consummation of such transfer such Defaulting Limited Partner shall cease to be a Limited Partner;

(iii) be subject to a 80% reduction in its capital account balance and related percentage interest in Portfolio Investments of the Defaulting Limited Partner;

(iv) not be entitled to receive reports provided to Limited Partners or otherwise have access to the books and records of the Fund;

(v) lose its right to transfer its Interest in the Fund; or

(vi) be subject to the General Partner's recoupment, setoff and application of all amounts owing by the Fund to the Defaulting Limited Partner against any and all payment obligations of such Defaulting Limited Partner owed to the Fund.

The foregoing remedies are not exclusive, and the General Partner may, among other remedies, bring suit for damages or specific performance against a Defaulting Limited Partner. The General Partner may, in its discretion, apply in part or waive any of these remedies against a Defaulting Limited Partner.

The General Partner may require additional Capital Contributions from the non-defaulting Limited Partners to the extent of their Undrawn Capital Commitments, to fund the shortfall caused by the Defaulting Limited Partner (or such partner of a Parallel Fund).

Transfer of Interests

Subject to certain limited exceptions specified in the Fund Agreement, only with the consent of the General Partner (which may be given or withheld in its sole discretion) may: (i) a Limited Partner, directly or indirectly, assign, sell, exchange, pledge or transfer, all or any part of its Interest; or (ii) any assignee, purchaser or transferee of an Interest be admitted as a substitute Limited Partner. Furthermore, a Limited Partner generally may not voluntarily withdraw any amount from the Fund or voluntarily withdraw from the Fund. Subject to the requirements of applicable law, the General Partner may assign, pledge or otherwise transfer its interest as general partner to its affiliates or to third parties as described in the Fund Agreement.

Reports and Financial Information

The Fund will furnish audited financial statements to all Partners within 120 calendar days (subject to reasonable delays in the event of the late receipt of any necessary financial statements from any person in which the Fund holds Portfolio Investments) after the end of each fiscal year beginning with the first year in which the Fund is in operation for a full fiscal year or makes an investment. Each Limited Partner will also be furnished with the unaudited financial statements of the Fund within 60 calendar days (subject to reasonable delays in the event of the late receipt of any necessary financial statements from any person in which the Fund holds Portfolio Investments) after the end of each of the first three fiscal quarters. All financial statements in respect of the Fund and any Parallel Funds will be prepared based upon U.S. generally accepted accounting principles. Additionally, the Fund will furnish tax information necessary for the completion of U.S. tax returns within 120 calendar days (subject to reasonable delays in the event of the late receipt of any necessary financial statements or other information necessary to prepare tax returns in respect of any Portfolio Investment) after the end of each fiscal year.

The General Partner may withhold all or any part of the information otherwise to be provided to such Limited Partner and require such

Limited Partner to return any copies of information provided to it by the General Partner, the Fund or any of their affiliates.

Indemnification and Exculpation

The Fund will indemnify and hold harmless the General Partner, the Manager and their respective partners, members, managers, employees, agents, advisors, affiliates, and certain other persons from and against all claims, liabilities, costs, and expenses, including legal fees, judgments, and amounts paid in defense and settlement, as incurred by them, by reason of their activities on behalf of the Fund or the Partners, other than for bad faith, gross negligence or willful malfeasance and as otherwise described in the Fund Agreement.

Cause

Investors will have the right to remove and replace the General Partner upon the vote of a majority in interest of the Limited Partners within 90 days following the date on which the General Partner has notified investors that there has been a non-appealable determination by court of competent jurisdiction that the General Partner or the Manager has committed: (i) fraud; (ii) embezzlement; or (iii) breach of the Fund Agreement (save, in any case other than fraud, where the General Partner is able to demonstrate that it acted in good faith and in accordance with the advice of external legal counsel), which relates to the General Partner's or the Manager's activities in connection with the Fund and its investments and, in each case, which results in a material adverse effect on the business activities of the Fund, and such other circumstances as set forth in the Fund Agreement and the LPAC will have the right to remove and replace the General Partner if, unless a replacement Key Person selected by the General Partner is approved by a majority of the LPAC, both Rob Mah and Christopher Lee cease to be actively involved in the investment activities of the Fund as set forth in the Fund Agreement (each such event being a **"Cause Event"**).

If the General Partner is replaced by investors as a result of a Cause Event: (i) the General Partner shall cease to be entitled to receive any further Management Fee; and (ii) the General Partner shall remain as a limited partner in the Partnership(s) and receive distributions of the Carried Interest Amounts from the Partnership(s) in respect of investments made prior to the date of replacement, provided that the General Partner's entitlement to be paid Carried Interest Amounts in respect of such investments will be reduced by 25%. For the avoidance of doubt, the General Partner shall not be entitled to any Carried Interest Amounts arising in respect of any investments made after the date on which the General Partner has been replaced.

No-Fault Removal

The Limited Partners may require the removal of the General Partner from the Fund for any reason upon the vote of 75% in interest of the Limited Partners and such other terms as specified in the Fund Agreement.

Alternative Investment Vehicles

Subject to certain restrictions set forth in the Fund Agreement, alternative investment vehicles in which one or more Limited Partners may be required to invest outside the Fund may be used if the General Partner determines in good faith that for legal, tax, regulatory or other reasons, it is desirable for all or part of a Portfolio Investment to be made through an alternative investment vehicle (each an “**Alternative Investment Vehicle**”), and appropriate mechanics will be provided in the Fund Agreement in order that such investments will generally function as if made by the Fund for purposes of the provisions described in the Fund Agreement and will generally be made on a substantially equivalent economic basis as if made through the Fund. In addition, the General Partner may, in its discretion, after a Portfolio Investment has been made by the Fund or an Alternative Investment Vehicle, restructure the ownership of all or any portion of such Portfolio Investment (including, for example, through a transfer of all or a portion of the Fund’s ownership interest in such Portfolio Investment to an Alternative Investment Vehicle and the accompanying distribution of ownership interests in such vehicle to one or more Partners). The same Alternative Investment Vehicle may be used for multiple Portfolio Investments, and one or more Limited Partners may invest in the same Alternative Investment Vehicle.

The General Partner may structure an Alternative Investment Vehicle to include one or more partnerships, corporations (including entities taxable as corporations) or other entities investing in an Alternative Investment Vehicle through which certain Limited Partners may participate. Alternatively, the General Partner may structure all or a portion of certain Portfolio Investments through one or more corporations. Limited Partners participating in any such investment indirectly through such corporation would be specially allocated the proceeds therefrom by the Fund or such Alternative Investment Vehicle, if applicable. In addition, the General Partner may structure the investment in such partnerships, corporations or other entities through a combination of debt and equity interests.

Parallel Funds

In order to facilitate investment by certain investors (including employees of the Manager or its affiliates or their designees), the General Partner (or an affiliate thereof) may create parallel investment entities (referred to herein as “**Parallel Funds**”) that will, subject to applicable legal, tax, regulatory or other similar considerations, generally invest and divest proportionally on the basis of outstanding Capital Commitments in all Portfolio Investments and share proportionately in expenses (including, without limitation, organizational expenses), on the basis of available capital, other than expenses that are specifically attributable in the judgment of the General Partner to the Fund or a particular Parallel Fund. The terms of Parallel Funds may differ from those of the Fund. The General Partner may require or, in its

discretion, allow certain investors to invest in a Parallel Fund in lieu of or in addition to the Fund, subject to the terms of the partnership agreement or similar governing document of such Parallel Fund. Certain Parallel Funds may hold investments through different entities other than the Fund or other Parallel Funds due to legal, tax, regulatory or other considerations.

Feeder Funds

In order to facilitate investment by certain investors (including employees of the Manager or its affiliates or their designees), the General Partner (or an affiliate thereof) may create one or more intermediate entities affiliated with the General Partner that are established for the purpose of investing in the Fund or a Parallel Fund (each a **"Feeder Fund"**) including, without limitation, requiring such Limited Partner to contribute its Interest in the Fund to such Feeder Fund in exchange for an interest in such Feeder Fund. Certain Limited Partners may be designated as Feeder Funds in the General Partner's sole discretion as provided for in the Fund Agreement. Feeder Funds may also be used in connection with Alternative Investment Vehicles. Prospective investors should consult with their own advisers as to the consequences of making an investment indirectly in the Fund through a Feeder Fund.

UBTI; ECI

The Fund may make investments that will cause a U.S. tax-exempt partner to have "unrelated business taxable income" (**"UBTI"**) within the meaning of Section 512 of the U.S. Internal Revenue Code of 1986, as amended (the **"Code"**), or a non-U.S. partner to have income "effectively connected with the conduct of a trade or business within the United States," as defined in Code §864(c) (**"ECI"**). If the Fund proposes to make an equity investment in a limited partnership, limited liability company or other fiscally transparent entity treated as a partnership or disregarded entity for U.S. federal income tax purposes (collectively, **"Flow-Through Entities"**) engaged in the active conduct of a trade or business that would result in UBTI or ECI, the Blocker Fund will invest through one or more blocker corporations (or other structures) designed to prevent U.S. tax-exempt partners and non-U.S. partners investing through such blocker entity from recognizing UBTI and ECI, respectively (a **"Blocker Entity"**); *provided* for the avoidance of doubt, that gains from the disposition of stock in a corporation treated as a U.S. real property interest under Code §897 will not be considered ECI for purposes of this limitation. The Blocker Entity typically will form, with the General Partner, one or more Flow-Through Entities for U.S. federal income tax purposes, to hold all or a portion of the Blocker Fund's investment in such portfolio investment, or will use other structures, so that, to the maximum extent possible, the capital contributions of and the aggregate net distributions received and retained by the General Partner are the same in timing, amount, and character as the General Partner would have made or received and retained if each investment were made directly by the Blocker Fund rather than

through a Blocker Entity. Limited partners in the Blocker Fund will bear all costs, expenses (including taxes) and reductions in proceeds attributable to the interposition of Blocker Entities. Although the Blocker Fund will use Blocker Entities to avoid recognizing UBTI and ECI from investments in Flow-Through Entities that are conducting active businesses, it may recognize UBTI under Code §514 if it engages in certain borrowing activity.

Additional Information

The Fund Agreement provides that each Limited Partner shall comply promptly with reasonable requests for information made by the General Partner in order for the Fund to satisfy any request for information about such Limited Partner, its Capital Commitment and other information regarding its Interest in the Fund made by any governmental or regulatory authority, agency, committee, court, exchange or self-regulatory organization in connection with obtaining approvals necessary for the making, holding or disposition of any Portfolio Investment. The General Partner may, in connection with the foregoing, provide the Fund Agreement and any agreements referred to therein or related thereto.

Tax Considerations

It is intended that the Fund will be treated as a partnership, and not an association taxable as a corporation, and will be operated in a manner such that it should not be treated as a “**publicly traded partnership**” for U.S. federal income tax purposes. Each prospective investor is advised to consult its own tax adviser as to the income tax consequences of an investment in the Fund.

ERISA Matters

The General Partner intends to either (i) limit equity participation by “benefit plan investors” (within the meaning of Section 3(42) of ERISA and the regulations promulgated thereunder) to less than 25% of the total value of each class of equity interests in the Main Fund; or (ii) structure investments of the Fund and operate the Fund in such a manner so as to qualify the Main Fund as a “venture capital operating company” so that the underlying assets of each entity comprising the Main Fund should not constitute “plan assets” (all within the meaning of Section 3(42) of ERISA and the regulations promulgated thereunder). Prospective investors and ERISA fiduciaries should consult with their own advisers as to the consequences of making investments in the Fund.

Risk Factors and Potential Conflicts of Interest

Potential investors should be aware that an investment in the Fund involves a high degree of risk. There can be no assurance that the Fund’s investment objective will be achieved, or that a Limited Partner will receive a return of its capital. Potential or actual conflicts of interest involving the General Partner and its affiliates (including other investment funds managed by affiliates of the General Partner), on the one hand, and the Fund and its portfolio investments, on the other hand, are likely to occur. See Section 9 – “*Risk Factors and Potential Conflicts of Interest.*”

Subscription Matters

Persons interested in investing in the Fund are required to complete and return to the General Partner the subscription document for the Fund, a copy of which will be made available to each prospective investor. Subscriptions may be rejected in whole or in part in the General Partner's sole discretion and will be accepted only from investors who are (i) "accredited investors," as defined in Regulation D promulgated under the 1933 Act and (ii) unless waived by the General Partner in its sole discretion, "qualified purchasers," within the meaning of the 1940 Act (in order for the Fund to qualify for the exemption from the provisions of the 1940 Act set forth in Section 3(c)(7) thereunder). Based on the subscription documents of certain investors, including prospective U.S. tax-exempt Limited Partners, non-U.S. Limited Partners and Limited Partners subject to ERISA or Section 4975 of the Code, the General Partner may require, or in its discretion allow such investors to subscribe for interests in one or more Parallel Funds or Feeder Funds. Investors in non-U.S. jurisdictions may be required to meet other eligibility requirements.

**Side Letters;
Amendments**

The Fund or the General Partner, on its own behalf or on behalf of the Fund, without any further act, approval or vote of any Partner, may enter into side letters or other agreements with individual Limited Partners which have the effect of establishing rights under, or altering or supplementing, the terms (including economic terms) of the Fund Agreement and any Subscription Agreement. Any rights established, or any terms of the Fund Agreement and any Subscription Agreement altered or supplemented, in a side letter or other agreement with a Limited Partner will govern solely with respect to such Limited Partner (but not any of such Limited Partner's assignees or transferees unless so specified in such side letter) notwithstanding any other provision of the Fund Agreement or any Subscription Agreement.

The Fund Agreement sets forth certain procedures for its amendment, generally with the consent of the General Partner and at least a majority in interest of the Limited Partners. The Fund Agreement also includes provisions allowing the General Partner to make certain amendments without the consent of the Limited Partners. Limited Partners failing to respond to notice of amendments within 10 business days after notice of such amendment will be deemed to have consented thereto.

**Legal Counsel for the
General Partner and the
Fund**

Kirkland & Ellis LLP

9. RISK FACTORS AND POTENTIAL CONFLICTS OF INTEREST

An investment in the Fund involves significant risks and other considerations and, therefore, should be undertaken only by prospective investors capable of evaluating and bearing such risks. Fund returns may be unpredictable, and the Fund investment program is not suitable as the sole investment vehicle for an investor. A prospective investor should only invest in the Fund as part of a broad overall investment strategy, and only if the prospective investor is able to withstand both extended periods of illiquidity and a total loss of its investment. Prospective investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of the limited partner interests in the Fund. As a result of these factors, as well as other risks inherent in any investment or set forth elsewhere in this Memorandum, there can be no assurance that the Fund will meet its investment objectives or otherwise be able to successfully carry out its investment program. The following list is not a complete list of all risks and other considerations involved in connection with an investment in the Fund. Prospective investors should make their own inquiries and investigation, and should consult their own advisors, regarding the offering of limited partner interests described herein, including the merits and risks involved and the legality and tax consequences of an investment in the Fund.

1. **General Investment Characteristic Risks.** The Fund will seek to invest in infrastructure businesses or projects that typically have some or all of the following investment characteristics: regulated or substantially contracted revenue streams; limited demand or usage risk, or usage risk driven primarily by favorable demographic factors; a low level of exposure to market competition due to natural monopoly characteristics, government regulation or contractual protections, natural geographic restrictions, high capital investment costs or other barriers to entry; businesses or assets that provide essential services that are less dependent on market conditions; investments that exhibit barriers to entry or completion, investments in long-life real assets; investments that can be financed with long-term, fixed rate debt (often investment grade); investments that exhibit stable cash flows and relatively high cash distributions; and investments with multiple opportunities for exit. Whether and to what extent such characteristics exist with respect to a portfolio investment is a matter of opinion and judgment, which may prove incorrect. Such characteristics are expected to help mitigate the risks associated with the Fund's investments, but there can be no assurance that perceived or expected mitigating characteristics associated with the Fund's infrastructure investments (e.g., low volatility, low correlation, high cash yield, strong downside protection, mitigation against rising interest rates, revenues keyed to inflation and an ability to control the timing, and manner of exits) will be achieved or realized. The Fund may invest in any type of infrastructure investments (including infrastructure-related "opportunistic" investments), which may differ in form and structure (and may not have the characteristics described above) on a case-by-case basis, as the Manager may determine are appropriate for the Fund in a given context based on prevailing economic and market conditions and other factors deemed relevant by the Manager. There can be no assurance that any perceived benefits of infrastructure investments will be realized and the Fund's investments may not exhibit the forgoing characteristics.
2. **Investments in Private Companies.** The Fund's investment portfolio is expected to consist primarily of privately held assets and/or securities and/or interests issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments are illiquid and involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the assets

or companies in which the investment is made, changes in national or international economic and market conditions and changes in laws, regulations, fiscal policies or political conditions of countries in which investments are made, including the risks of war, revolutions and the effects of terrorist attacks. The possibility of partial or total loss of capital will exist and investors should not invest unless they can readily bear the consequences of such loss.

3. **Real Estate Risks.** Some or all of the Fund's investments may be subject to the risks inherent in the ownership and operation of assets or businesses that derive a substantial amount of their value from real estate and real estate-related interests. These types of underlying interests are typically illiquid. Deterioration of real estate fundamentals may negatively impact the performance of such investments. Such changes in fundamentals could involve fluctuations as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in environmental and zoning laws, casualty or condemnation losses, environmental liability, regulatory limitations on rents, changes in neighborhood values, changes in the appeal of properties to tenants, the availability of mortgage funds which may render the sale or refinancing of properties difficult or impracticable, natural disasters, increase in interest rates, and other factors that are beyond the control of the Manager.

Additionally, the Fund may acquire assets in jurisdictions where indigenous rights (e.g., with respect to tribes or other dispossessed people/communities) to land exist. While the Fund will generally conduct due diligence in such jurisdictions to determine the extent to which it may be affected by such rights, it may not be possible to mitigate against or remove a risk associated with indigenous claims. Additionally, any declaration of title in respect of government protected land on which infrastructure assets are located may negatively affect the operation of those businesses.

4. **Future and Past Performance; Loss of Principal.** The Fund consists of newly organized entities that have no prior operating history or track record. Accordingly, the Fund does not have performance history for a prospective investor to consider. In addition, the Fund's investments may differ from the General Partner's principals' (the "**Principals**") Prior Investments in a number of respects, including target return levels, level of risk associated with a particular investment, amount invested in a particular investment, types of investments within a particular industry sector, amount of leverage used, structure, and holding period. While the General Partner intends for the Fund to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. With respect to any of the Fund's investments, loss of principal will be possible.
5. **Investment in Junior Securities.** The securities in which the Fund will invest may be among the most junior in a portfolio investment's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect the Fund's investment once made.
6. **Securitisation Regulation.** To the extent the Fund is actively marketed to investors domiciled or having their registered office in the EEA or the UK, the EU Securitisation Regulation, including as implemented and retained by the UK following its departure from the EU, may prohibit the Fund from acquiring securitization positions which do not comply with the EU's risk retention criteria, where the securities/instruments of such securitizations were issued on or after January 1, 2019. The EU's risk retention criteria for securitizations may not be aligned with the criteria for securitizations under the laws of non-EU jurisdictions, where such laws exist, including under U.S. law. This could result in the Fund being prohibited from acquiring positions in certain securitizations or similar structures, whether originated in the EU or otherwise, notwithstanding that such

transactions would otherwise be permitted in accordance with the Fund's investment strategy/restrictions.

7. **Concentration of Investments.** The Fund will participate in a limited number of investments and reserves the right to make several investments in one industry or one industry segment or within a short period of time. As a result, the Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Fund may invest in fewer portfolio investments and thus be less diversified.

The Fund is permitted to provide bridge financing to facilitate portfolio investment. It is possible that all or a portion of a bridge financing will not be recouped within the time period specified in the Fund Agreement, in which case the investment would be treated as a permanent investment of the Fund. As a result, the Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Fund's investment limitations set forth in the Fund Agreement, certain of which exclude bridge financing investments.

8. **Unspecified Investments.** Limited Partners will be relying on the ability of the General Partner to locate and evaluate the investments to be made by the Fund using the proceeds of this offering. The activity of identifying, structuring, completing and realizing private equity investments involves a high degree of uncertainty and is subject in some cases to the prevailing capital market, regulatory or political environment. There can be no assurance that the General Partner will be able to identify, or the Fund will be able to complete, portfolio investment that satisfy the Fund's rate of return objectives or, if completed, realize such investments for fair or attractive values or that the Fund will be able fully to invest its committed capital.
9. **Operation in Highly Competitive Markets.** The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. The Fund will encounter competition from other entities having similar investment objectives. Potential competitors include a broad spectrum of sources of capital, including traditional infrastructure companies, strategic acquirers, commercial and investment banks, as well as a growing number of other participants, such as other financial investors, including hedge funds, publicly-traded special purpose acquisition companies ("**SPACs**") and other private equity funds, investing directly or through affiliates. Over the past several years, an ever-increasing number of investment funds have been or are being formed, and many fund sponsors have increased the size of successor funds as compared to their corresponding prior funds. Other investment funds with similar investment objectives to the Fund likely will be formed in the future by other unrelated parties. Some of the Fund's competitors for investment opportunities may have significantly more relevant experience, greater financial resources, a greater willingness to take on risk, more personnel than the General Partner, the Fund and their respective affiliates and/or access to capital that may be committed for longer periods of time or may have different return thresholds than the Fund, and thus these competitors may have certain advantages not shared by the Fund, including synergies with other assets or portfolio investments. In addition, competitors may have incurred, or may in the future incur, leverage to finance their investments at levels or on terms more favorable than those available to the Fund and/or may have longer operating histories, greater financial resources and lower costs of capital than the Fund, and consequently, may be able to compete more effectively for investments. The General Partner expects that competition for appropriate investment opportunities will increase, which could also require the Fund to participate in auctions, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to the Fund and/or adversely affecting the terms or pricing upon which portfolio

investments can be made. The Fund may not always be able to compete successfully with its competitors and competitive pressures or other factors may also result in significant price competition, particularly during industry downturns, which could have a material adverse effect on its business, prospects, financial condition, results of operations and cash flows.

To the extent that the Fund encounters significant competition for investments, returns to Limited Partners may decrease. It is possible that the Fund will never be fully invested if enough sufficiently attractive investments are not identified and consummated. However, Limited Partners will be required to bear Fund Management Fees through the Fund during the Investment Period based on the entire amount of the Limited Partners' Capital Commitments and other expenses as set forth in the Fund Agreement.

10. *Force Majeure Events*. Certain force majeure events (i.e., those events beyond the control of the party claiming that the event has occurred, including acts of God, fires, floods, earthquakes, war, acts of terrorism, labor strikes, pandemics, outbreaks of infectious diseases or any other serious public health concerns) may adversely affect the ability of GSIM, its affiliates, the Fund, its portfolio investments, counterparties of the foregoing or other persons or entities to perform their respective obligations. The cost of repairing or replacing assets damaged by a force majeure event could be considerable. In addition, repeated or prolonged service interruptions resulting from a force majeure event may result in a permanent loss of customers, substantial litigation or significant penalties for regulatory or contractual non-compliance, though in some case, agreements may be terminable if a force majeure event is so catastrophic as to render it incapable of remedy within a reasonable, pre-agreed time period. The occurrence of a force majeure event may, directly or indirectly, have a material adverse effect on the Fund and/or any of its portfolio investments.
11. *Changes in Investment Focus*. The Fund is not restricted in terms of the percentage of its capital that can be invested in a particular industry. While this Memorandum contains a description of the types of investments that the Fund is expected to make, many factors contribute to changes in emphasis in the construction of the portfolio, including changes in market or economic conditions or regulation applicable to particular industries and changes in the political or social situations in particular countries. As a result, the General Partner reserves the right to pursue additional investment strategies, to pursue investments outside of the industries and sectors in which the Principals have previously made investments or have internal operational experience, and to modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate. There can be no assurance that the investment portfolio of the Fund will resemble any Prior Investments made by GSIM or investments made by the Principals.
12. *Governmental and Regulatory Risks*. Infrastructure investments are subject to substantial government regulation and governments have considerable discretion to implement regulations that could affect the business of infrastructure investing. In many instances, the operation or acquisition of infrastructure assets involves an ongoing commitment to or from a governmental agency, and the operation of infrastructure assets often relies on government permits, licenses, concessions, leases or contracts. The nature of these obligations and dependencies exposes the owners of infrastructure assets to a higher level of regulatory control than typically imposed on other businesses, especially given that governmental entities have considerable discretion to change or increase regulation of the operations of portfolio investments or to implement laws, regulations or policies affecting their operations, separate from any contractual rights that the government counterparties may have. The Fund may not receive the initial regulatory approval needed to acquire an investment, including after the Fund has incurred substantial costs pursuing

such investment. Additional or unanticipated regulatory approvals, including, without limitation, with respect to renewals, extensions, transfers, assignments, restructurings, re-issuances or similar actions, may be required to acquire, refinance or divest infrastructure assets, and additional approvals may become applicable in the future due to a change in laws and regulations, a change in the portfolio investment's customer(s), desire to expand the portfolio investment's business or for other reasons. Furthermore, permits or special rulings may be required with respect to taxation, financial, and regulatory related issues. There can be no assurance that a portfolio investment will be able to (i) obtain all required regulatory approvals that it does not yet have or that it may require in the future, (ii) obtain any necessary modifications to existing regulatory approvals or (iii) maintain required regulatory approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay in satisfying or failure to satisfy any regulatory conditions or other applicable requirements, could prevent operation of a facility or sales to third parties or could result in additional costs to a portfolio investment and the Fund. There can be no assurance that (i) existing regulations applicable to investments generally or the portfolio investments will not be revised or reinterpreted; (ii) new laws and regulations will not be adopted or become applicable to portfolio investments; (iii) the technology and equipment selected by portfolio investments to comply with current and future regulatory requirements will meet such requirements; (iv) such portfolio investments' business and financial conditions will not be materially and adversely affected by such future changes in, or reinterpretation of, laws and regulations (including the possible loss of exemptions from laws and regulations) or any failure to comply with such current and future laws and regulations or (v) regulatory agencies or other third parties will not bring enforcement actions in which they disagree with regulatory decisions made by other regulatory agencies.

Additionally, where a portfolio investment holds a concession or lease from the government, the concession or lease may restrict the portfolio investment's ability to operate the business in a way that maximizes cash flows and profitability. The lease or concession may also contain clauses more favorable to the government counterparty than a typical commercial contract. For instance, the lease or concession may enable the government to terminate the lease or concession in certain circumstances without requiring payment of adequate compensation. The primary source of funds from the government may be from funds solely to the extent budgeted and appropriated therefor from time to time. The government may not be obligated to make any appropriation, or to make a sufficient appropriation. There is no assurance that the government will appropriate money sufficient to pay the portfolio investment. In the event of a failure to appropriate, the government may terminate the concession or lease for convenience, and the Fund may not have any right to commence legal proceedings to compel the government to make further payments. A major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more of the Fund's investments, could result in a loss to the Fund, including if its investment in such portfolio investment is canceled, unwound or acquired (which could be without what the Fund considers to be adequate compensation).

Permits and licenses are typically required to be maintained over the project's life. If an investment fails to comply with these regulations or contractual obligations, it could be subject to monetary penalties or the Fund may lose its right to operate the affected portfolio investment, or both. Regulators may impose conditions on the operations and activities of the Fund's portfolio investments as a condition to granting approval or to satisfy regulatory requirements. These conditions, which may be statutory in nature or may be tailored to a particular transaction, may limit or provide a disincentive for the Fund's portfolio investments to invest in competing industries or to acquire market power in a particular market. In addition, the relevant governmental agencies

may impose conditions of ongoing ownership or equivalent restrictions on the Fund in respect of the underlying infrastructure assets.

13. *Illiquidity; Lack of Current Distributions.* An investment in the Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The Fund's ability to dispose of investments may be limited for several reasons. Illiquidity may result from the absence of an established market for the investments, as well as legal, contractual or other restrictions on their resale by the Fund. Dispositions of investments may be subject to contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof. In view of these limitations on liquidity, the return of capital or realization of gains, if any, on an investment generally will occur only upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating the Fund (including the Fund Management Fee payable to the Manager (or its designated affiliate)) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including unfunded Capital Commitments.
14. *Leveraged Investments; Borrowing; Subscription Facility.* The Fund expects to make use of leverage by incurring or having a portfolio investment incur debt to finance a portion of its investment in such portfolio investment, including in respect of investments not rated by credit agencies. Leverage generally magnifies both the Fund's opportunities for higher returns and its risk of loss from a particular investment, and such magnified risk of loss has the potential to be substantial. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which may be impacted by regulatory restrictions and guidelines and which are difficult to accurately forecast. As a result, at times it may be difficult to obtain or maintain the desired degree of leverage. The availability of leverage is subject to governmental and regulatory oversight, and certain governmental bodies (including the U.S. Federal Reserve System, the U.S. Office of the Comptroller of the Currency and the U.S. Federal Deposit Insurance Corporation) may restrict or otherwise discourage lending that results in investments carrying large amounts of debt.

The use of leverage by a portfolio investment also imposes restrictive financial and operating covenants on a portfolio investment, in addition to the burden of debt service, which has the potential to impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of a portfolio investment will increase the exposure of the Fund's investments to any deterioration in a portfolio investment's condition or its industry, competitive pressures, an adverse economic environment or rising interest rates (which in recent years have been at or near historic lows) and could accelerate and magnify declines in the value of the Fund's investments in the leveraged portfolio investments in a market downturn. These risks generally are expected to increase as interest rates rise, including in circumstances where a portfolio investment's creditworthiness is such that it must borrow at higher interest rates than are available to the Fund. In the event any portfolio investment cannot generate adequate cash flow to meet its debt service, the Fund may suffer a partial or total loss of capital invested in the portfolio investment, which could adversely affect the Fund's returns. Additionally, lenders would typically have a claim that has priority over any claim by the Fund to the assets of such portfolio investment in an insolvency event or proceeding. Should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a portion of a portfolio investment, the Fund

may not achieve an exit multiple or enterprise valuation consistent with its forecasts. If a portfolio investment is unable to obtain favorable financing terms for its investments, refinance its indebtedness or maintain a desired or optimal level of financial leverage, the Fund may hold a larger than expected equity investment in such portfolio investment and may realize lower than expected returns from the portfolio investment that would adversely affect the Fund's ability to generate attractive investment returns for the Fund as a whole. Any failure by lenders to provide previously committed financing could also expose the Fund to potential claims by sellers of prospective portfolio investments that the Fund may have contracted with to purchase. Moreover, the investments in which the Fund will invest generally will not be rated by a credit rating agency. Except where otherwise required by the Fund Agreement, the Fund will not be obligated to borrow on behalf of a portfolio investment, even in the circumstances where the Fund's creditworthiness would permit borrowing at a lower rate than is available to the portfolio investment.

The Fund is also permitted to borrow money pursuant to a revolving credit facility or other debt facility, including a facility based on the aggregate Capital Commitments available to be called, or guaranty indebtedness (such as a guaranty of a portfolio investment's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor. Although the use of leverage by the Fund will increase the Fund's ability to swiftly invest capital, it will also result in fees, interest expense and other costs to the Fund that may exceed, or otherwise not be covered by, distributions made to the Fund or appreciation of its investments. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitation regarding the amount of time such leverage may remain outstanding. The Fund is permitted to incur leverage on a joint and several basis with one or more other investment funds and/or other entities managed by or otherwise affiliated with the General Partner or any of its affiliates and, in connection with incurring such indebtedness, the General Partner reserves the right, in its sole discretion, to cause the Fund to enter into one or more agreements to obtain a right of contribution, subrogation or reimbursement from or against such entities. It is also possible that certain co-investors (including management, any roll-over investors and/or third party co-investors) will not share in incurring such leverage and that the Fund will disproportionately bear the risk and/or costs of leverage arrangements. However, it is possible that, if and when the Fund were to seek to enforce any such right, any such entity could default on its obligation and/or such right may otherwise be unenforceable. In addition, to the extent the Fund incurs leverage (or provides any guaranty), such amounts will be secured by the Capital Commitments of the Limited Partners and other Fund assets. Any leverage secured by the Capital Commitments of the Limited Partners could enable a lender to issue a capital call on behalf of the General Partner, which would require such investors' contributions to be made directly to the lender instead of to the Fund. See also Section 10 – "*Certain Legal, Tax and Regulatory Considerations*" of this Memorandum.

Fund-level borrowing also subjects Limited Partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the General Partner's right to call capital from the Limited Partners, Limited Partners may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any Limited Partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

With respect to any asset-backed facility entered into by the Fund (or an affiliate thereof), a decrease in the market value of the Fund's investments would increase the effective amount of leverage and could result in the possibility of a violation of certain financial covenants pursuant to which the Fund must either repay the borrowed funds to the lender, which could, subject to any

limitations set forth in the Fund Agreement, require investors to make additional capital contributions in respect of such borrowings, or suffer foreclosure or forced liquidation of the pledged assets. Liquidation of the Fund's investments at an inopportune time in order to satisfy such financial covenants could adversely impact the performance of the Fund and could, if the value of its investments had declined significantly, cause the Fund to lose all or a substantial amount of its capital. Moreover, if additional capital contributions were required to satisfy such financial covenants, this would effectively reduce the amount of capital available for other investments and could adversely affect the diversification of the Fund's portfolio. In the event of a sudden, precipitous drop in the value of the Fund's assets, the Fund might not be able to dispose of assets quickly enough to pay off its debt resulting in a foreclosure or other total loss of some or all of the pledged assets. Related risks are sensitive to the nature of a Fund's underlying portfolio investments, concentration, expected volatility and other factors. For example, because the Fund's portfolio investments could include publicly traded securities, the value of such investments can be more volatile in times of market disruptions or other unpredictable events, which has the effect of potentially magnifying these risks.

In addition, Fund-level borrowing will result in incremental Fund expenses that will be borne by the Limited Partners. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to the maintenance, renegotiating or termination of the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the Limited Partners and the terms of the Fund Agreement, it may be higher than the interest rate a Limited Partner could obtain individually. Conflicts of interest have the potential to arise in that the use of such facilities would delay the need for Limited Partners to make certain contributions to the Fund, which generally would increase the Fund's internal rate of return calculations and thereby benefit the marketing efforts of the General Partner and its affiliates and increase the likelihood that any hurdle or preferred return component in the Fund's carried interest arrangements will be met. Drawing down on a subscription line allows the General Partner to fund investments and pay Fund expenses without calling capital, potentially for extended periods of time. To the extent provided in the Fund Agreement, any such borrowing is permitted to remain outstanding for such time as the General Partner deems appropriate, potentially including through disposition of such investment, and the interest expense and other costs of any such borrowings will be Fund expenses that decrease net returns of the Fund. To the extent a particular Limited Partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing would negatively impact a Limited Partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing funds). To the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement generally will contain other terms that restrict the activities of the Fund and the Limited Partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the General Partner's ability to consent to the transfer of a Limited Partner's interest or impose concentration or other limits on the Fund's investments. To secure a subscription line, the General Partner is often required to request certain financial information and

other documentation from Limited Partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and reserves the right to agree to terms that are not the most favorable to one or more Limited Partners.

Calling a large amount of capital at once to repay any then current amount outstanding under a subscription line could cause short-term liquidity concerns for Limited Partners that would not arise had the General Partner called smaller amounts of capital incrementally over time as needed by the Fund. This risk would be heightened for a Limited Partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the Limited Partner to meet the accumulated, larger capital calls at the same time. The Fund is authorized to use Fund-level borrowing to pay Fund Management Fees and to reimburse the General Partner and its affiliates for expenses incurred on behalf of the Fund.

The Fund will also utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than Limited Partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, Limited Partners would end up with increased exposure to the underlying investment, which could result in greater losses.

If an investment appreciates in value and is disposed of prior to repayment of the borrowing, the Disposition Proceeds would be applied to repay the borrowing (and related interest and expenses), and the net proceeds would be distributed to the Limited Partners. Accordingly, borrowings by the Fund or portfolio investments might support the distribution of proceeds to Limited Partners and increase the potential Carried Interest Amounts for the General Partner; however, the interest incurred due to such borrowing would reduce the Carried Interest Amounts received by the General Partner. Subject to the limitations in the Fund Agreement, if any, this conflict of interest incentivizes the General Partner to permanently fund the acquisition and ongoing capital needs of investments of the Fund and related expenses with the proceeds of such borrowings in lieu of drawing down capital contributions on an as-needed basis and, accordingly, capital contributions to repay such borrowings may be required only at the time of the disposition of an investment (or never if principal and interest on such borrowings are repaid out of Disposition Proceeds).

15. *Investments in Smaller or Less Established Companies*. The Fund is permitted to invest all or a portion of its assets in the securities of smaller or less established companies. Portfolio investments in such smaller or less established companies may involve greater risks than generally are associated with investments in larger or more established companies. Such companies are typically subject to a greater degree of change in earnings and business prospects than larger and/or more established companies. To the extent there is any public market for the securities held by the Fund, such securities may be subject to more abrupt and erratic market price movements than those of larger, more established companies. Smaller or less established companies tend to have lower capitalizations and fewer resources and, therefore, often are more vulnerable to financial failure. Investments in smaller or less established companies could be more susceptible to irregular accounting or other fraudulent practices. In the event of fraud by any company in which the Fund invests, the Fund may suffer a partial or total loss of capital invested in that company. There can be no assurance that any such losses will be offset by gains (if any) realized on the Fund's other investments. Furthermore, smaller or less established companies may not have the operating history that would allow the General Partner to make objective pricing decisions in acquiring these companies, and the purchase prices of these companies are expected to be based upon projections as to the expected operating results of such companies, subjecting the Fund to risks that such companies may not achieve anticipated operating results or may not

achieve these results within anticipated time frames. Additionally, such smaller or less established companies can carry an increased risk of litigation.

16. *No Market for Interests; Restrictions on Transfer; No Right of Withdrawal.* Limited Partner interests in the Fund are not permitted to be, directly or indirectly, transferred, sold, assigned, pledged, encumbered, mortgaged, granted a security interest in or otherwise disposed of without the prior written consent of the General Partner, which is permitted to be withheld pursuant to the Fund Agreement, and the General Partner reserves the right to restrict the volume of transfers permitted in any calendar year in order to comply with certain safe harbors under the tax regulations promulgated under the Code. Voluntary withdrawals from the Fund are not permitted except in very limited circumstances generally involving situations where retaining an interest in the Fund would violate certain laws or regulations or otherwise have a detrimental effect on the Fund. One of the prerequisites of the General Partner's consent to a transfer may be an opinion of the Fund's counsel that such a transfer would not subject the Fund or the General Partner to any regulatory or tax requirements or result in the violations or detrimental effect above mentioned. The transferor and transferee may be required to bear the cost of such legal opinion. In addition, interests in the Fund are not redeemable. There will be no public market for interests in the Fund, and none is expected to develop. Interests in the Fund have not been registered under the Securities Act, the securities laws of any U.S. state or the securities laws of any non-U.S. jurisdiction and therefore cannot be re-sold unless they are subsequently registered under the Securities Act and any other applicable securities laws, or unless an exemption from such registration is available. It is not contemplated that registration of the interests in the Fund will ever be effected. Limited Partners may not be able to liquidate their investments prior to the end of the Fund's term and must be prepared to bear the risks of an investment in the Fund for an indefinite period of time.
17. *Highly Competitive Market for Investment Opportunities.* The markets in which the Fund competes may be characterized by rapid change, converging technologies, and a migration to networking and communications solutions that offer relative advantages. These market factors represent a competitive threat. The Fund's portfolio investments compete with numerous vendors in each product category. The overall number of competitors providing niche product solutions may increase. Also, the identity and composition of competitors may change as a portfolio investment increases its activity in newer product areas, and in key priority and growth areas. A portfolio investment's competitors may improve their competitive position by successfully introducing new products and services, expanding their capacity or responding more effectively than the portfolio investment to new or emerging technologies and changes in customer requirements. In addition, consolidation among the portfolio investment's competitors or customers may result in reduced demand for a portfolio investment's products and services or make it more difficult for a portfolio investment to compete. Some of a portfolio investment's competitors' financial, technological and other resources could be greater than that of the portfolio investment and, as a result, such competitors may be better able to withstand changes to industry conditions. The occurrence of any of these events could materially adversely affect a portfolio investment's financial condition and results of operations.
18. *Investments Longer than Term.* The Fund is permitted to make investments that may not be advantageously disposed of prior to the date the Fund is dissolved, either by expiration of the Fund's term or otherwise, and the Fund's term may be extended to facilitate the dissolution of the Fund. Although the General Partner generally expects that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, the General Partner has a limited ability to extend the term of the Fund, and the Fund may have to sell, distribute or otherwise dispose

of investments at a disadvantageous time as a result of dissolution. There can be no assurances with respect to the timeframe in which the winding-up and the final distribution of proceeds to the Limited Partners will occur.

19. *Distributions In-Kind.* Although under normal circumstances, prior to the termination of the Fund, the Fund intends to make distributions in cash or marketable securities, it is possible that under certain circumstances (including the dissolution of the Fund), the Fund will make in-kind distributions of investments for which there is no readily available market and/or which may be subject to substantial restrictions on sale or transfer. Any such investments will also be difficult to value, and it may be difficult for Limited Partners to liquidate the investments received at a price or within a time period that is determined to be ideal by such Limited Partners. Significant administrative burden may be involved. After a distribution of investments is made, the recipients may decide to liquidate such investments within a short period of time, which could have an adverse impact on the value of such investments. Limited Partners in receipt of a distributed investment will have no guidance from the Fund or the General Partner with respect to the disposition of such investment (including timing of such disposition). The price at which such investments may be sold by such Limited Partners may be lower than the value of such investments determined pursuant to the Fund Agreement, including the value used to determine the Carried Interest Amounts accruing to the General Partner with respect to such investment. Directly holding certain investments can subject the holder to suit or taxes in jurisdictions in which such investments are located.
20. *Reliance on the General Partner and Portfolio Investment Management.* The Fund has no operating history and will be dependent on the General Partner. Control over the operation of the Fund, including decisions with respect to structuring, negotiating and purchasing, financing and eventually divesting Fund investments will be vested with the General Partner. Consequently, the Fund's future profitability and investment performance depends largely upon the business and investment acumen of the Principals. The loss or reduction of service of one or more of the Principals could have an adverse effect on the Fund's ability to realize its investment objectives. In addition, the Principals currently, and expect in the future to, manage or advise other investments and/or investment funds besides the Fund and the Principals will need to devote substantial amounts of their time to the investment activities of such other investments and/or funds, which poses potential conflicts of interest in the allocation of the time of the Principals. Limited Partners generally have no right or power to take part in the management of the Fund. In addition, certain changes or circumstances relating to the General Partner or the Principals may have an adverse effect on the Fund or one or more of its portfolio investments, including acceleration of debt facilities. Furthermore, there can be no assurance that the Fund's investments will achieve results similar to those attained by Prior Investments of the Principals.

The success of many of the Fund's portfolio investments is also heavily dependent on the management team of such companies. Each portfolio investment's day-to-day operations will be the responsibility of such company's management team. Additionally, the General Partner will generally establish the capital structure of companies in which the Fund invests on the basis of financial projections for such companies, which will contain significant judgment and input from the portfolio investment's management team. Although the General Partner will be responsible for monitoring the performance of each portfolio investment and the Fund generally intends to invest in companies with strong management teams or recruit strong management teams to such companies, there can be no assurance that the existing management team or any successor management team will be able or willing to successfully operate a portfolio investment in

accordance with the Fund's objectives. Portfolio investments may need to attract, retain and develop executives and members of their management teams. The market for executive talent can be extremely competitive. There can be no assurance that the management team of a portfolio investment on the date an investment is made will remain the same or continue to be affiliated with the portfolio investment throughout the period the portfolio investment is held by the Fund. There can also be no assurance that a portfolio investment will be able to attract, develop, integrate and retain suitable members of its management team; and the Fund may be adversely affected as a result.

21. *Third Party Co-Investment; Reliance on Third-Party Joint Venture Partners and Managers.* The Fund may co-invest through partnerships, joint ventures or other entities with one or more third parties as a co-venturer or partner, including with the seller (or an affiliate thereof) of the portfolio investment, a person involved in the selling or acquisition of the portfolio investment, an investor in the Fund (or other vehicle controlled by GSIM) or other third parties. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that: (i) the Fund and such co-venturer may reach an impasse on a major decision that requires the approval of both parties; (ii) a co-venturer or partner of the Fund may at any time have economic or business interests or goals that are inconsistent with those of the Fund; (iii) the co-venturer or partner may encounter liquidity or insolvency issues or may become bankrupt; (iv) the co-venturer or partner may be in a position to take action contrary to the Fund's investment objective; (v) the co-venturer or partner may take actions that subject the portfolio investment to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances the Fund may be liable for actions of its co-venturers or partners. The co-venturer or partner may from time to time be a joint venture partner or interest holder in another joint venture or other vehicle in which GSIM or its affiliates has an interest or otherwise controls. The co-venturer or partner may also be entitled to receive payments from, or allocations or performance-based compensation (e.g., carried interest) in respect of, the Fund as well as such investments, and in such circumstances, any such amounts may be treated as a Fund expense and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by GSIM, be deemed paid to or received by GSIM or reduce the Fund Management Fee. Moreover, the Manager may receive fees associated with capital invested by a co-venturer or partner relating to investments in which the Fund participates. This may be in connection with a joint venture in which the Fund participates or other similar arrangements with respect to assets or other interests retained by a seller or other commercial counterparty with respect to which the Manager performs services. In addition, the Fund may co-invest with non-affiliated co-investors or partners whose ability to influence the affairs of the companies in which the Fund invests may be significant, and even greater than that of the Fund and as such, the Fund may be required to rely upon the abilities and management expertise of such co-venturer or partner. It may also be more difficult for the Fund to sell its interest in any joint venture, partnership or entity with other owners than to sell its interest in other types of investments (and any such investment may be subject to a buy-sell right). The Fund may grant co-venturers or partners approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks or unanticipated exits from an investment. A deadlock could delay the execution of the business plan for the investment or require the Fund to engage in a buy-sell of the venture with the co-venturer or partner or conduct the forced sale of such investment or require alternative dispute resolution in order to resolve such deadlock. As a result of these risks, the Fund may be unable to fully realize its expected return on any such investment. Further, to the extent that the Fund offers any co-investment opportunity to any Limited Partners or third parties, some or all of the risks described above may also apply to such co-investments.

22. *Asset-Level Management*. The day-to-day operational management of a portfolio investment's business may be contracted to a third-party management company unrelated to the General Partner or the Manager. Although the portfolio investment would generally have the ability to replace any such operator, the failure of such an operator to adequately perform operations, an operator's breach of the applicable agreements, or an operator's failure to act in ways that are in the portfolio investment's best interest, could have a material adverse effect on the portfolio investment's financial condition or results of operations. The failure of the third-party operator to make decisions, perform its services, discharge its obligations, deal with regulatory agencies or comply with laws, rules and regulations affecting the particular business, including environmental laws and regulations, in a proper manner could result in material adverse consequences to the portfolio investment and adversely affect the portfolio investment's financial condition or results of operations. Should a third-party manager fail to perform under any applicable agreements between it and the portfolio investment, the portfolio investment may need to find a replacement manager, which replacement manager may be subject to governmental approval. A portfolio investment may not be able to replace the manager, or do so on a timely basis, or if the portfolio investment is able to find a replacement manager, the replacement manager may demand terms that are unfavorable to the portfolio investment.

To the extent that day-to-day operation of a portfolio investment is not contracted to third-party managers, each portfolio investment's day-to-day operations will be the responsibility of such portfolio investment's management team. There can be no assurance that such management team will be able to operate the portfolio investment in accordance with the Fund's plans and objectives.

23. *Uncertainty of Projections and Outside Reports*. The Manager will generally establish the capital structure of portfolio investments and the terms and target returns of investments in such portfolio investments on the basis of financial and other projections and forecasts for the applicable investments. Projected operating results will normally be based primarily on management judgments or third-party reports. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. Projections are not guarantees or predictions of future performance, and there can be no assurance that the projected results will be achieved; actual results may vary significantly from the projections. General economic, natural and other conditions, which are not predictable, can have a material adverse impact on the reliability of such projections. Assumptions or projections about asset lives, the stability, growth or predictability of costs, demand or revenues generated by an investment or other factors associated therewith may, due to various risks and uncertainties including those described herein, differ materially from actual results. The Manager may base its investment decision with respect to a particular asset based on projections and assumptions regarding the demand, usage and patronage of such asset, and to the extent that such projections and assumptions prove incorrect, the Fund's financial returns could be adversely affected.

Certain investments, as well as the Fund and the Manager, will from time to time rely on the reports of technical consultants when evaluating the condition of infrastructure assets or other elements of an investment (such as expected energy use, demand or input availability). Estimates of natural resources reserves by qualified engineers are often a key factor in evaluating certain infrastructure investments. The process of estimating natural resources reserves is complex, requiring significant decisions and assumptions in the evaluation of available geological, geophysical, weather, engineering, economic, and other data for each reservoir or location. These estimates are subject to wide variances based on, among other things, changes in commodity prices and

certain technical assumptions. Accordingly, it is possible for such reserve estimates to be significantly revised from time to time, which may create significant changes in the value of infrastructure assets utilized by the owners or buyers of such natural resources reserves. The actual amounts of natural resources reserves may be underestimated, requiring adjustments such as additional capital or maintenance expenditures which may not be recoverable, allocable to counterparties or economic from a stand-alone perspective.

24. *Labor Relations.* Certain portfolio investments may have a unionized work force or employees who are covered by a collective bargaining agreement, which could subject any such portfolio investment's activities and labor relations matters to complex laws and regulations relating thereto. A portfolio investment's operations and profitability could suffer if it experiences labor relations problems. Upon the expiration of any such portfolio investment's collective bargaining agreements, it may be unable to negotiate new collective bargaining agreements on favorable terms, and its business operations at one or more of its facilities may be interrupted as a result of labor disputes or difficulties or delays in the process of renegotiating its collective bargaining agreements. A work stoppage at one or more portfolio investment's facilities could have a material adverse effect on its business, results of operations and financial condition. Any such issues may also bring scrutiny and attention to the Fund itself, which could adversely affect the Fund's ability to implement its investment objectives.
25. *Risks in Effecting Operating Improvements.* In some cases, the success of the Fund's investment strategy will depend, in part, on the ability of the Fund to effect improvements in the operations of a portfolio investment. The activity of identifying and implementing operating improvements at portfolio investments entails a high degree of uncertainty. Executing operational improvements may divert the attention of a portfolio investment's key personnel and disrupt normal business operations of such company. There can be no assurance that the Fund will be able to successfully identify and implement such improvements or that any such successfully implemented improvements will result in a return on invested capital with respect to such portfolio investment.
26. *Risks Relating to Due Diligence of and Conduct at Portfolio Investments; Expedited Transactions.* Before making investments, the General Partner will typically conduct such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to each potential investment. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, technical, environmental, regulatory and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties are expected to be involved in the due diligence process to varying degrees depending on the type of investment and the facts and circumstances related thereto and the General Partner reserves the right to rely on the advice received from such third parties. Investment analyses and decisions by the General Partner are often done on an expedited basis for the Fund to take advantage of investment opportunities and/or consummate investments. In such cases, the information available to the General Partner at the time of an investment decision may be limited, and the General Partner may not have access to the detailed information necessary for a full evaluation of the investment opportunity. The due diligence investigation carried out with respect to any investment opportunity will not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily be indicative that an investment will be successful or that the Fund will realize a return on its invested capital.
27. *Tax Information Exchange Regimes; FATCA Withholding Tax on Certain Non-U.S. Entities.* Numerous jurisdictions have enacted, or have committed to enact, legislation and administrative guidance requiring the collection and sharing of certain information in order to combat tax

avoidance. The United States, pursuant to the Foreign Account Tax Compliance Act (“**FATCA**”) has entered into numerous intergovernmental agreements (“**IGAs**”) with various jurisdictions concerning the exchange of information as a means to combat tax evasion by U.S. tax residents using foreign accounts. It imposes withholding taxes in certain circumstances and requires financial institutions outside the United States to collect and share information about their U.S. customers. In addition, the Organization for Economic Co-operation and Development (the “**OECD**”) has published a global Common Reporting Standard (“**CRS**”) for multilateral exchange of information pursuant to which many countries have now signed multilateral agreements. In the EU, Council Directive 2011/16/EU on administrative co-operation in the field of taxation (as amended) (the “**Directive on Administrative Co-Operation**” or the “**DAC**”) effectively implements the OECD’s CRS and requires governments to obtain detailed account information from financial institutions and exchange that information automatically with other jurisdictions annually. One or more of these information exchange regimes are likely to apply to the Fund, vehicles in which the Fund owns an interest and/or alternative investment vehicles, and may require the General Partner to collect and share with applicable taxing authorities information concerning Limited Partners (including confidential information, such as financial information concerning a Limited Partner’s investment in the Fund, any information relating to any shareholders, principals, partners, beneficial owners (direct or indirect) or controlling person (direct or indirect) of such Limited Partner and identifying information and amounts of certain income allocable or distributable to them). A Limited Partner’s failure to provide required certifications or other information may result in withholding taxes, government-imposed penalties, expulsion from the Fund and/or alternative investment vehicles or other potential remedies. See Section 10 – “*Certain Legal, Tax and Regulatory Considerations*” for more information. In addition, FATCA generally imposes a withholding tax of 30% on a non-U.S. entity’s share of certain payments attributable to investments in the United States, including dividends and interest, unless an exception applies. The Fund may be required to withhold such taxes from certain non-U.S. Limited Partners, unless an exception applies.

28. *Potential Changes in Tax Law.* Developments in the tax laws of the U.S. or other jurisdictions (including in connection with the OECD Action Plan on Base Erosion and Profit Shifting or applicable income tax treaties) could have a material effect on the tax consequences to the Partners or the Fund discussed herein and Partners in the Fund may be required to provide certain additional information to the Fund (which may be provided to the IRS or other taxing authorities) or may become subject to other adverse consequences as a result of such developments.
29. *Tax Liability Considerations.* The Fund is permitted to take positions with respect to certain tax issues that depend on legal and other interpretive conclusions. Should any such positions be successfully challenged by a taxing authority, a Limited Partner might be found to have a different tax liability for that year than that reported on its tax returns. In addition, a taxing authority’s review of the Fund may result in a review of the returns of some or all of the Limited Partners, which examination could result in adjustments to the tax consequences initially reported by the Fund and affect items not related to a Limited Partner’s investment in the Fund. If such adjustments result in an increase in tax liability for any year, the Fund or one or more of the Limited Partners may also be liable for interest and penalties with respect to the amount due. The legal and accounting costs incurred in connection with any taxing authority’s review of the Fund’s tax returns will be borne by the Fund. The cost of any review of a Limited Partner’s tax return will be borne solely by the Limited Partner. The taxation of partnerships and partners is complex. Prospective Limited Partners are strongly urged to review the disclosure included in Section 10 – “*Certain Legal, Tax and Regulatory Considerations*” and to consult their own tax advisors.

30. *Conflicting Investor Interests.* Limited Partners are expected to have potential conflicting investment, tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring and timing of investment acquisitions and dispositions. Potential conflicts of interest will arise in connection with decisions made by the General Partner regarding an investment that may be more beneficial to one Limited Partner than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the General Partner generally will consider the investment, tax and other relevant objectives of the Fund and its Partners as a whole, not the investment, tax, or other objectives of any Limited Partner individually.
31. *General Partner Deemed Capital Contributions.* The General Partner is permitted to satisfy its Capital Commitment to the Fund through deemed capital contributions, rather than cash contributions, and there will be a corresponding reduction in Management Fees. If the General Partner is credited with deemed capital contributions, Limited Partners (other than certain Limited Partners with respect to which Management Fees are not charged) will be required to make additional capital contributions to the Fund. This may result in an acceleration of Limited Partner capital contributions. In addition, due to the reduced Management Fees or timing of receipt of compensation subject to Management Fee offsets (as described below), it is possible that such offsets will not be fully realized by the Limited Partners until liquidation of the Fund and the refunding of any unapplied offset, resulting in a benefit to the General Partner until such liquidation.
32. *Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes.* There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Fund's activities, including the ability of the Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives.

The combination of such scrutiny of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to the 2007-2008 downturn in the U.S. and global financial markets, may complicate or prevent the Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Fund's activities, including the ability of the Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives. As a result, the Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

In light of the heightened regulatory environment in which GSIM operates and the ever-increasing regulations applicable to private investment funds and their investment advisers, it has become increasingly expensive and time-consuming for GSIM and its affiliates to comply with such regulatory reporting and compliance-related obligations. Any further increases in the regulations applicable to private investment funds generally or the Fund, the General Partner or the Manager in particular may result in increased expenses associated with the Fund's activities and additional resources of GSIM being devoted to such regulatory reporting and compliance-related obligations, which may reduce overall returns for investors in the Fund or have an adverse effect on the ability of the Fund to effectively achieve its investment objective. Increased reporting, registration and compliance requirements may divert the attention of personnel and the management teams of the

General Partner, and may furthermore place the Fund at a competitive disadvantage to the extent that GSIM is required to disclose sensitive business information.

As private equity firms and other alternative asset managers become more influential participants in the U.S. and global financial markets and economy generally, the private equity industry has recently been subject to criticism by some politicians, regulators and market commentators. Elements of organized labor and other representatives of labor unions have embarked on a campaign targeting private equity firms on a variety of matters of interest to organized labor, including with respect to affording favorable treatment or significant deference to organized labor and labor unions in dealings with portfolio investments. There can be no assurance that the foregoing will not have an adverse impact on GSIM or the Fund or otherwise impede the Fund's activities.

33. *Privacy, Data Protection and Information Security 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**") elsewhere could significantly impact current and planned privacy and information security-related practices, the collection, use, sharing, retention, destruction and safeguarding of personal data and some of the Fund's current and planned business activities and, as such, could increase compliance costs for the General Partner, the Fund and/or its portfolio investments and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business of the General Partner, the Fund and/or its portfolio investments, as well as have a negative impact on the reputation of the Fund and/or its portfolio investments.

As Privacy Laws are implemented, interpreted and applied, compliance costs for the General Partner, the Fund and/or its portfolio investments are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

For example, California has passed the California Consumer Privacy Act of 2018, as amended, and the European Union (the "**EU**") has enacted the General Data Protection Regulation (EU 2016/679) (the "**EU GDPR**"), each of which broadly impacts businesses that handle various types of personal data, potentially including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

Certain 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 the Manager, the General Partner, the Fund and/or their portfolio investments.

34. *European Union Alternative Investment Fund Managers Directive.* EU Directive 2011/61/EU as well as any similar or supplementary law, rule or regulation, including any equivalent or similar law, rule or regulation implemented in the United Kingdom as a result of its withdrawal from the European Union, or subordinate legislation thereto, as implemented in any relevant jurisdiction (together, the "**AIFMD**") regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors domiciled or with a registered office in the European Economic Area (the "**EEA**") or the UK ("**EEA or UK Investors**").

To the extent that the Fund is actively marketed to EEA or UK Investors: (i) the Fund and the General Partner or an affiliate thereof will be subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which will result in the Fund incurring additional costs and expenses; (ii) the Fund and the General Partner or an affiliate thereof may become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions or the UK, which would result in the Fund incurring additional costs and expenses or may otherwise affect the management and operation of the Fund; (iii) the General Partner or an affiliate thereof will be required to make detailed information relating to the Fund and its investments available to regulators and third parties; (iv) the AIFMD will also restrict certain activities of the Fund in relation to EEA and / or UK portfolio investments, including, in some circumstances, the Fund's ability to recapitalize, refinance or potentially restructure such portfolio investments within the first two years of ownership, which may in turn affect operations of the Fund generally; and (v) the Fund may be restricted or prohibited from investing in securitization positions where none of the originator, sponsor or original lender retains a minimum material net economic interest in the securitization as prescribed under the EU Securitisation Regulation (Regulation (EU) No 2017/2402), which may prevent the Fund from investing in certain securitization positions which would otherwise be available to it.

In addition, certain EEA jurisdictions have elected to restrict or prohibit the marketing of non-EEA funds to investors based in those jurisdictions, which may make it more difficult for the Fund to raise its targeted amount of Capital Commitments.

The Manager or its affiliates may provide this Memorandum and other information regarding the Fund and the limited partner interests in the Fund to UK or EEA investors who have contacted the Manager, its affiliates or its placement agent (where relevant) at the investor's own initiative to request such information. Where information is provided in response to an own-initiative request by a prospective investor, such investor will not benefit from any protections or rights under the AIFMD in respect of any resulting subscription for limited partner interests in the Fund.

The European Commission published proposals for a Directive to amend the AIFMD ("AIFMD II") in November 2021. Proposed changes include: (i) minimum substance considerations that EU regulators will need to take into account during the EEA AIFM authorisation process; (ii) enhanced requirements around delegation by an EEA AIFM, including additional reporting requirements in relation to delegation arrangements; (iii) new requirements applying to AIFMs managing funds that originate loans; (iv) increased investor pre-contractual disclosure requirements, notably around fees and charges; and (v) a prohibition on non-EEA AIFMs and AIFs established in jurisdictions identified as "high risk" countries under the European Anti-Money Laundering Directive (as amended) or the revised EU list of non-cooperative tax jurisdictions. The final version of AIFMD II remains subject to negotiation by the Commission, the Council, and the European Parliament as part of the "trialogue" process. AIFMD II is expected to become effective in 2025. It is possible that AIFMD II may require additional costs, expenses and/or resources, as well as restricting or prohibiting certain activities, including in relation to loan-originating funds and managers or funds established in jurisdictions outside the EU identified as having AML and/or tax failings.

35. The United Kingdom's Exit from the European Union. The United Kingdom formally left the European Union on January 31, 2020 at 11.00pm (UK time) after which the UK and EU entered into a transition period until December 31, 2020, during which the majority of the pre-existing EU rules continued to apply in the UK.

On December 24, 2020, the UK government and the EU Commission provisionally agreed a trade and cooperation agreement governing the UK and the EU's future relationship, which has been ratified by the UK Parliament and the EU Parliament.

Although the terms of the UK's future relationship with the EU have been provisionally agreed, there remains uncertainty as to the extent to which UK businesses will have access to the EU single market, and the extent to which EU businesses will have access to the UK market. There is a risk of significant disruption to trade between the UK and the EU, particularly in the initial period following the end of the transition period and the implementation of the new trade arrangements.

There can be no assurance that any amended laws or regulations in the UK, or renegotiated trade and cooperation arrangements between the UK and the EU, will not have an adverse impact on the Fund and its investments, including the ability of the Fund to achieve its investment objectives.

The legal, political and economic uncertainty generally resulting from the UK's exit from the EU, as well as the impact of the new trade arrangements between the UK and the EU, may adversely affect both EU and UK-based businesses, or businesses with operations in the UK and/or the EU. This uncertainty may also result in an economic slowdown and/or a deteriorating business environment in the UK, in one or more EU Member States or elsewhere.

36. ESG. GSIM maintains an environmental, social and governance ("ESG") policy and intends to apply the policy to the Fund's investment activities. The ESG policy may cause the Fund not to make an investment that it would have made or to make a management decision with respect to a portfolio investment differently than it would have made in the absence of its ESG policy. Although GSIM believes that its ESG policy will enhance the performance of the portfolio investments in which the Fund invests over the long-term while also providing infrastructure that benefits both society and the environment, GSIM cannot guarantee that its ESG policy will positively impact the financial or ESG performance of any individual portfolio investment or the Fund as a whole.

Further, ESG integration and responsible investing practices as a whole are evolving rapidly and there are different frameworks, methodologies, and tracking tools being implemented by other asset managers. Therefore GSIM's approach to ESG integration may not align with the approach used by other asset managers or preferred by prospective investors or with future market trends. Additionally, GSIM does not independently verify certain of the ESG information reported by the portfolio investments. Further, GSIM 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.

Finally, there is also growing regulatory interest, particularly in the UK and the EEA (which may be looked to as models in growth markets), in improving transparency around how asset managers, amongst others, define, measure and disclose impact of ESG factors on the performance of the Fund.

GSIM's ESG policy could become subject to additional regulation in the future (including pursuant to the various legislative initiatives stemming from the European Commissions' action plan on sustainable finance announced in 2018 or the UK's Green Finance Strategy announced in 2019), and GSIM cannot guarantee that its current approach will meet future regulatory requirements.

37. Registration under the U.S. Commodity Exchange Act. Registration with the U.S. Commodity Futures Trading Commission ("CFTC") as a "commodity pool operator" or as a "commodity trading advisor" or any change in the Fund's operations necessary to maintain the General Partner's ability to rely upon the exemptions from registration as described in Section 10 – "*Certain Legal, Tax and Regulatory Considerations – U.S. Federal Commodities Regulation*" could adversely affect the

Fund's ability to implement its investment program, conduct its operations and/or achieve its objectives and subject the Fund to certain additional costs, expenses and administrative burdens. Furthermore, any determination by the General Partner to cease or to limit investing in interests which may be treated as "commodity interests" to comply with the regulations of the CFTC may have a material adverse effect on the Fund's ability to implement its investment objectives and to hedge risks associated with its operations.

38. *Sanctions Compliance Considerations.* Economic sanction laws in the United States and other jurisdictions prohibit or otherwise restrict the General Partner, the Fund, its portfolio investments and their respective officers, directors and employees from engaging in transactions in or relating to certain countries and relating to certain individuals and entities. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") and U.S. Department of State administer and enforce laws, executive orders and regulations establishing U.S. economic and trade sanctions. Such sanctions prohibit, among other things, transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. These persons and entities include specially designated nationals and other persons and entities targeted by OFAC sanctions programs. The lists of OFAC restricted countries, territories, persons and entities, including the List of Specially Designated Nationals and Blocked Persons, as such list may be amended from time to time, can be found on the OFAC website at www.treas.gov/ofac. In addition, certain programs administered by OFAC prohibit dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the lists maintained by OFAC. Export restrictions enforced by the United States prohibit certain additional transactions with certain non-U.S. persons and entities. These types of sanctions and similar laws and regulations in non-U.S. jurisdictions have the potential to significantly restrict the Fund's direct or indirect investment activities in certain countries. Sanctions and export control restrictions change from time to time with little warning and could require the General Partner, the Fund or its portfolio investments to unwind or terminate business relationships, potentially on commercially unfavorable terms. The economic sanctions and related laws of different jurisdictions in which the Fund makes investments also may conflict with one another, such that compliance with all applicable laws may be difficult. Failure by the General Partner, the Fund or any of the Fund's portfolio investments to comply with OFAC or other relevant sanctions could have serious legal and reputational consequences, including civil and criminal penalties.
39. *Anti-Corruption and Anti-Boycott Considerations.* The U.S. Foreign Corrupt Practices Act ("**FCPA**"), the U.K. Bribery Act ("**UKBA**") and other anti-corruption and anti-bribery laws, as well as U.S. anti-boycott regulations have the potential to impact the General Partner, the Fund and the Fund's portfolio investments. The Fund may be adversely affected or forego pursuing certain opportunities because of the General Partner's unwillingness to participate in transactions that potentially violate such laws and regulations. Such laws and regulations may make it difficult in certain circumstances for the Fund to act successfully on investment opportunities or to obtain or retain business. In recent years, U.S. regulators have been increasingly focused on private equity sponsors' compliance with the FCPA. Any determination that the General Partner, the Fund, its portfolio investments or any of their respective officers, directors or employees has violated the FCPA, the UKBA or other applicable anti-corruption laws, anti-bribery laws, or U.S. anti-boycott regulations, could subject it to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and/or a general loss of investor confidence, any one of which could adversely affect the Fund's business prospects and/or financial position, as well as the Fund's ability to achieve its investment objective and/or conduct its operations.

40. *Anti-Money Laundering Considerations*. In connection with the prevention of money laundering under applicable laws, the General Partner reserves the right to require a detailed verification of a prospective investor's identity, disclosure of its beneficial owner(s), and the source of such prospective investor's funds. In the event of delay or failure by a prospective investor to produce any such information required for verification purposes, the General Partner reserves the right to refuse to admit such investor to the Fund. As a result, the General Partner reserves the right, from time to time, to request (outside of the subscription process), and Limited Partners will be obligated to provide to the General Partner as appropriate upon such request, additional information as from time to time is required for GSIM, the General Partner or the Fund to satisfy their respective obligations under these and other laws that may be adopted in the future. Also, GSIM or the General Partner expects, from time to time, to be obligated to file reports with regulatory authorities in various jurisdictions with regard to, among other things, the identity of the Limited Partners and suspicious activities involving the interests of the Fund. In the event it is determined that any Limited Partner, or any direct or indirect owner of any Limited Partner, is a person identified in any of these laws as a prohibited person, or is otherwise engaged in activities of the type prohibited under these laws, GSIM and/or the General Partner may be obligated to suspend acceptance of such Limited Partner's contributions, to withhold distributions of any funds otherwise owing to such Limited Partner or to cause such Limited Partner's interests to be cancelled or otherwise redeemed (without the payment of any consideration in respect of those interests), and to file required notifications of such actions with the Treasury Department.

The Bank Secrecy Act of 1970 and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "**PATRIOT Act**"), signed into law on and effective as of October 26, 2001, requires that financial institutions (a term that includes banks, broker-dealers and investment companies) establish and maintain compliance programs to guard against money laundering activities. The PATRIOT Act authorizes the Secretary of the U.S. Treasury to prescribe regulations in connection with anti-money laundering policies of financial institutions. Future rules and regulations regarding money laundering or proceeds of crime could regulate the Fund, the General Partner or GSIM.

In this regard, in September 2002 and May 2003, the Treasury Department published proposed regulations that would have, respectively, required certain unregistered investment companies and investment advisers to establish anti-money laundering programs. Although those proposed regulations were withdrawn in October 2008, the Treasury Department indicated that it "will continue to consider whether and to what extent" it should impose such requirements on investment advisers and unregistered investment companies.

Laws or regulations may presently or in the future require the Fund, the General Partner, GSIM or other service providers to the Fund to establish additional anti-money laundering procedures, to collect information with respect to the Limited Partners and their beneficial owners, to share information with governmental authorities with respect to the Limited Partners and their beneficial owners, or to implement additional restrictions on the transfer of limited partner interests in the Fund.

The General Partner therefore reserves the right to request such information as is necessary to verify the identity of the Limited Partners and their beneficial owners and the source of the monies used to acquire interests in the Fund, or as is necessary to comply with applicable sanctions and any customer identification programs required by the Treasury Department, the Financial Crimes Enforcement Network, the U.S. Securities and Exchange Commission (the "**SEC**"), any other applicable regulatory body, and the Fund's counterparties, service providers, and Limited Partners,

and to take such other actions that are necessary to enable it to comply with applicable anti-money laundering laws, including the PATRIOT Act. In the event of a delay or failure by a Limited Partner to produce any information required for verification purposes, a transfer of a limited partner interest in the Fund may be delayed or refused.

41. **Need for Follow-On Investments.** Following its initial investment in a given portfolio investment, the Fund reserves the right to decide to provide additional funds to such portfolio investment and/or its subsidiaries or may have the opportunity to increase its investment in a successful portfolio investment (whether for opportunistic reasons, to fund the needs of the business, to effectuate the investment thesis, as an equity cure under applicable debt documents or for other reasons). There is no assurance that the Fund will make follow-on investments or that the Fund will have sufficient funds to make all or any of such investments. Any decision by the Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio investment in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for the Fund to increase its participation in a successful portfolio investment or the dilution of the Fund's ownership in a portfolio investment. In addition, certain of the Fund's portfolio investments, particularly those in "platform" phase, may need additional capital to sustain their working capital needs and/or acquisition strategies. The amount of such additional capital needed will depend upon the maturity and objectives of the particular portfolio investment. If the capital provided by the Fund is not sufficient, or if the Fund is unable to provide additional capital, a portfolio investment may have to raise further capital at a price unfavorable to existing investors, including the Fund.
42. **Over-Commitment.** To facilitate the acquisition of a portfolio investment, the Fund reserves the right to make (or commit to make) an investment in such company with a view to selling a portion of such investment to co-investors or other persons prior to or within a brief period after the closing of the acquisition, which generally will have been funded through investor capital contributions and/or the use of a Fund credit facility. In such event, the 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 and that, as a consequence, the Fund may bear the entire portion of any breakup fee or topping or other fees, costs and expenses related to such investment, hold a larger than expected investment in such portfolio investment or realize lower than expected returns from such investment.
43. **Non-U.S. Investments.** The Fund is permitted to invest in portfolio investments that are located, organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Investments in non-U.S. securities or instruments involve certain factors not typically associated with investing in U.S. securities and instruments, including risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which the Fund's non-U.S. investments are denominated (including risks associated with inflation and/or hyperinflation), and costs associated with conversion of investment principal and income from one currency into another; (ii) exposure to fluctuations in interest rates payable with respect to the instruments in which the Fund invests; (iii) differences in conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; (iv) differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets; (v) the absence of uniform accounting, auditing, and financial reporting standards, practices and disclosure requirements, and less or more government supervision and regulation; (vi) certain economic, social and political risks, including potential exchange control regulations

and restrictions on non-U.S. investment and repatriation of capital, the risks of political, economic, governmental or social instability, including the risk of sovereign defaults, regulatory change, and the possibility of expropriation or confiscatory taxation; (vii) the possible imposition of non-U.S. taxes on income, gains and gross sales or other proceeds recognized with respect to such securities or instruments; (viii) potential unsettled points of applicable governing law and the application of complex U.S. and non-U.S. tax rules to cross-border investments; (ix) possible non-U.S. tax return filing requirements for the Fund and/or the Partners; (x) differing and potentially less well-developed, well-tested and/or more restrictive laws, regulations and regulatory institutions and judicial systems, including regarding stakeholder rights, creditors' rights (including the rights of secured parties), fiduciary duties and the protection of investors; (xi) differences in the legal and regulatory environment or enhanced legal and regulatory compliance; (xii) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (xiii) political hostility to investments by foreign or private equity investors; (xiv) less publicly available information; (xv) economic dislocations in the host country; (xvi) civil disturbances; (xvii) government instability; and (xviii) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

44. *Non-U.S. Currency Risks; Hedging Arrangements.* Although many of the Fund's investments are expected to be U.S. dollar denominated, an investment that is denominated in a non-U.S. currency is subject to the risk that the value of the particular currency in which such investment is denominated will change in relation to one or more other currencies, including the U.S. dollar, which is the currency in which the books of the Fund will be kept and contributions and distributions generally will be made. Among the factors that may affect currency values are trade balances between nations, short-term interest rates, variations in the relative value of similar assets in different currencies, long-term opportunities for investment and capital appreciation, and political developments. The Fund and/or its portfolio investments may incur costs in converting investment proceeds from one currency to another. The General Partner reserves the right, but is under no obligation, to employ hedging techniques to manage currency exchange exposure, although there can be no assurance that such techniques will be effective. Interests in the Fund are denominated in U.S. dollars, and prospective investors in any country in which U.S. dollars are not the local currency should note that changes in the exchange rate between the U.S. dollar and such local currency may have an adverse effect on the value, price or income of an investment in the Fund. Foreign exchange regulations may be applicable to investments in certain jurisdictions. Any fees, costs and expenses incurred by a non-U.S. Limited Partner in converting its local currency to U.S. dollars in order to make capital contributions to the Fund will be borne solely by such non-U.S. Limited Partner, will be in addition to the amounts required to be contributed, and will not be part of the Capital Commitment of such non-U.S. Limited Partner.

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

In some cases, particularly in OTC contexts, hedging arrangements will subject the Fund to credit risk and market risk, financial loss as a result of market volatility and market events (which could be increased through the use of leverage), the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts will expose the Fund to additional liquidity risks if such contracts cannot be adequately settled.

Certain hedging arrangements may create for the General Partner and/or one of its affiliates an obligation to register with the CFTC or other regulator or comply with an applicable exemption, which may incur additional costs, expenses and administrative burden to the Fund. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of the Fund or a portfolio investment to hedge its exposures becomes limited by such requirements. See Section 10 – “*Certain Legal, Tax and Regulatory Considerations – U.S. Federal Commodities Regulation.*”

45. *Significant Adverse Consequences for Default.* The Fund Agreement provides for significant adverse consequences in the event a Limited Partner defaults on its Capital Commitment or any other payment obligation. In addition to losing its right to potential distributions from the Fund, a defaulting Limited Partner may be forced to transfer its interest in the Fund for an amount that is less than the fair market value of such interest and that may be paid over a period of up to ten years, without interest. Whether and how to exercise the Fund's remedies against a defaulting Limited Partner will be determined by the General Partner in its sole discretion, and the General Partner reserves the right to require the non-defaulting Limited Partners to contribute capital to make up for the shortfall created by such defaulting Limited Partner. In addition, if a Limited Partner fails to pay when due installments of its Capital Commitment to the Fund, and the contributions made by non-defaulting Limited Partners and borrowings by the Fund are inadequate to cover the defaulted amount, the Fund could be unable to pay its obligations when due. As a result, the Fund would be subjected to significant penalties that could materially adversely affect the returns to the Limited Partners (including non-defaulting Limited Partners).
46. *Impacts of Excuse or Exclusion.* A Limited Partner's participation in the Fund's investments is permitted to be limited by virtue of the General Partner's right to exclude a Limited Partner from, or a Limited Partner's right to be excused from, participating in certain of the Fund's investments as set forth in the Fund Agreement and/or such Limited Partner's Side Letter (as defined herein), thereby increasing the participation of other Limited Partners. As a consequence of one or more Limited Partners being excused or excluded or other factors limiting their participation in investments, the aggregate returns realized by the participating Limited Partners could be adversely affected in a material manner by the unfavorable performance of even one investment by the Fund. Conversely, the aggregate returns by an excused or excluded Limited Partner may be adversely affected in a material manner by the favorable performance of an investment from which such Limited Partner was excused or excluded, or by the fact that the capital contributions made by such excused or excluded Limited Partner in the aggregate are proportionately less than the capital contributions made by Limited Partners that participated in all Fund investments.
47. *Dilution.* Limited Partners admitted or that increase their respective Capital Commitments to the Fund at subsequent closings generally will participate in then-existing investments of the Fund, thereby diluting the interest of existing Limited Partners in such investments. Although any such new Limited Partner will be required to contribute its pro rata share of previously made capital contributions, there can be no assurance that this contribution will reflect the fair value of the Fund's

existing investments at the time of such contributions. Dilution risk applies to Limited Partners as well as any parallel funds and co-investors. The risk of dilution increases as the Fund's subscription period increases and/or the amount of time an investment is held by the Fund before co-investors' investments. As described above, the Fund Agreement provides the purchase price borne by subsequent Limited Partners, which includes subscriptions by Limited Partners to parallel funds, will be the original purchase price plus accrued interest, subject to the General Partner's ability to utilize an equitable adjustment for such subsequent investors. For the avoidance of doubt, equitable adjustments are not expected to occur, except in limited circumstances to account for consummated exits from investments prior to such rebalancing, including full realizations, partial realizations, dividend recapitalizations or similar events. This dilution risk has the potential to result in conflicts of interest between the General Partner and Limited Partners, including, but not limited to, unrealized investments that have appreciated in value and the General Partner's interests to increase Fund size and resulting Fund Management Fees and additional Carried Interest Amount potential.

48. *Transfer by General Partner.* To the extent the General Partner, its partners, the Principals and/or their respective affiliates commit to make a direct or indirect investment in or along-side the Fund, a participation in or a portion of such investment may thereafter be transferred to others, subject to any express limitations thereon in the Fund Agreement.
49. *Public Company Holdings.* The Fund's investment portfolio is permitted to contain securities and debt issued by publicly held companies. Such investments have the potential to subject the Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Principals, and increased costs associated with each of the aforementioned risks.
50. *Distressed Investments.* The Fund is authorized to invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies experiencing significant financial difficulties and material operating issues, including companies that may have been, are or will become involved in bankruptcy proceedings or other restructuring, recapitalization or liquidation processes. Investments in such companies involve a substantial degree of risk that is generally higher than the risk involved in investing in companies that are not in financial or operational distress. Given the heightened difficulty of the financial analysis required to evaluate distressed companies, there can be no assurance that the General Partner will correctly evaluate the value of the assets of a distressed company securing its debt and other obligations or correctly project the prospects for the successful restructuring, recapitalization or liquidation of such company. It may take a number of years for the market price of distressed securities to reflect their intrinsic value. In liquidation (both in and out of bankruptcy) and other forms of corporate reorganization, there exists the risk that the reorganization either will be unsuccessful (e.g., due to failure to obtain requisite approvals), or will be delayed (e.g., until various liabilities, actual or contingent, have been satisfied). Therefore, in the event that a portfolio investment does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, the Fund may lose some or all of its investment or may be required to accept illiquid securities with rights that are materially different than the original securities in which the Fund invested.

51. Minority Investments. The Fund reserves the right to invest in minority positions of portfolio investments alongside other private equity funds and other third parties and in companies over which the Fund has no right to exert significant influence. In addition, during the process of exiting investments, the Fund at times is permitted to hold minority equity stakes of any size such as might occur if portfolio investments are taken public. In such cases, the Fund will significantly rely on the existing management teams and boards of directors of such companies, which may include representatives of other investors with whom the Fund is not affiliated and whose interests may conflict with the interests of the Fund. Where the Fund holds a minority stake, it may be more difficult for the Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such company. Even if the Fund has contractual rights to seek liquidity of the Fund's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company upon terms acceptable to the Fund, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals.

In addition, there can be no assurance that, if the Fund completes a minority transaction, that there will be any minority rights granted to the Fund or that such rights will provide sufficient protection of the Fund's interests. To the extent the Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, or makes a minority investment, the relevant portfolio investments may be controlled or influenced by persons and/or entities who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the Fund or the Limited Partners. Such third parties may be in a position to take action contrary to the Fund's business, tax or other interests, and the Fund may not be in a position to limit such contrary actions or otherwise protect the value of its investment. When taking non-control positions, the Fund generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that the Fund will be able to control the timing or occurrence of an exit strategy for such portfolio investments in a manner that maximizes or protects value.

52. Recycling; Reinvestment. The General Partner generally has the right to recall certain capital returned or distributed to the Partners. Accordingly, during the term of the Fund, a Partner may be required to make capital contributions in excess of its Capital Commitment (with certain limitations), and to the extent such recalled or retained amounts are reinvested in investments, a Partner will remain subject to investment and other risks associated with such investments.
53. Fees and Expenses. As more fully set forth in "*Summary Term Sheet — Fund Expenses*" and the Fund Agreement, the Fund will pay and bear all expenses related to its operations, including Fund Management Fees and the costs of acquiring, holding, monitoring, maintaining and disposing of portfolio investments, including investment banking fees and consulting fees, whether or not the Fund makes any profits. While it is difficult to predict the future expenses of the Fund, such expenses are expected to be substantial and may surpass the Fund's operating income. The amount of these Fund expenses will reduce the actual returns realized by Limited Partners on their investment in the Fund (and may, in certain circumstances, reduce the amount of capital available to be deployed by the Fund for investments). Fund expenses include recurring and regular items, as well as extraordinary expenses for which it may be hard to budget or forecast. As a result, the amount of the Fund expenses ultimately called or called at any one time may exceed expectations.
54. Reserves. The General Partner will establish reserves for investments by the Fund, operating expenses of the Fund, Fund liabilities, and other matters. Estimating the appropriate amount of such reserves is difficult. Inadequate or excessive reserves could impair the investment returns to the Limited Partners. If reserves are inadequate, the Fund may be unable to take advantage of

attractive investment opportunities or may not be able to pay its liabilities or expenses as they come due. If reserves for liabilities or expenses are excessive, the Fund may decline attractive investment opportunities.

55. **Control Person Liability.** The Fund is expected to have controlling interests in a number of its portfolio investments. The exercise of control over a portfolio investment imposes additional risks of liability for environmental damage, product defects, pension and other fringe benefits, failure to supervise management, violation of laws and governmental regulations (including securities laws and regulations) and other types of liability, for which the limited liability generally afforded to the Limited Partners may be ignored. In particular, if determined to be a direct owner or operator of any of the portfolio investment's facilities or operations, the Fund could face strict, joint and several liability under environmental laws for hazardous substance or contamination-related liabilities. If any such liabilities were to arise, the Fund could suffer significant losses. While the General Partner intends to manage the Fund in a manner that will minimize the exposure of these risks, the possibility of successful claims against the Fund and/or its affiliates cannot be precluded.
56. **Director Liability.** The General Partner expects that the Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests (each, a **"Board Representative"**). In those instances where the Fund is not the sole shareholder of the applicable portfolio investment, a Board Representative may have duties to persons other than the Fund and such portfolio investment. Serving on the board of directors (or similar governing body) of a portfolio investment exposes the Board Representative, and ultimately the Fund, to potential liability. Not all portfolio investments may obtain insurance with respect to such liability, and the insurance that portfolio investments do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from the Fund's investment activities. Co-investors and/or co-investment vehicles may indirectly benefit from the General Partner's appointment of such directors, although co-investors (including their respective co-investment vehicle, even if managed by the Manager) will not typically bear the cost of liability insurance related to such appointment to the extent additional liability insurance is purchased by the Fund.
57. **Liability of Limited Partners.** The Fund has been organized as a Delaware limited partnership. Generally, a Limited Partner should not be personally liable for any obligations of the Fund or required to make contributions to the Fund in excess of its Capital Commitment, except to the extent required by the applicable Fund Agreement, any related agreements or the Delaware Revised Uniform Limited Partnership Act (the **"Partnership Act"**). In addition, any Limited Partner's Capital Commitment is susceptible to risk of loss as a result of any liability of the Fund irrespective of whether such liability is attributable to an investment to which such Limited Partner did not contribute any capital.
58. **Standard of Care; Indemnification.** The Fund Agreement contains provisions that, subject to applicable law, (i) reduce, modify and/or eliminate duties that the General Partner and its affiliates would otherwise owe to the Fund and the Limited Partners, (ii) waive duties or consent to the conduct of the General Partner that might not otherwise be permitted pursuant to such duties; and (iii) limit the remedies of a Limited Partner with respect to breaches of such duties. In addition, pursuant to the Fund Agreement, the General Partner, the Principals, GSIM and certain of their employees and affiliates will be indemnified and held harmless from claims, losses, liabilities, damages, costs or expenses to which any of the foregoing directly or indirectly become subject in

connection with the Fund's activities (including matters that may involve one or more potential or actual conflicts of interest), subject to certain exceptions set forth in the Fund Agreement, and are generally entitled to receive advances for any fees, costs and expenses incurred in the defense or settlement of any claim that may be subject to a right of indemnification. The application of the foregoing standards will result in Limited Partners having a more limited right of action in certain cases than they would have in the absence of such standards. As a result, the Fund may bear significant financial losses even where such losses were caused by the negligence of the General Partner and certain of its affiliates. Such losses may have an adverse effect on the Fund's returns to the Limited Partners. Any fees, costs, expenses (whether or not advanced) and other liabilities resulting from the Fund's indemnification obligations generally will be paid by or otherwise satisfied out of the assets of the Fund (including the aggregate unfunded Capital Commitments). In addition, if the assets of the Fund are insufficient to satisfy the Fund's indemnification obligations, the General Partner reserves the right to recall distributions previously made to the Limited Partners, subject to certain limitations set forth in the Fund Agreement. The General Partner has authority to cause the Fund to purchase insurance for the Fund, the General Partner, the Manager and their employees, agents and representatives, including to cover actions that would not be indemnifiable under the Fund Agreement, although there can be no assurance that any such insurance will be sufficient, available to satisfy the specific claims that may arise or generally available on commercially reasonable terms. Such indemnification obligations could materially impact the returns to the Limited Partners. The obligations of a Limited Partner to fund any indemnification will generally survive the dissolution of the Fund.

59. *General Partner Removal; Early Termination of the Investment Period; Early Dissolution of the Fund.* Pursuant to and in accordance with the terms of the Fund Agreement, the General Partner may be removed and a replacement general partner of the Fund may be appointed (in which case, GSIM will cease to be involved in the management and control of the business of the Fund), the Investment Period may be terminated earlier than anticipated, and/or the Fund may be dissolved earlier than anticipated. In each case, the Fund's ability to consummate, manage and/or dispose of investments or otherwise achieve its investment objectives is likely to be negatively affected. In the case of early dissolution, the Fund may be required to dispose of investments at a disadvantageous time and/or make in-kind distributions, resulting in Limited Partners not having their capital invested and/or deployed in the manner originally contemplated.
60. *Litigation.* The transactional nature of the business of the Fund exposes the Fund, the General Partner and their respective affiliates generally to the risk of third-party litigation. In the ordinary course of its business, the Fund may be subject to litigation from time to time. Additional regulation could also increase the risks of third-party litigation. Under the Fund Agreement, the Fund generally will be responsible for indemnifying the General Partner and certain of its affiliates for costs they incur with respect to such litigation not covered by insurance. The outcome of such proceedings may materially adversely affect the value of the Fund and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the General Partner's and the Principals' time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from the Fund's investment activities.
61. *LPAC.* The General Partner will appoint several Limited Partners as representatives to the LPAC, which has the ability to review and waive compliance with certain provisions of the Fund Agreement, including resolving potential conflicts of interest situations, and whose approval is

required or may be requested in certain circumstances under the Fund Agreement, including certain approvals or consents required by the Advisers Act (if applicable). Pursuant to the terms of the Fund Agreement, all Limited Partners are bound by the determinations of the LPAC, regardless of whether a Limited Partner is represented by a member of the LPAC. An LPAC member is permitted to consider the interests of the Limited Partner it represents over the interests of the Limited Partners as a whole when voting or consenting to any matter submitted to the LPAC. Consequently, such Limited Partners have the potential to disproportionately represent one or more of the vehicles or categories of Limited Partners comprising the Fund. Members of the LPAC may have conflicts of interest that do not disqualify such members from voting or consenting to matters submitted to the LPAC for consideration or review. In addition, members of the LPAC and/or the Limited Partners associated with such representatives will, from time to time, have various business and other relationships with GSIM and its partners, officers, directors, employees and affiliates or interests in funds managed by other private equity sponsors. To the extent members of the LPAC or Limited Partners vote on any matter regarding conflicts or otherwise participate in matters involving a vote or action thereby, such Limited Partners may not vote (and will be exculpated from liability for not voting) solely in accordance with their interests related to the Fund and may vote in a manner that is beneficial to such Limited Partners' other interests at the expense of the Fund. Additionally, it is expected that Limited Partners who designate representatives to participate on the LPAC may, by virtue of such participation, have more information about the Fund and portfolio investments in certain circumstances than other Limited Partners generally and may be disseminated information in advance of communication to other Limited Partners generally. To the extent that a Limited Partner is not represented by a member of the LPAC, such Limited Partner will have no influence over matters submitted to the LPAC for review or approval.

62. *U.S. Taxation of Carried Interest.* U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Fund as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, the U.S. Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as the Fund (including any carried interest) as ordinary income for U.S. federal income tax purposes that, under current law, are treated as an allocation of the partnership's income (and which may be taxed at lower rates than ordinary income). Such existing rules, as well as any such legislation that may be enacted in the future, could apply to could reduce the after-tax returns of individuals associated with the Fund, the Manager, or the General Partner who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the General Partner and its affiliates to incentivize, attract and retain individuals to perform services for the Fund. In addition, this greater-than-three-year holding period requirement for long-term capital gains treatment in respect of carried interest may create the potential for conflicts of interest between the General Partner and Limited Partners. For example, the General Partner may cause the Fund to borrow more frequently, in greater amounts, or for longer periods; hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist; or waive or defer the distribution or allocation of carried interest to the General Partner, potentially changing the character or amount of income allocated to Limited Partners.
63. *Changes in Tax Laws.* All statements contained herein concerning the U.S. federal income tax (or other tax) consequences of an investment in the Fund are based on existing law and interpretations thereof. Changes in and/or the enactment of new U.S. federal income tax law and other tax laws, regulations or other administrative guidance and interpretations thereof could occur during the life

of the Fund. Both the level and basis of taxation may change. Any such tax developments could materially affect the tax consequences of a Limited Partner's investment in the Fund, the Fund and the Fund's portfolio investments, in each case possibly with retroactive effect. While certain changes in tax laws could be beneficial, others could negatively affect the after-tax returns of the Fund and the Limited Partners. Accordingly, no assurance can be given that the currently anticipated tax treatment of an investment in the Fund, the Fund or of investments made by the Fund, will not be modified by legislative, judicial, or administrative changes, possibly with retroactive effect, to the detriment of the Limited Partners.

64. *Phantom Income*. Each Limited Partner that is subject to U.S. tax will be required (and other Limited Partners subject to tax in other jurisdictions may be required) to take into account its allocable share of taxable income from the Fund, regardless of whether it has received any distributions from the Fund. Such taxable income (i.e., taxable income without an accompanying cash distribution) is commonly referred to as "phantom" or "dry" income. Due to possible differences between the allocation of gain or income for any tax purposes and distribution of cash relating to gain or income (including possible timing differences), there can be no assurance that investors who are subject to tax on the allocated gain or income will receive distributions sufficient to satisfy their tax liabilities fully. Further, there can be no assurance that the Fund will have sufficient cash flow to enable it to make distributions in the amount necessary for payment of all tax liability resulting from that investor's ownership of an interest in the Fund. Accordingly, each Limited Partner should ensure that it has sufficient reserves or cash flow from other sources to pay all tax liabilities resulting from such Limited Partner's ownership of interests in the Fund.
65. *U.S. Federal Income Tax Liability Resulting from IRS Audits*. U.S. federal income taxes arising from a U.S. Internal Revenue Service ("IRS") audit of the Fund will be paid by the Fund absent an election to the contrary. In addition, a "partnership representative" will have the power to act on behalf of the Fund and its Partners in all IRS audits and other proceedings involving the Fund's U.S. federal income, loss, deductions, and credits. While the General Partner believes the tax treatment of the Fund's items will be correct and proper, there can be no assurance that the Fund will not be audited and that adjustments will not be made. See Section 10 – "*Certain Legal, Tax and Regulatory Considerations – U.S. Federal Income Tax Audits and Resulting Liabilities*."
66. *Delayed Tax Information*. The Fund may not be able to provide final tax filing information to Limited Partners for any given fiscal year until after the initial tax filing deadlines for Limited Partner tax returns. Accordingly, Limited Partners should plan to obtain extensions of the filing dates for their U.S. federal, state and local income tax returns. Each prospective investor should consult with its own advisors as to the advisability and tax consequences of an investment in the Fund.
67. *Tax Considerations Differ for Each Investor*. It is expected that investors in the Fund may be resident, for tax purposes, in many different jurisdictions. Consequently, no attempt is made in the tax disclosures and risk factors contained in this Memorandum to summarize the tax consequences for each prospective investor of subscribing, converting, holding, redeeming or otherwise acquiring or disposing of an interest in the Fund depending on such Limited Partner's particular tax characteristics. The tax position of investors in the Fund may differ according to the investor's particular financial and tax situation and accordingly, the structure of the Fund and/or its investments may not be tax efficient for any particular prospective investor. No undertaking is given that amounts distributed or allocated to investors will have any particular tax characteristics or that any specific tax treatment will be enjoyed. Further, no assurance is given that any particular investment structure in which the Fund has a direct or indirect interest will be suitable for all

investors and, in certain circumstances, such structures may lead to additional costs or reporting obligations for some or all of the investors. Prospective investors should consider their own tax position in relation to acquiring, holding and potentially disposing of an interest in the Fund, consulting their own tax counsel as appropriate. None of the General Partner, the Manager, any of their affiliates, or any officer, director, member, partner, employee, adviser or agent of any of them can take responsibility in this regard.

68. **Tax in Non-U.S. Jurisdictions.** Investors, the Fund and/or any vehicle in which the Fund has a direct or indirect interest may be subject to tax, including transfer taxes, in jurisdictions in which any such vehicles are incorporated, organized, controlled, managed, have a permanent establishment or are otherwise located and/or in which investments are made and/or with which investments have a connection. The Fund and/or an investor may incur non-U.S. tax return (or other tax) filing obligations. Moreover, taxes such as withholding tax, branch tax or similar taxes may be imposed on profits of, or proceeds arising to, the Fund from investments in such jurisdictions. In addition, local tax incurred in such jurisdictions may not be creditable to, or deductible by, the investors in their respective jurisdictions (including the United States).
69. **Loans in Lieu of Distributions.** Pursuant to the Fund Agreement, certain distributions to the General Partner may be deferred to the extent the amount distributable exceeds the General Partner's tax basis in the Fund. In such case, the deferred distribution amount may be loaned by the Fund to the General Partner. Any interest accruing with respect to such a loan will be allocated and distributed solely to the General Partner.
70. **OECD BEPS.** Pursuant to the Organisation for Economic Co-operation and Development's ("OECD") global Base Erosion and Profit Shifting ("**BEPS**") Project, many non-U.S. jurisdictions have now introduced domestic legislation implementing certain of the BEPS Actions. Depending on the jurisdictions in which the Fund invests and the implementation of the applicable tax laws, several of the areas of tax law on which the BEPS Project focuses (including double taxation treaties) could be relevant to, and potentially adversely impact, the ability of the Fund to efficiently realize income or capital gains and to efficiently repatriate income and capital gains from the jurisdictions in which they arise to Limited Partners. In addition, further to the BEPS Project, the OECD has published certain proposals (commonly referred to as "**BEPS 2.0**"), which propose fundamental changes to the international tax system. The proposals are based on two "pillars" involving the reallocation of taxing rights ("**Amount A of Pillar One**") and a new global minimum corporate tax rate ("**Pillar Two**"). Amount A of Pillar One generally reallocates a portion of profits of certain large multinational enterprises ("**MNEs**") to the jurisdictions within which they carry on business. Pillar Two generally imposes a minimum effective tax rate of 15% on MNEs with consolidated revenues of at least EUR 750 million (as determined under the applicable rules). Pillar Two introduces two related tax measures (the "**GloBE rules**"): (1) the income inclusion rule ("**IIR**") imposes a "top-up tax" on a parent entity where a constituent member of the MNE group has low taxed income, while (2) the undertaxed payment rule ("**UTPR**") applies as a backstop if the constituent member's income is not taxed by an IIR. An additional "subject to tax rule" ("**STTR**") will permit source jurisdictions to impose limited withholding taxes on low-taxed related party payments, which will be creditable against the GloBE rules tax liability. The BEPS 2.0 pillars must be implemented through domestic legislation of the relevant jurisdictions and various non-U.S. jurisdictions have begun that process. In the EU, for example, an EU tax directive requires EU member states to implement the IIR into domestic law for fiscal years beginning on or after December 31, 2023 and to implement the UTPR into domestic law for fiscal years beginning on or after December 31, 2024. Subject to the development and implementation of the BEPS proposals,

effective tax rates for the Fund's investments could increase, including by way of higher levels of tax being imposed than is currently the case, possible denial of deductions, increased withholding taxes and/or profits being allocated differently, and penalties could be due. This could adversely affect Limited Partner returns. The implementation of BEPS and BEPS 2.0 in relevant jurisdictions is complex and likely to remain uncertain for a number of years.

71. *Inflation Risk.* High rates of inflation and rapid increases in the rate of inflation generally have a negative impact on financial markets and the broader economy. In an attempt to stabilize inflation, governments may impose wage and price controls or otherwise intervene in a country's economy. Governmental efforts to curb inflation, including by increasing interest rates or reducing fiscal or monetary stimuli, historically have had negative effects on the level of economic activity. Certain countries, including the United States, have recently seen increased levels of inflation, and persistently high levels of inflation could have a material and adverse impact on the Fund's investments and its aggregated returns. For example, if a portfolio investment were unable to increase its revenue while the cost of relevant inputs were increasing, the company's profitability would likely suffer. Likewise, to the extent a portfolio investment has revenue streams that are slow or unable to adjust to changes in inflation, including by contractual arrangements or otherwise, the portfolio investment could increase revenue by less than its expenses increase. Conversely, as inflation declines, a portfolio investment may see its competitors' costs stabilize sooner or more rapidly than its own. Additionally, because the fixed internal rate of return payable to Limited Partners is not linked to the rate of inflation, as the rate of inflation increases the proportion of real returns (i.e., the nominal rate of return less the rate of inflation) decreases and the proportion of real returns subject to performance-based compensation increases.
72. *Uncertain Economic, Social and Political Environment.* Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. Furthermore, such uncertainty may be compounded by local, regional or global health crises including but not limited to the rapid and/or pandemic spread of novel viruses (e.g., SARS, MERS, COVID-19 (Coronavirus) and/or other similar epidemics). Such health crises could exacerbate the political, social and economic risks previously mentioned, and result in significant breakdowns, delays and other disruptions to important global, local and regional supply chains, with potential corresponding results on the operating performance of affected portfolio investments. The United States has experienced social and political unrest and polarization recently, which has further intensified as a result of the COVID-19 related economic shutdowns and civil unrest following protests against police brutality. This environment may be exacerbated by future events, including the results of U.S. federal elections that take place during the life of the Fund. A climate of uncertainty and unrest may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. It may also hinder the Fund and its portfolio investments and prospective portfolio investments from operating in the ordinary course of business. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of the Fund and its portfolio investments to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by the Fund and result in longer holding periods for investments. Furthermore, such uncertainty, including

the uncertainty stemming from the contagion of infectious viruses or diseases, or general economic downturn may have an adverse effect upon the Fund's portfolio investments.

73. *Public Health Emergencies; COVID-19.* Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and COVID-19, have resulted in past market disruptions, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Fund.

In an effort to contain such health emergencies, national, regional and local governments, as well as private businesses and other organizations, have taken or have the potential to take restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. Any such measures have the potential to significantly diminish economic production and activity of all kinds and contribute to volatility in financial markets, demand across categories of consumers and businesses, as well as in the credit and capital markets. Restrictive measures, whether on an initial or re-imposed basis, also have the potential to cause, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, steep increases in unemployment levels and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of any such health emergency—and any resulting decline in economic and commercial activity- on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict but could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Fund's and its portfolio investments' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives. They may also impair the ability of portfolio investments or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences, including the potential for defaults by borrowers under debt instruments held by the Fund. In addition, the operations of the Fund, its portfolio investments, the General Partner and GSIM may be significantly impacted, or even temporarily or permanently halted, as a result of any such health emergencies, or any measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

74. **Development Risks.** The successful development and construction of new, or expansion of existing, infrastructure projects entails a variety of risks (some of which may be unforeseeable at the time a project is commenced) and may require or result in the involvement of a broad and diverse group of stakeholders who will either directly influence or potentially be capable of influencing the nature and outcome of the project. Such factors may include: political or local opposition, governmental regulation, demographic changes, economic growth, increasing fuel prices, government macroeconomic policies, toll, tariff and other fee rates, social stability, technical obsolescence, competition from untolled or other forms of transportation, receipt of regulatory approvals or permits, site or land procurement, environment related issues, labor disputes (such as work stoppages), acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, counterparty non-performance, changes in demand for products or services, defective design or construction, bankruptcy or financial difficulty of a major customer or supplier, project feasibility assessment, less than optimal coordination with public utilities in the relocation of their facilities, dealings with and reliance on third-party consultants, slower than projected construction progress and the unavailability or late delivery of necessary equipment, legal action from special interest groups, adverse weather conditions, unexpected construction conditions, and other construction risks. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of construction activities once undertaken, any of which could have an adverse effect on the Fund. When making an investment, value may be ascribed to infrastructure projects (new or expansion) that do not achieve successful implementation, potentially resulting in a lower than expected internal rate of return over the life of the investment. In addition, there are significant capital expenditures associated with the development of infrastructure assets generally. Construction costs may exceed estimates for various reasons, including inaccurate engineering and planning, labor and building material costs in excess of expectations, and unanticipated problems with project startup. Delays in project completion can result in an increase in total project construction costs through higher capitalized interest charges and additional labor and material expenses and, consequently, an increase in debt service costs and insufficient funds to complete construction. Delays may also result in adverse effects on the scheduled flow of project revenues necessary to cover the scheduled operations-phase debt service costs, lost opportunities, increased operations and maintenance expenses, and damage payments for late delivery. Investments under development or investments acquired to be developed may receive little or no cash flow from the date of acquisition through the date of completion of development and may experience operating deficits after the date of completion. Market conditions and laws may change during the course of development that makes such development less attractive than at the time it was commenced.

75. **SPAC Investments.** GSIM and/or one or more of its affiliates (including, potentially, the Fund) is permitted to participate in one or more entities (each such entity, a “**SPAC Sponsor**”) that is formed for the primary purpose of forming, sponsoring, controlling and/or managing a publicly-traded SPAC. Each SPAC will register its shares with the SEC in an initial public offering and seek to use the funds raised in such offering to effect a business combination and, thereafter, operate as a public company. To the extent a SPAC is sponsored by a SPAC Sponsor owned by the Fund (either entirely or in part), the Fund will be required to contribute significant capital to the SPAC, including in respect of underwriting fees, deal expenses and working capital (collectively, the “**at-risk capital**”). If, following a SPAC’s initial public offering, the funds held in a SPAC’s trust account are insufficient to allow it to operate until it consummates its initial business combination, a SPAC will depend on loans from its SPAC Sponsor or its management team (which management team could include employees (including certain Principals), advisors and/or consultants of GSIM and/or

its affiliates) to fund its search for a business combination, to pay income taxes, if any, and to complete its initial business combination. If the Fund does not control the SPAC Sponsor, there can be no assurance that the other owners of the SPAC Sponsor will loan the SPAC sufficient capital to fund the SPAC's continued search for a suitable target. If a SPAC Sponsor (including any SPAC Sponsor owned, entirely or in part, by the Fund) loans any amounts to its applicable SPAC, the Fund (if applicable) may bear a significant amount of the risk of any such loan and any related expenses. There can be no assurance or guarantee that any SPAC will be able to identify a suitable target business and consummate an initial business combination within the limited completion window of 18-24 months established in connection with the SPAC's initial public offering, and in such case, the SPAC will be forced to cease operations and liquidate, any loans it received (including indirectly from the Fund) will not be repaid and the SPAC Sponsor (including any SPAC Sponsor owned, entirely or in part, by the Fund) will lose the at-risk capital it contributed, which may be substantial. Moreover, following the initial public offering of a SPAC, the trading price of its securities may materially increase or decrease, whether before or after the initial business combination, and none of GSIM, the Fund, the General Partner, the applicable SPAC Sponsor or any of their respective affiliates will be able to control or predict the movement of such price. The Fund could also make a direct investment in connection with the initial business combination transaction of a SPAC (including a SPAC sponsored by GSIM, its Principals or their respective affiliates).

GSIM, the Principals, partners, employees and/or one or more of their respective affiliates reserves the right to sponsor and/or provide other services and capital to SPACs and the companies they acquire in the future, including with respect to SPAC opportunities and strategies that do not overlap with those of the Fund. While GSIM does not generally believe that any such SPAC and the Fund will pursue the same investment opportunities, it is possible that the market conditions or the companies' priorities could change and that certain opportunities that could be viewed as appropriate for the Fund could be appropriate for or pursued by a SPAC. As such, any SPAC formed by GSIM, the Principals, partners, employees and/or one or more of their respective affiliates has the potential to compete with the Fund's portfolio investments for investments (e.g., add-on investments). While the organizational documents of SPACs typically contain waivers of provisions requiring their sponsors to present to them investment opportunities, GSIM and/or its affiliates and personnel are likely to have obligations to pursue certain acquisitions through any SPACs they sponsor. In the event an investment opportunity is suitable for a SPAC and the Fund, GSIM will make an allocation decision as described above. In addition, the Fund could co-sponsor a SPAC together with certain other GSIM-advised funds and/or participate in an initial business combination alongside a SPAC sponsored by certain other GSIM-advised funds and/or GSIM, its employees (including certain Principals), advisors and/or consultants and each of their respective affiliates. GSIM will be subject to conflicts of interests in determining whether to cause the Fund to participate in an investment alongside any SPAC sponsored by such other GSIM-advised funds and/or GSIM, the Principals, partners, employees and their respective affiliates since ensuring sufficient demand for the SPAC prior to its initial business combination will directly impact the return of such other GSIM-advised funds and/or GSIM, the Principals, partners, employees and their respective affiliates that are sponsoring the SPAC.

GSIM employees (including certain Principals), advisors and/or consultants of GSIM and/or its affiliates (for the purposes of this paragraph, "**GSIM Personnel**") have the right to serve in director, executive or consulting roles with respect to SPACs, which will require a portion of their time. Any SPAC formed by GSIM or its affiliates is expected to provide the GSIM Personnel involved with such SPAC with substantial economic incentives, including incentive equity, stock, options,

warrants and/or other interests that have the potential to be more favorable than those associated with the Fund. This has the potential to reduce such the incentive of GSIM Personnel to dedicate time and resources to the Fund and instead to dedicate time and resources to, or otherwise sponsor, SPACs and potentially to favor SPACs in making investment allocation decisions.

76. *General Economic and Market Conditions.* The private equity industry generally and the success of the Fund's investment activities specifically will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. Such factors are unpredictable and cannot be controlled by the General Partner. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for the Fund and may affect the Fund's ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in the Fund's investments and could have a negative impact on the performance and/or valuation of the Fund's portfolio investments. The Fund's performance can be affected by deterioration in the capital markets and by market events, including events similar to the credit crisis in the summer of 2007, the downgrading of the credit rating of the U.S. in 2011, which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio investments and investors' risk-free rate of return. Movements in foreign exchange rates may adversely affect the value of investments in portfolio investments and the Fund's performance. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of the Fund to sell and/or partially dispose of its portfolio investment. Such adverse effects may include the requirement of the Fund to pay break-up, topping, termination or other fees and expenses in the event the Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of the Fund to dispose of investments at prices that the General Partner believes reflect the fair value of such investments. The impact of market and other economic events may also affect the Fund's ability to raise funding to support its investment objective.
77. *Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments.* In the event that the global credit markets deteriorate and it becomes more difficult for investment funds such as the Fund to obtain favorable financing for investments, the Fund's ability to generate attractive investment returns may be adversely affected to the extent the Fund is unable to obtain favorable financing terms for its investments. Moreover, to the extent that such deterioration is not temporary and continues, it may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such deterioration also may restrict the ability of the Fund to realize its investments at favorable times or for favorable prices.
78. *Availability and Adequacy of Insurance.* It is expected that portfolio investments will typically maintain insurance to protect against certain risks, where available on reasonable commercial terms, such as business interruption insurance that is intended to offset loss of revenues during an operational interruption. Such insurance would typically be subject to customary deductibles and coverage exclusions and/or limits and may not be sufficient to recoup all of a portfolio investment's losses. There can be no assurance that insurance would cover liabilities resulting from claims relating to the design, construction, maintenance or operation of the portfolio investments in which the Fund may invest, lost revenues or increased expenses resulting from

such damage. Moreover, any loss from such events may not be recoverable under relevant insurance policies or may involve costly dispute resolution proceedings with insurers to obtain recoveries. Business interruption insurance is not always available, or economical, to protect the business from these risks. There can be no assurance that all portfolio investments will be insured against all risks inherent to their business. Certain losses of a catastrophic nature, such as wars, natural disasters, terrorist attacks, or other similar events, may be either uninsurable or, insurable at such high rates that to maintain such coverage would cause an adverse impact on the related portfolio investments. In general, losses related to terrorism are becoming harder and more expensive to insure against. Most insurers are excluding terrorism coverage from their all risk policies. In some cases, the insurers are offering significantly limited coverage against terrorist acts for additional premiums which can greatly increase the total costs of casualty insurance for a portfolio investment. As a result, not all portfolio investments may be insured against terrorism. In general, the Manager will have discretion as to the type and level of coverage to obtain, or whether to obtain insurance at all, except with respect to minority or debt investments where the Manager may have little or no control over such decisions.

79. **Material Non-Public Information.** As a result of the operations of the Manager and its affiliates, as well as in connection with officerships and directorships of GSIM's personnel, the Manager frequently comes into possession of confidential or material, non-public information. Therefore, the Manager and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by the Fund. Consequently, the Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or the Manager's internal policies and practices. Due to these restrictions, the Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.
80. **Restrictions under 1940 Act.** While the Fund does not intend to register as an investment company under the 1940 Act, certain of the Fund's affiliates may be registered under or otherwise subject to certain provisions of the 1940 Act (each, a "**1940 Act Affiliate**"), including the 1940 Act's prohibitions on transactions with affiliates. Consequently, the Fund may be restricted from initiating a transaction or selling an investment if it would result in a prohibited transaction between the Fund and a 1940 Act Affiliate. Due to these restrictions, the Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.
81. **Potential Conflicts of Interest.** Investors should be aware that various actual and potential conflicts of interest will arise from the overall investment activities of the Fund, the General Partner, the Manager and their respective affiliates. The following discussion identifies certain potential conflicts of interest that should be carefully considered before making an investment in the Fund; however, the following is not necessarily a complete list of all such actual or potential conflicts of interest that may arise. In addition, investors should be aware that the General Partner, the Manager and their respective personnel might in the future engage in further activities that result in additional conflicts of interest not addressed in this Memorandum. There can be no assurance that the General Partner or the Manager will identify or resolve all conflicts of interest and, if resolved, that such conflicts will be resolved in a manner that is favorable to the Fund.

The General Partner and the Principals are affiliates of Guardian, a diversified, global financial services company operating in two main business segments, asset management and wealth management, and Guardian has an ownership interest in the General Partner that entitles it to a

portion of the Carried Interest Amounts received by the General Partner. As a global financial services firm, Guardian provides a range of strategy consulting and other business services to its clients, some of which may result in conflicts of interest between the Fund, on the one hand, and Guardian and certain of its clients, on the other hand. In certain instances, some of such conflicts of interest may be resolved in a manner adverse to the Fund and its ability to achieve its investment objectives.

The Principals in the future expect to manage other investment vehicles, funds and/or investments besides the Fund and investments similar to those in which the Fund will be investing and, in certain instances, will be authorized to direct certain relevant investment opportunities to those investment funds and investments. In connection with managing investment funds other than the Fund, the Principals expect to spend a portion of their business time and attention pursuing investment opportunities that do not fall within the investment objectives of the Fund for other investment funds and other than on behalf of the Fund. The Principals and the General Partner's investment staff will continue to manage and monitor such investment funds and investments. The General Partner believes that the significant investment of the Principals in the Fund, as well as the Principals' interest in the Carried Interest Amounts, operate to align, to some extent, the interest of the Principals with the interest of the Limited Partners, although the Principals currently have, and in the future could obtain, economic interests in other investment vehicles, funds and/or investments as well and receive management and other fees and carried interest relating to such investment vehicles, funds and/or investments. Such other investment funds and investments that the Principals control or manage, in certain instances, are likely to compete with the Fund or investments acquired by the Fund. At such time as the General Partner is permitted to commence the operations of a successor investment fund to the Fund, the Principals will continue to manage the Fund's investments, but also will focus investment activities on other opportunities and areas unrelated to the Fund's investments. Certain investments are permitted to be allocated between the Fund and any successor or predecessor fund in a manner set forth in the Fund Agreement. Unless restricted by the Fund Agreement, GSIM Personnel are permitted to serve on boards or act in other roles unaffiliated with GSIM, the Fund or its portfolio investments, including boards of charitable and educational institutions, public companies and former portfolio investments, and receive compensation in connection with such services and roles.

Until such time as the General Partner is permitted under the Fund Agreement to commence operations of a successor investment fund to the Fund, the Principals generally will pursue substantially all appropriate investment opportunities that meet the investment criteria of the Fund principally for the benefit of the Fund, subject to certain exceptions set forth in the Fund Agreement. Over time, certain investment opportunities suitable for the Fund are likely also to be suitable for other investment funds sponsored by the General Partner, the Manager, the Principals or their respective affiliates. In determining which investment funds should participate in such investment opportunities, subject to the Fund Agreement, the General Partner, the Principals and their affiliates are subject to potential conflicts of interest among the Fund and the other investment funds, vehicles or investments sponsored by the General Partner and the Principals. To determine whether the Fund or other investment funds, vehicles, or investments sponsored by the General Partner or its affiliates will participate in the relevant investment opportunity, the General Partner generally assesses whether an investment opportunity is appropriate for each relevant fund based on the terms of such fund's limited partnership agreement or similar governing document, as well as factors including, but not limited to: the respective fund's available capital, each fund's investment restrictions and objectives (including those set forth in the relevant fund's partnership agreement or similar governing document (including Side Letters), if any), strategy, capital structure, risk profile, sourcing, structural and operational considerations of the relevant fund,

investment limitations, target rate of return, composition of each fund's portfolio, target investment size, suitability as a follow-on investment for current investors, time horizon, investment size, tax sensitivity, tolerance for turnover, asset composition, diversification considerations, cash level (if any), tax and regulatory considerations, life cycle, structure size and nature of investment, anticipated duration/hold period and other relevant factors (including agreements with co-sponsors). The Fund is authorized to invest together with other funds advised by an affiliated adviser of the General Partner in the manner set forth in the relevant partnership agreements or similar governing documents and the General Partner's or the Manager's allocation policy. The General Partner will determine the allocation of investment opportunities among funds in a manner that it believes is fair and equitable under the circumstances over time consistent with the General Partner's obligations and, in connection with such determination, the General Partner is permitted to take into consideration factors such as those set forth above. In the event that the General Partner determines that the available amount of an investment opportunity in which the Fund will invest exceeds an amount appropriate for the Fund, such excess is permitted to be offered to one or more potential co-investors (see Section 9 – *"Risk Factors and Potential Conflicts of Interest – Co-Investments"* below).

The General Partner's allocation of investment opportunities among the Fund and any of the other investment funds, vehicles or investments sponsored by the General Partner or an affiliate thereof may not always, and often will not, be proportional. Therefore, such allocations, from time to time, will be more advantageous to the Fund relative to one or all of the other investment funds, or vice versa. While the General Partner will allocate investment opportunities in a manner that it believes in good faith is fair and equitable to the Fund under the circumstances over time, there can be no assurance that the Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the conflicts of interest to which the General Partner expects to be subject did not exist.

Additionally, conflicts of interest will arise if the Fund makes an investment in a portfolio investment in conjunction with an investment made by another investment fund, vehicle or investment sponsored by the General Partner or an affiliate. For instance, it is possible that the Fund will not invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other investment fund, vehicle or investment. This has the potential to result in differences in price, investment terms, leverage and associated costs between the Fund and any other investing fund sponsored by the General Partner or an affiliate. There can be no assurance that the Fund and the other investing fund(s) will exit the investment at the same time or on the same terms, and there can be no assurance that the Fund's return on such an investment will be the same as the returns achieved by any other investment fund participating in the transactions. Given the nature of these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to the Fund.

The General Partner will be faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses to the Fund. The General Partner, in its sole discretion, will allocate fees and expenses in accordance with the Fund Agreement and in a manner that it believes in good faith is fair and equitable to the Fund under the circumstances over time and considering such factors as it deems relevant. The allocations of such expenses will not always be proportional, and any such determinations involve inherent matters of discretion (e.g., in determining whether to allocate pro rata based on the number of funds or co-investors receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to the Fund or GSIM).

The Fund primarily expects to make controlling investments in portfolio investments or otherwise obtain control rights or significant influence with respect to such portfolio investments. As a result of these significant investments, the General Partner anticipates that it will have the right to appoint portfolio investment board members (including current or former General Partner personnel or persons serving at their request), or to influence their appointment, and to determine or influence the determination of their compensation. Additionally, from time to time, portfolio investment board members approve compensation and other amounts payable to the General Partner in connection with services provided by the General Partner and its affiliates to such portfolio investment and, except to the extent such amounts are subject to the Fund Agreement's offset provision, are in addition to the Fund Management Fee or Carried Interest Amount discussed herein. The General Partner's authority to appoint or influence the appointment of portfolio investment board members who are likely to be involved in approving compensation payable to the General Partner subjects the General Partner and any such portfolio investment board appointees to potential conflicts of interest.

Additionally, a portfolio investment typically will reimburse the General Partner or service providers retained at the General Partner's discretion for expenses (including travel expenses) incurred by the General Partner or such service providers in connection with the performance of services for such portfolio investment. This subjects the General Partner to conflicts of interest because the Fund generally does not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Subject to the Fund Agreement and its internal reimbursement policies and practices, the General Partner determines the amount of these reimbursements for such services in its own discretion.

The General Partner is also permitted to employ personnel with pre-existing ownership interests in or who were employed by portfolio investments owned by the Fund or other funds or investment vehicles advised by the General Partner or an affiliate; conversely, former personnel or executives of the General Partner could potentially serve in significant management roles at portfolio investments or service providers recommended by the General Partner. Similarly, the General Partner and/or its personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, and their respective affiliates and personnel, including managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio investment finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees and current and former portfolio investment executives, as well as certain family members or close contacts of these persons. 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, the General Partner and/or the Fund, other funds or other investment vehicles the General Partner or an affiliate advises. The General Partner will have a potential conflict of interest with the Fund in recommending the retention or continuation of a third-party service provider to the Fund or a portfolio investment owned by the Fund 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 funds the General Partner or an affiliate advises, will provide the General Partner information about markets and industries in which the General Partner operates (or is contemplating operations) or will provide other services that are beneficial to the General Partner. The General Partner will have a potential conflict of interest in making such recommendations, in that the General Partner has an incentive to maintain goodwill between itself and the existing and prospective portfolio investments for the Fund and other funds and investment vehicles that the General Partner or an affiliate advises, while the products or services recommended may not necessarily be the best available to the portfolio investments held by the Fund.

Over the life of the Fund, the General Partner generally expects to exercise its discretion to recommend to the Fund or to a portfolio investment thereof that it contract for services with various service providers, potentially including, among others: (i) the General Partner (or an affiliate, including other portfolio investments of the Fund or other investment funds sponsored by the General Partner or an affiliate) and at rates determined or substantively influenced by the General Partner; (ii) an entity with which the General Partner or its affiliates or current or former members of their personnel has a relationship or from which such persons derive a financial or other benefit, including relationships with joint venturers or co-venturers; or (iii) a Limited Partner (or a limited partner of another fund sponsored by the General Partner or its affiliates) or its affiliates. This subjects the General Partner to potential conflicts of interest, because although it intends to select service providers that it believes are aligned with its operational strategies and that will enhance portfolio investment performance, the General Partner will have an incentive to recommend the related or other person because of its financial or business interest. Additionally, there is a possibility that the General Partner, because of such incentive or for other reasons (including whether the use of such persons could establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the General Partner, the Fund or other investment funds, vehicles or investments sponsored by the General Partner or its affiliates), will favor such retention or continuation even if a better price and/or quality of service provider could be obtained from another person or entity. Due to these and other similar factors, GSIM will not necessarily seek out the lowest cost options when incurring (or causing the Fund or its portfolio investments to incur) such expenses. Although GSIM generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. In any instance where GSIM commits or has committed to seek “market” or “arms-length” rates or terms, GSIM 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. Consequently, GSIM 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 or services to which such rates or terms relate. Where such rates or terms include hourly components, GSIM reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. Whether or not the General Partner has a relationship with 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.

The fact that the General Partner's receipt of the Carried Interest Amounts is based on a percentage of net profits creates an incentive for the General Partner to cause the Fund to make riskier or more speculative investments or to hold an investment longer than otherwise would be the case. In addition, because the Fund has a fixed investment period after which capital from Limited Partners generally can only be drawn down in limited circumstances, and because the Fund Management Fee is, at certain times during the life of the Fund, calculated based upon the amount of capital invested by the Fund, the Fund Management Fee structure creates an incentive for the General Partner to deploy capital when it might not otherwise have done so. Additionally, GSIM, its personnel, affiliates or others designated by GSIM expect from time to time to receive compensation in the form of portfolio investment securities. To the extent any such securities are received, after any applicable offset provisions in the Fund Agreement are applied, GSIM and/or such other recipients will be permitted to retain such securities as supplemental fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities

(subject to restrictions imposed by the portfolio investment and/or GSIM) or retain such securities for a period consistent with their own financial and investment objectives, which may differ from those of the Fund. In addition, because portfolio investment securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting the Fund's relative ownership of the portfolio investment awarding such compensation.

Except to the extent prohibited by the Fund Agreement, GSIM and its personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder, manager) for other pooled investment vehicles or accounts, the investment or business strategy of which does not overlap with the Fund and to receive compensation (including in the form of management fees, performance-based compensation, founders' equity or similar interests) relating thereto. Subject to any limitations imposed by the Fund Agreement and anti-"assignment" provisions of U.S. Investment Advisers Act of 1940, as amended, and the rules and regulations promulgated thereunder (the "**Investment Advisers Act**"), GSIM and its personnel are also permitted to offer, restructure and monetize interests in GSIM.

82. **Placement Agents.** The General Partner is authorized to engage one or more placement agents or other financial advisors to identify investors for the Fund or to satisfy regulatory requirements specific to the marketing of interests in a particular jurisdiction. To the extent that any such placement agent receives compensation for the offering of interests in the Fund, such placement agent's relations with the Fund could conflict with the interests of prospective investors. Placement fees payable to any placement agent, if any, in connection with the formation of the Fund, shall ultimately be borne by the General Partner.
83. **Affiliated Broker-Dealer.** One or more affiliates of GSIM (each, a "**Guardian Advisor**") is authorized to engage in various activities, including the private placement of securities and the provision of investment recommendations to clients and will be engaged by the Fund on a fee-free basis to sell Interests of the Fund and/or authorized to recommend investments in the Fund to its clients, as applicable; however, even though the Fund will bear no fees for such activities, certain prospective investors who are customers or clients of the Guardian Advisor may be required to pay or bear fees payable to the Guardian Advisor in their capacity as a customer or client of the Guardian Advisor. Although there are potential conflicts of interest inherent in using an affiliated broker-dealer and its personnel to place securities and authorizing affiliated investment advisers and their personnel to recommend investments in the Fund to their clients, GSIM believes these potential conflicts to be substantially mitigated by the fact that the arrangement will not involve the payment of placement or other fees by the Fund to the Guardian Advisor and, further, any such customer or client of the Guardian Advisor who pays fees to the Guardian Advisor in connection with an investment in the Fund will receive any required disclosures from the Guardian Advisor and any such fees will be paid in accordance with such customer's or client's agreement with the Guardian Advisor.
84. **Possibility of Fraud or Other Misconduct of Employees and Service Providers.** Misconduct by (i) GSIM employees, (ii) portfolio investment directors, officers or employees, and (iii) service providers to the foregoing and/or their respective affiliates could undermine the due diligence efforts of the Fund and/or the General Partner and cause significant losses to the Fund. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by the Fund, the improper use or disclosure of confidential or

material non-public information, which could result in litigation or serious financial harm, including limiting the Fund's business prospects or future marketing activities, and non-compliance with applicable laws or regulations (and the concealing of any of the foregoing). Such activities may result in reputational damage, litigation, business disruption, market or industry segment volatility and/or financial losses to the Fund. GSIM has controls and procedures through which it seeks to minimize the risk of such misconduct occurring; however, no assurances can be given that such misconduct will be able to be identified or prevented.

85. *Certain Consultants*. The General Partner expects to employ, retain or otherwise engage, on behalf of the Fund and/or the portfolio investments, as applicable, operating partners and other consultants (the "**Operating Partners**"), which may be affiliates of the General Partner, employees of such affiliates, portfolio investments of other funds managed by the General Partner or its affiliates, third party consultants (including individual Operating Partners, consultants and external executives), "strategic partners," "executive partners" or "senior advisors." The Operating Partners may regularly provide services to, or in connection with, the Fund in relation to its activities, or to one or more portfolio investments or potential portfolio investments in relation to the identification, acquisition, holding, improvement and disposition of such portfolio investments or potential portfolio investments, including operational aspects of such companies ("**Services**"), and in certain circumstances are expected to agree to provide Services on an exclusive basis to GSIM, the Fund and its portfolio investments.

Pursuant to the Fund Agreement, the Operating Partners will receive compensation, fees and certain expenses associated with the Services (collectively, "**Consulting Fees and Expenses**"), paid and/or reimbursed by the applicable portfolio investments, prospective portfolio investments and/or, directly or indirectly, by the Fund. Consulting Fees and Expenses are not included as "Other Fees" and do not reduce or offset the Fund Management Fee or Carried Interest Amounts payable by the Fund. Consulting Fees and Expenses are expected to include, without limitation, retainer and/or consulting fees (including in the form of cash fees, transaction fees, discretionary bonuses (whether or not based on pre-determined milestones), profits, participation or equity interests in the Fund, the General Partner, a portfolio investment or a holding company, a share of proceeds upon sale of a portfolio investment or other non-cash compensation) an allowance or reimbursement for health insurance, personnel costs and other benefits and other indicia of employment, retainer fees, consulting fees, remuneration from the Manager and/or the Fund or their affiliates, guaranteed minimums, other incentive equity or stock awards and/or other compensation to the Operating Partners, which will be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operating Partners, a percentage of the value of the portfolio investment, the invested capital exposed to such portfolio investment, amounts charged by other providers for comparable services and/or a percentage of cash flows from such portfolio investment. Compensation in the form of profits or equity interests in a portfolio investment or intermediate holding company generally has a dilutive impact on the Fund's investment, and the relevant Fund typically will bear the costs of all Operating Partners' compensation as well as fees, costs and expenses of structuring Operating Partner arrangements.

Additionally, portfolio investments may provide opportunities for the Operating Partners to invest in such portfolio investment and reimburse costs and expenses incurred by Operating Partners. The Operating Partners also are permitted to receive remuneration from the General Partner and/or the Fund or affiliates and/or be entitled to other forms of compensation, including equity grants in portfolio investments. Such investment opportunities, reimbursements and other compensation, including the value of equity grants or other stock awards, paid to the Operating

Partners will not reduce or offset the Fund Management Fee or Carried Interest Amounts payable by the Fund. The Operating Partners may have a limited partner or profits interest in the Fund, the General Partner, one or more other investment funds sponsored by the General Partner or in an affiliate of the General Partner. Although the General Partner intends to utilize Operating Partners with a view to reducing costs to portfolio investments (and, ultimately, the Fund) and/or improving portfolio investment performance, a number of factors may result in limited or no cost savings from such retention. In addition, the General Partner intends to utilize only such Operating Partners which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, 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.

In addition, portfolio investments of the Fund may pay Operating Partners to perform Services that, directly or indirectly, benefit GSIM, its affiliates, other GSIM-advised funds and/or portfolio investments of other GSIM-advised funds. Consequently, GSIM, its affiliates and/or portfolio investments of other GSIM-advised funds may receive Services without being charged or at rates that are lower than the rates borne by the Fund or its portfolio investments. Conversely, portfolio investments of the Fund may benefit from Services that are paid for by GSIM, its affiliates and/or portfolio investments of other GSIM-advised funds. Likewise, certain other GSIM-advised funds may pay Operating Partners (including individual Operating Partners) to perform Services that, directly or indirectly, benefit GSIM, its affiliates, the Fund and/or portfolio investments of the Fund. There can be no assurance that the Fund or its portfolio investments will receive benefits paid for by other GSIM-advised funds or their portfolio investments that are commensurate to the benefits received by such other GSIM-advised funds and their portfolio investments that are paid for by the Fund or its portfolio investments.

86. *Unfunded Pension Liabilities of portfolio investments.* At least one U.S. court decision has found that, in certain circumstances, an investment fund could be treated as a “trade or business” for purposes of determining pension liability under ERISA. Therefore, where an investment fund owns 80% or more (or, under certain circumstances, less than 80%) of a portfolio investment, such investment fund (and any other 80%-owned portfolio investments of such investment fund) might be found liable for certain pension liabilities of such a portfolio investment to the extent the portfolio investment is unable to satisfy such liabilities. The Fund may, from time to time, invest in a portfolio investment that has unfunded pension fund liabilities, including structuring the investment in a manner where the Fund may own an 80% or greater interest in such a portfolio investment. If the Fund (or other 80%-owned portfolio investments of the Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which the Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under ERISA, as in effect as of the date of this Memorandum, which may change in the future as the case law and guidance develops.
87. *Valuation of Assets.* There is not expected to be an actively traded market for most of the securities owned by the Fund. When estimating fair value, the General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the General Partner may give rise to potential conflicts of interest, including in connection with determining the amount and timing of distributions of Carried Interest Amounts and the calculation of Fund Management Fees.

88. **Co-Investments.** The General Partner reserves the right, in its sole discretion, to provide or commit to provide co-investment opportunities to one or more Limited Partners and/or other persons (including the Manager and other affiliates of the Manager, Manager personnel and/or certain other persons associated with the Manager and/or its affiliates, Operating Partners (including members of the Operations Group), advisers and service providers, finders, portfolio investment board of directors and management teams, other sponsors, strategic investors and market participants), and the General Partner has or expects to commit to provide co-investment opportunities to certain anchor investors in the Fund, in each case on terms to be determined by the General Partner in its sole discretion. Conflicts of interest have the potential to arise in the allocation of such co-investment opportunities. The allocation of co-investment opportunities, which are permitted to be made to one or more persons for any number of reasons as determined by the General Partner in its sole discretion, may not be in the best interests of the Fund or any individual Limited Partner. In exercising its sole discretion in connection with such co-investment opportunities, including with respect to allocating a particular investment to and among potential co-investors and determining the terms thereof, the General Partner reserves the right to consider some or all of a wide range of factors (some or all of which may benefit the General Partner or its affiliates), including, but not limited to: (i) the size and financial resources of a potential co-investment party and the ability of that person or entity to effectively and expeditiously participate in the co-investment opportunity; (ii) any confidentiality concerns that the Manager or the General Partner may have that arise in connection with providing a potential co-investment party with specific information relating to the co-investment opportunity; (iii) the past experiences of the Manager and the General Partner with a potential co-investment party; (iv) the General Partner's evaluation of whether the co-investment opportunity may subject a potential co-investment party to legal, regulatory, reporting, public relations, media or other burdens that make it less likely that such potential co-investment party would act upon the co-investment opportunity if offered; (v) the General Partner's evaluation of whether a potential co-investment party is able to provide strategic perspectives and/or credibility or otherwise add value to the investment at the operational level; (vi) the investment parameters of the Fund and potential co-investment parties, including initial and potential follow-on investment size limitations (minimum and maximum, individually and in the aggregate), industry limitations/preferences, geographic limitations/preferences and tax attributes of the transaction structure; (vii) the concentration of the Fund's and a potential co-investment party's investments and consistency with any applicable investment program; (viii) a potential co-investment party's commitment to provide other capital (debt or equity) to the transaction; (ix) the terms of the required equity commitment with respect to the transaction (e.g., full equity commitment, commitment for allocable portion of expenses, including, if applicable, reverse termination fees, etc.); (x) the willingness of a potential co-investment party to share broken deal costs, including, if applicable, reverse termination fees, with the Fund and other potential co-investment parties; (xi) the expertise and/or experience of a potential co-investment party in the industries and/or markets in which the portfolio investment operates or intends to operate and/or other strategic benefits to the portfolio investment; (xii) the anticipated timing of the transaction and the investment commitment process of the potential co-investment parties (e.g., the ability of a potential co-investment party to meet the required process deadlines, including its ability to deliver a funding commitment satisfactory to the General Partner); (xiii) the level of diligence completed and/or the certainty of closing the transaction upon terms indicated to potential co-investment parties; (xiv) the relationships of potential co-investment parties with other parties related to the transaction that may increase the likelihood of completing and/or improving the terms of the transaction; (xv) the allocation and/or offer of prior co-investment opportunities to potential co-investment parties (both in terms of the number of opportunities and dollar amounts), including those that closed and those that did not close; (xvi) the nature and extent of rights required by potential co-investment parties (e.g., minority

rights); (xvii) the potential impact on the transaction or any related bid process as a result of having one or more co-investment parties; (xviii) any contractual obligations of the General Partner to offer co-investment opportunities to potential co-investment parties; and (xix) other factors that the General Partner considers important in connection with the specific transaction or investment.

The Fund is permitted to co-invest with third parties through partnerships, joint ventures, overage funds, other specialized investment vehicles for other entities or arrangements, thereby acquiring less than 100% of the ownership interests in certain investments. Such investments have the potential to involve risks not present in investments where a third party is not involved, including the possibility that: (i) the Fund and such co-venturers may reach an impasse on a major decision that requires the approval of multiple parties; (ii) the co-venturers or partners may at any time have economic or business interests or goals that are inconsistent with those of the Fund; (iii) the co-venturers or partners may encounter liquidity or insolvency issues or may become bankrupt; (iv) the co-venturers or partners may be in a position to take action contrary to the Fund's investment objective; (v) the co-venturers or partners may take actions that subject the investment to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances the Fund may be liable for actions of its co-venturers or partners. There can be no assurance that the Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities are permitted to be made by the General Partner or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Additionally, from time to time, certain service providers (e.g., lenders) are expected to seek to negotiate co-investment rights as a component of their compensation or in exchange for granting better terms to the Manager, the Fund or a portfolio investment in connection with the services provided. Co-investment opportunities typically will be offered to some and not to other Limited Partners. When and to the extent that employees and related persons of the General Partner make capital investments in or alongside the Fund, the General Partner is subject to conflicting interests in connection with these investments. The General Partner's allocation of co-investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations are expected to be more or less advantageous to some such persons relative to others. The consideration of factors related to allocating co-investment opportunities likely will result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. There can be no assurance that the Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which the General Partner may be subject did not exist.

Allowing any co-investment generally reduces the amount of the relevant investment opportunities that theoretically could have been taken by the Fund, and GSIM expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to the Fund because (i) co-invest opportunities generally appeal to Fund investors and third parties and (ii) co-investors' proportionate share of Other Fees paid in respect of a particular investment typically is not subject to the Management Fee offset provisions of the Fund Agreement. The General Partner reserves the right, in its sole discretion, to charge a management fee and/or obtain a carried interest in respect of any co-investment. As a result of the fact that co-investments alongside the Fund will not be made through the Fund, any fees or other co-investor related compensation (including fees of the type included in the definition of "Other Fees") received in connection with co-investments will not arise out of the investment activities of the Fund or actions

taken directly or indirectly by GSIM on behalf of the Fund and, therefore, none of such fees or other co-investor-related compensation will offset or otherwise reduce the Fund Management Fee or Carried Interest Amounts. Any such fees may be retained by the General Partner and/or any of its affiliates.

In order to facilitate the acquisition of a portfolio investment, the Fund reserves the right to make (or commit to make) an investment in the company with a view to selling a portion of the investment to co-investors or other persons prior to or following the closing of the acquisition. In such event, the Fund will bear the risks 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 risks that a portion of the investment will be syndicated at reduced cost, at cost, or at a lower amount at a time when the General Partner believes the value of such investment has appreciated or should be higher than that paid (or willing to be paid) by a co-investor. To the extent such a syndication is made, the General Partner's interest in limiting the Fund's exposure to a given instrument while providing a potential benefit to co-investors investing at such lower values will give rise to a potential conflict of interest. As a consequence of a failed co-investment syndication process or a co-investment syndication on unattractive terms, the Fund would be required to (i) bear the entire portion of any break-up, topping or other fees, costs and expenses related to such investment (including the proportionate share of such amounts that were expected to have been borne by co-investors), (ii) hold a larger-than-expected investment in such portfolio investment, (iii) receive less-than-fair-market value for the syndicated portion of the investment and/or (iv) be diluted or realize lower than expected returns from such investment.

For the avoidance of doubt, the General Partner reserves the right, in its sole discretion, to structure any co-investment opportunity such that the proposed participants in such co-investment opportunity do not bear any broken deal expenses, with the result that the Fund will bear all such broken deal expenses. In most cases, the General Partner does not expect that proposed participants in co-investments will bear broken deal expenses. Consequently, the Fund is expected to bear all such broken deal expenses.

In the event that a transaction in which a co-investment was to be sought ultimately is not consummated, all obligations, liabilities and out-of-pocket fees (including any break-up fees), costs and expenses relating to such unconsummated transaction are expected to be borne by the Fund, and not by any potential or expected co-investors, subject to any restrictions set forth in the Fund Agreement.

89. *Contingent Liabilities Upon Disposition.* In connection with the disposition of an investment, the Fund and/or the General Partner generally expects to be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties, e.g., about the business and financial affairs of the applicable portfolio investment, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. The Fund and/or the General Partner also expect to be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are inaccurate. These arrangements may result in contingent liabilities, which would be borne by the Fund and, ultimately, its investors. In such a situation, Limited Partners may be required to return distributions received by them to pay such indemnification obligations, subject to certain limitations provided in the Fund Agreement. Furthermore, under the Partnership Act, each Limited Partner that receives a distribution in violation of the Partnership Act will, under certain circumstances, be obligated to recontribute such distribution to the Fund.

90. Limited Access to Information. Limited Partners' rights to information regarding the Fund, the General Partner or Manager generally will be specified, and in many cases strictly limited, by the Fund Agreement. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to the Fund's investments that will not be disclosed to the Limited Partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of the General Partner's control. Decisions by the General Partner or its affiliates to withhold information may have adverse consequences for the Limited Partners in a variety of circumstances. For example, a Limited Partner that seeks to transfer its interest in the Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for a Limited Partner to monitor the Fund and its performance. Additionally, it is anticipated that Limited Partners that designate representatives to participate on the LPAC generally may, by virtue of such participation, have more or earlier information about the Fund and its investments in certain circumstances than other Limited Partners. Limited Partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the Fund succeeds in asserting confidentiality for requested documents and other materials, and the General Partner reserves the right to withhold certain information from investors subject to such laws for reasons relating to the General Partner's public reputation, business strategy or other reasons.
91. Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. The Fund and its portfolio investments' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquake. Although the General Partner intends to implement various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the General Partner, the Fund and/or a portfolio investment may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the General Partner's, the Fund's and/or a portfolio investment's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the General Partner's, the Fund's and/or a portfolio investment's reputation, subject any such entity and its respective affiliates to legal claims and/or regulatory actions or otherwise adversely affect their business and financial performance. To the extent that a portfolio investment is subject to cyber-attack or other unauthorized access is gained to a portfolio investment's systems, such portfolio investment may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio investment financial information; (iii) portfolio investment software, contact lists or other databases; (iv) portfolio investment proprietary information or trade secrets; or (v) other items. In certain events, a portfolio investment's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks. Any of such circumstances could subject a portfolio investment, or the relevant Fund, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third

parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio investments or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the Manager or one of its affiliates or service providers holding its financial or investor data, the General Partner, its affiliates or the Fund may also be at risk of loss, despite efforts to prevent and mitigate such risks under the General Partner's policies and practices.

92. *Agreements with Certain Investors.* The rights, duties and obligations of the Partners generally are set out, and the treatment of Limited Partners is described, in the Fund Agreement. However, the General Partner expects to enter into additional written agreements ("**Side Letters**") with one or more Limited Partners. These Side Letters will entitle certain Limited Partners to make an investment in the Fund on terms other than those described herein. Any such terms, including with respect to (i) excuse, exclusion or withdrawal rights applicable to particular investments or Limited Partners (which may increase the percentage interest of other Limited Partners in, and contribution obligations of other Limited Partners with respect to, certain investments); (ii) information rights or specialized reporting obligations of the General Partner; (iii) certain disclosure rights or waiver of certain confidentiality obligations; (iv) consent of the General Partner to certain transfers by such Limited Partner; (v) priority co-invest rights or targeted co-investment amounts; (vi) different fee structures (included discounted or rebated compensation terms); (vii) additional confidentiality or "use of name" protections; (viii) the right to disclose certain information to underlying investors, the public, regulators or certain other persons; (ix) structuring rights with respect to certain types of investments; (x) modification of default remedies; (xi) rights or terms necessary in light of particular legal, regulatory or public policy characteristics of such Limited Partner; (including the right to withdraw from the Fund), (xii) investment pacing restrictions; (xiii) limits on indemnification; (xiv) rights relating to the appointment of a representative to serve on the LPAC; (xv) liquidity rights; (xvi) modified waterfall mechanics and/or receipt of a portion of the General Partner's compensation; or (xvii) certain other terms whether economic, procedural or otherwise. Side letters may also relate to strategic relationships under which an investor agrees to make capital commitments to multiple other GSIM vehicles, in addition to the Fund.

The General Partner is likely to have its own economic and/or other business incentives to provide certain terms to certain Limited Partners (e.g., based on commitment amount to the Fund or the timing thereof, the ability of a Limited Partner to provide sourcing or other services to the General Partner, its affiliates and personnel, or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the General Partner, its affiliates and personnel, or other GSIM vehicles). Except where required by the Fund Agreement, other investors will not receive copies of side letters or related provisions, and as a general matter, the other investors have no recourse against the Fund, the General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such side letters. Side Letters subject the General Partner to potential conflicts of interest, including in circumstances where an investor's right to serve on the LPAC results in a Limited Partner receiving additional information relative to other Limited Partners. To the extent a Limited Partner is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other Limited Partners may be subject to increased losses, or be required to bear an increased portion of indemnification amounts. As a consequence of one or more Limited Partners being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments, the aggregate returns realized by participating or non-participating Limited Partners could be adversely affected in a material manner by the unfavorable

performance of particular investments. Although the General Partner believes it to be unlikely, excuse rights requested or received by one or more Limited Partners (or such regulatory, tax or other factors applicable to such Limited Partners) representing a substantial percentage of the Fund have the potential to create significant variations in Limited Partner investment returns, or to influence or affect the investment strategy and pursuit of investment opportunities by the General Partner on behalf of the Fund as a whole. A Limited Partner's voting rights for regulatory or other reasons can be limited in circumstances specified in the Fund Agreement; conversely, a limitation on one or more Limited Partners' voting rights generally will increase the voting rights percentage of other Limited Partners in the Fund. Further, Limited Partners with different domiciles or tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, e.g., based on tax savings or ownership of alternative investment vehicle, "blocker" or other structures used to facilitate their investments in, through or below the Fund.

93. *Disclosure of Confidential Fund and Investor Information.* The Limited Partners are expected to include entities that are subject to public disclosure requirements, including state public records or similar freedom of information laws which may compel public disclosure of confidential information regarding the Fund, its investments and its investors. There has been a recent increase in the number of requests under such laws for contracts (including partnership agreements, subscription agreements and side letters) that investors in private equity funds that are subject to such laws have in place with private equity funds. The Fund is permitted to incur expenses in connection with responding to any such disclosure requests, even if the Fund ultimately succeeds in asserting confidentiality for any requested documentation. Moreover, notwithstanding the obligation that the Limited Partners will have pursuant to the Fund Agreement to maintain the confidentiality of the Fund information, there can be no assurance that such information will not be disclosed either publicly or to regulators, law enforcement or otherwise. The General Partner also reserves the right, in certain circumstances, in an effort to protect any such potential disclosure, to withhold all or any part of the information otherwise to be provided to such a Limited Partner, as more fully described in the Fund Agreement. There can be no assurance that such information will not be disclosed by the Fund, the General Partner, the Manager, their respective affiliates and personnel, portfolio investments or service providers to any of them including, without limitation, to comply with laws, regulations or policies to which they are or may become subject. In addition, under the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act, the SEC has the authority to require private equity fund advisers, such as the Manager, to file additional reports with the SEC regarding their funds and investment activities. Any public disclosure of the Fund information could have an adverse effect on the Fund and its investors, for example, by affecting the Fund's competitive advantage in finding attractive investment opportunities.
94. *Use of Alternative Investment Vehicles.* The General Partner has the authority to structure the making of, or restructure, a portfolio investment or any portion thereof (or the holding thereof if after the initial consummation of such portfolio investment) outside of the Fund by requiring any or all of the Partners to make such investment directly or indirectly through one or more alternative investment vehicles. The Partners will bear the expenses of any such alternative investment vehicles. The structural attributes of certain alternative investment vehicles may result in divergent return characteristics for certain Limited Partners. For example, the General Partner may elect to structure an alternative investment vehicle that may result in favorable tax treatment for one set of Limited Partners but less favorable tax attributes for another.
95. *Long-Term Investments; Continuation Vehicles.* The General Partner reserves the right to propose that one or more of the Fund's portfolio investments be held for longer than the then-current term

of the Fund either by the Fund or using one or more special purpose vehicles formed outside of the Fund. Certain risks that are generally associated with an investment in a private equity fund may be heightened and magnified. For instance, portfolio investments that are held for a longer period of time may be more likely to experience employee and/or management turnover during the holding period with respect thereto as compared to many other private equity funds. The General Partner may be more incentivized to make portfolio investments with the view of holding such investment for a longer period of time and accordingly, may make investments that it believes may not meet the target returns of the Fund if it did not have the flexibility to hold such portfolio investments for a longer period of time. While Limited Partners will likely have the option to elect to have their interests in such investments disposed of by the General Partner, the value of such investments at the time of disposition may be materially less than if the General Partner had not made and/or held such investment with the view of such investment having a longer holding period. Additionally, Limited Partners that elect to continue to hold a direct or indirect interest in such portfolio investments will have their interest attributable thereto adjusted as if distributed (i.e., a portion of such interest will be allocated to the General Partner to the extent of its right to receive the Carried Interest Amounts, if any), thereby diluting their interests in such portfolio investments. Such Limited Partners that elect to continue to hold an interest in such investments may also be subject to management fees and carried interest for a longer period and/or in a greater aggregate amount than if such investments were not held for such longer period of time.

In addition, although the valuation of any such investment will be based on a third-party valuation, valuations are inherently subjective in certain respects and rely on a variety of assumptions. Furthermore, valuations are based in large part on information as of the applicable period, and market conditions may change materially after that date. Accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of the appraisal. In addition, the process of valuing portfolio investments for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such portfolio investments and may differ from the prices at which such portfolio investments ultimately may be sold. As such, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. Accordingly, such values may not accurately reflect the actual market values of the investment, and, thus, investors may make decisions as to whether to continue to hold an interest in an investment without complete and accurate valuation information. As a result, the valuation of such an investment and the distributions to each of the Fund's partners, including the General Partner, may not accurately reflect the fair value of the interests.

96. *Electronic Delivery of Certain Documents.* Pursuant to the subscription agreement entered into by a Limited Partner, a Limited Partner will consent to electronic delivery (including email, facsimile or posting on the Fund's web-based investor reporting site or other internet service in accordance with the Fund Agreement) of (i) any notices or communications required or contemplated to be delivered to such Limited Partner by the Fund, the General Partner or any of their respective affiliates pursuant to applicable law or regulation (including the Investment Advisers Act), at the option of the person making such delivery, and (ii) capital call notices; other notices, requests, demands, consents and communications; and financial statements, reports, schedules, certificates or opinions required to be provided to such Limited Partner under the Fund Agreement or under any Side Letter or other similar agreement with such Limited Partner. There are certain costs and risks (e.g., system outages) associated with electronic delivery, and there can be no assurance

that any electronic delivery method is secure. The General Partner cannot provide any assurance that these communication methods are secure and will not be responsible for any computer viruses, problems, malfunctions, information theft or other problems that may be associated with the use of electronic delivery in connection with the Fund's activities.

97. **HSR Act Regulation and Enforcement.** The growth of the private equity industry and the increasing size and reach of private equity transactions has prompted additional governmental attention to the industry and its practices. Acquisition by the Fund of equity securities may result in reporting and compliance obligations under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**HSR Act**"). Compliance with the HSR Act could significantly delay the closing of a transaction, lead to deal abandonment, increase the cost of operating the Fund, and/or infringe upon the ability of the Fund to engage in certain transactions.
98. **Pay-to-Play Laws, Regulations and Policies.** A number of U.S. states and municipal pension plans have adopted so-called "pay-to-play" laws, regulations or policies which prohibit, restrict or require disclosure of payments to, and/or certain contacts with, certain officials by persons and entities seeking to do business with such governmental entities, including those seeking investments by public retirement funds. In addition, the SEC has adopted a rule that, among other things, prohibits an investment adviser from providing advisory services for compensation to a government client for two years after such investment adviser or certain of its executives or employees makes a contribution to certain elected officials or candidates. If GSIM, the General Partner, any of their employees or affiliates, or any service provider acting on their behalf fails to comply with such laws, regulations or policies, such non-compliance may have an adverse effect on the Fund. Limited Partners may also seek to pursue individual remedies, including withdrawal rights, which may be included in Side Letters or other similar agreements or otherwise imposed by applicable law, regulation or policy.
99. **National Security Investment Clearance.** In some cases, investments by the Fund involving the acquisition of or investment in a U.S. business or assets with a nexus to U.S. interstate commerce (including a U.S. branch or subsidiary of a company domiciled outside of the United States) could be subject to review and approval by the Committee on Foreign Investment in the United States ("**CFIUS**"). Significant CFIUS reform legislation and regulations, which became effective on February 13, 2020, among other things, expand the scope of CFIUS' jurisdiction to cover more types of transactions and empowers CFIUS to scrutinize more closely investments in U.S. "critical technology" and "critical infrastructure" companies, as well as companies that collect "sensitive personal data" of U.S. citizens, including investments involving foreign limited partners or co-investors that could be deemed "non-passive."

Outside of the United States, other countries are increasingly taking action to strengthen their foreign investment clearance ("**FIC**") regimes. As a result, any investments by the Fund in certain countries outside the United States could likewise be subject to review by FIC regimes if the investments are perceived to implicate national security policy priorities.

Certain of the Limited Partners are expected to be non-U.S. investors, and in the aggregate, could comprise a substantial portion of the Fund's aggregate Capital Commitments, which increases both the risk that investments could be subject to review by CFIUS, and the risk that limitations or restrictions will be imposed by CFIUS and/or other FIC regulators on the Fund's investments. While the General Partner is permitted to take steps (including, but not limited to, placing limitations on Limited Partners' rights) to help ensure that Fund investments are not within the jurisdiction of

CFIUS and/or other FIC regulators or to improve the Fund's regulatory profile to help obtain approval of CFIUS and/or other FIC regulators, CFIUS and other FIC regulatory practices are rapidly evolving, and there can be no assurance that any restrictions implemented on any such Limited Partner or any such group of Limited Partners will allow the Fund to maintain, or proceed with, any investment that the Fund's investments will be exempt from CFIUS and/or other FIC requirements, or that CFIUS and/or another FIC regulator will not seek to ask questions about a transaction.

Any review and approval of a Fund investment by CFIUS and/or another FIC regulator can have outsized impacts on transaction certainty, timing, feasibility, and cost, among other things. Moreover, in the event that CFIUS or another FIC regulator reviews one or more of the Fund's investments, there can be no assurances that the Fund will be able to maintain, or proceed with, such investments on terms acceptable to the Fund. CFIUS or another FIC regulator could seek to impose limitations, conditions, or restrictions on, or prohibit, one or more of the Fund's investments. Such limitations, conditions, or restrictions could prevent the Fund from maintaining or pursuing investments or adversely affect the performance of Fund investments, and thus the Fund's performance as a whole. Failure to submit required filings would likely result in significant financial penalties for each transaction party, as well as reputational damage and potential legal restrictions on future investments. In addition, CFIUS is actively pursuing transactions that were not notified to it and could ask questions regarding, or impose restrictions or mitigation on, transactions post-closing.

CFIUS or other FIC regulatory considerations, including changes to the implementing laws and regulations and agency practice, could limit or restrict the universe of suitable buyers for an investment, thereby constraining the Fund's ability to recognize value from exits and/or making exit transactions more difficult. Additionally, the Fund is permitted invest in companies that are, or could become, subject to CFIUS requirements based on pre-existing foreign ownership and control; in such cases, CFIUS requirements could adversely impact a portfolio investment's ability to obtain or retain business or otherwise make it more difficult for the Fund to realize a profit from an investment. Moreover, in the event that the Fund makes an investment in a company that is subject to CFIUS review or mitigation, the Fund could have outsized expenses and/or additional compliance obligations, among other things, as a result of such review or mitigation.

Additionally, current legislation pending before the United States Congress contemplates regulating outbound investment to countries and companies deemed to be averse to U.S. national security and foreign policy interests. If such legislation is not enacted, similar outbound investment controls could be implemented under the auspices of an executive order. Any restrictions on U.S. outbound investment could limit the universe of prospective investments available to the Fund making it more difficult to deploy capital, and/or adversely affect the governance and operations of the Fund's investments and thus the performance of the Fund.

100. **Governmental Budgetary Constraints; Reforms.** The success of public infrastructure projects is often dependent on governmental funding or subsidies. Governments typically have considerable discretion in determining the amount of funding or subsidies to allocate to such public infrastructure projects. Lack of governmental funding or subsidies due to governmental budgetary constraints could adversely impact the overall development and availability of public infrastructure projects, result in privatization of certain types of assets, and/or otherwise result in an increase in competition among other providers of capital (e.g., private infrastructure investors) for such infrastructure assets, which may make it more difficult for the Fund to effectively consummate investments in or relating to such infrastructure projects. Despite ongoing underinvestment in infrastructure in the target geographies, the government may elect not to fund such

underinvestment with private capital. Alternatively, the Manager's success will also be driven in part, by its ability to source and invest in private infrastructure projects. The availability of such private infrastructure projects may be highly dependent on governmental determinations to continue with, or implement, announced reforms regarding the means by which infrastructure construction is regulated or financed. As such, there can be no assurance that such private infrastructure projects will be available for investment on terms which the Manager deems favorable.

101. *Governmental Export and Import Controls.* Companies may be subject to U.S. export controls for software and for incorporating encryption technology into any customer service platforms enabled through mobile applications. Such products incorporating encryption technology may only be exported outside of the U.S. with the required export authorizations, including by license, a license exception or other appropriate government authorizations, for example the filing of an encryption registration. Also, various countries regulate the import of certain encryption technology, including through import permitting and licensing requirements, and have enacted laws that could limit the ability of companies to offer or distribute their products. Further, U.S. export control laws and economic sanctions prohibit the shipment of certain products and services to countries, governments and persons targeted by U.S. sanctions. Such governmental export and import controls could negatively impact the General Partner and the Fund by impairing the abilities of portfolio investments to compete in international markets or subject them to liability for violations, including possible civil and criminal penalties and repercussions.
102. *Laws and Regulations Governing the Internet.* The future success of many portfolio investments, will depend upon the continued use of the internet as a primary medium for commerce, communication and business services. Changes in laws and regulations related to the internet or changes in the infrastructure of the internet itself may diminish the demand for portfolio investments' products, including software solutions. U.S. federal, U.S. state or foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws and regulations affecting the use of the internet as a commercial medium. Portfolio investments may be required to modify their products in compliance with such changes in laws and regulations. Also, domestic and foreign government agencies and private organizations may begin to impose taxes, fees or other charges for accessing the internet or for the commerce conducted via the internet. Such charges and regimes could limit the growth of internet-related commerce or communications generally or reduce demand for internet-based products and business services, which may negatively impact the Fund's portfolio investments.
103. *Operations and Maintenance Risk.* As a general matter, the operation and maintenance of infrastructure assets involve significant capital expenditures and various risks, many of which may not be under the control of the owner/operator, including labor issues, political or local opposition, failure of technology to perform as anticipated, technical obsolescence, increasing fuel prices, structural failures and accidents, environment related issues, counterparty non-performance and the need to comply with the directives of government authorities. Optional or mandatory improvements, upgrades or rehabilitation of infrastructure assets may cause delays or result in closures or other disruptions subjecting the investment to various risks including lower revenues. The operations of infrastructure assets and businesses may also be exposed to unplanned interruptions caused by significant catastrophic events, such as cyclones, earthquakes, landslides, floods, explosions, fires, terrorist attacks, major plant breakdowns, pipeline or electricity line ruptures or other disasters. Operational disruption, as well as supply disruption, could adversely impact the cash flows available from these assets. In addition, the cost of repairing or replacing

damaged assets could be considerable. Repeated or prolonged interruption may result in permanent loss of customers or other sources of revenue, substantial litigation or penalties for regulatory or contractual non-compliance. Industrial action involving employees or third parties may also disrupt the operations of infrastructure projects. Infrastructure projects are exposed to the risk of accidents that may give rise to personal injury, loss of life, damage to property, disruption to service, and economic loss.

104. *Health and Safety Risk.* The employees and staff of infrastructure assets and businesses are exposed to health and safety risks that could result in death, permanent disability or other serious injury that may disrupt the operations of investments, lead to economic loss, litigation or penalties for regulatory or contractual non-compliance, and may also adversely impact the reputation of the investment, the Fund and Limited Partners. Moreover, any loss from such events may not be recoverable under relevant insurance policies.
105. *Demand/Usage Risk.* Demand, usage and throughput risk can affect the performance of infrastructure assets. Demand, usage and throughput depend on, and are affected by, a wide variety of factors, such as demographic changes, economic conditions, fuel prices, government macroeconomic policies, tolls, tariffs, other usage or throughput-related fees, social stability, political or local opposition, technical obsolescence, competition from untolled or other forms of transportation, acts of God, war, terrorism, changes in demand for products or services, slower than projected construction progress and adverse weather conditions. To the extent that the Fund's assumptions regarding demand, usage and throughput prove incorrect, returns to the Fund could be adversely affected. Some investments may be subject to seasonal variations, including greater revenues and profitability during different seasons of the year. Accordingly, the Fund's operating results for any particular investment in any particular quarter may not be indicative of the results that can be expected for that investment throughout the year.
106. *Land Title Risk.* Certain investments may require large areas of land to install and operate their equipment and associated infrastructure. The rights to use the necessary land may be obtained through freehold title, easements, leases, and other rights of use. Different jurisdictions adopt different systems of land title, and in some jurisdictions it may not be possible to ascertain definitively who has the legal right to enter into land tenure arrangements with investments. In addition, the grantor's fee interests in the land which is the subject of such easements and leases are or may become subject to mortgages securing loans, other liens (such as tax liens), and other lease rights of third parties (such as leases of oil, gas, coal or other mineral rights). As a result, an investment's rights under such leases or easements are or may be subject and subordinate to the rights of third parties. It is also possible that a default by the grantor under any mortgage could result in a foreclosure on the grantor's interest in the property and thereby terminate the investment's right to the leases and easements required to operate such investment. Similarly, it is possible that a government authority, as the holder of a tax lien, could foreclose upon a parcel and take possession of the portion of the investment located on such parcel. The rights of a third party pursuant to a superior lease (such as leases of oil, gas, coal or other mineral rights) could also result in damage to or disturbance of the physical assets of an investment or require relocation of investment assets. The locations of the portfolio investments may also be subject to government exercise of eminent domain power or similar events. The expiration of a landowner lease and the failure to obtain an extension will adversely affect the portfolio investment on such property. If any investments were to suffer the loss of all or a portion of their underlying real estate interests or equipment as a result of a foreclosure by a mortgagee or other lienholder of a land parcel, or

damage arising from the conduct of superior leaseholders, such investment's operations and revenues may be adversely affected.

107. **Rate Regulation.** Certain infrastructure assets may be subject to rate regulations that determine or limit the prices they may charge, particularly if a portfolio entity is the sole or predominant service provider in its service area or provides services that are essential to the community. Users of the applicable service provided by a portfolio investment may react negatively to any adjustments to the applicable rates, or public pressure may cause relevant governmental authorities to challenge such rates. In addition, adverse public opinion, or lobbying efforts by specific interest groups, could result in governmental pressure on portfolio investments to reduce their rates, or to forego planned rate increases or forego direct or indirect subsidies. Unfavorable price determinations that may be final with no right of appeal or that, despite a right of appeal, are not successfully challenged, could result in its profits being negatively affected and portfolio entities not meeting initial return expectations. In particular, some portfolio investments may derive substantially all their revenues from tolls, tariffs, other usage or throughput-related fees, wholesale or other sales of electricity or services related thereto, such as storage or grid management service. Neither the General Partner nor the Manager can guarantee that governmental entities with which portfolio investments have concession agreements will not try to exempt certain users from tolls, tariffs or other fees, negotiate or require lower rates or change policies regarding subsidies. If public pressure or government action forces portfolio investments to restrict their rate increases or reduce their rates, and they are not able to secure adequate compensation to restore the economic balance of the relevant concession agreement, the Fund's activities, financial condition and results of operations could be materially and adversely affected.
108. **Environmental Risk.** Infrastructure assets may be subject to numerous statutes, rules and regulations relating to environmental protection, and national and local environmental laws and regulations affect the operations of infrastructure projects and companies. The Fund may invest in investments that are subject to changing and increasingly stringent environmental and health and safety laws, regulations and permit requirements, and there can be no guarantee that all costs and risks regarding compliance with environmental laws and regulations can be identified. Standards are set by these laws and regulations regarding certain aspects of health and environmental quality, and they provide for penalties and other liabilities for the violation of such standards, and establish, in certain circumstances, joint and several obligations to remediate and rehabilitate current and former facilities and locations where operations are, or were, conducted or where materials were disposed of. New and more stringent environmental and health and safety laws, regulations and permit requirements, or stricter interpretations of current laws or regulations could impose substantial additional costs on investments or potential investments and could create liabilities which did not exist at the time of acquisition and that could not have been foreseen. Required expenditures for environmental compliance have adversely impacted investment returns in a number of segments of the industry. Certain industries will continue to face considerable oversight from environmental regulatory authorities and significant influence from non-governmental organizations and special interest groups. Compliance with such current or future environmental requirements does not ensure that the operations of investments will not cause injury to the environment or to people under all circumstances or that investments will not be required to incur additional unforeseen environmental expenditures. Moreover, failure to comply with any such requirements could lead to, among other things, government fines and stop-work injunctions and could have a detrimental impact on the financial performance of infrastructure projects. There can be no assurance that investments will at all times comply with all applicable environmental laws, regulations and permit requirements. Past practices or future operations of

investments could also result in material personal injury or property damage claims. Any noncompliance with these laws and regulations could subject the Fund and its investments to material penalties or other liabilities.

Under certain circumstances, environmental authorities and other parties may seek to impose personal liability on the limited partners of a partnership (such as the Fund) subject to environmental liability. However, a limited partner investor in the Fund may reduce its risk of such personal liability by avoiding activities with respect to the investments other than as specifically contemplated by the Fund Agreement.

In addition, ordinary operation or the occurrence of an accident with respect to an infrastructure asset could cause major environmental damage, which may result in significant financial distress to such asset if not covered by insurance, and, even if covered by insurance, may have a detrimental effect on the applicable portfolio investment and/or the Fund, resulting from adverse publicity related to such an incident and other similar results. In addition, persons who arrange for the disposal or treatment of hazardous materials may also be liable for the costs of removal or remediation of these materials at the disposal or treatment facility, whether or not that facility is or ever was owned or operated by that person.

The Fund may also be exposed to substantial risk of loss from environmental claims arising from certain of its infrastructure investments involving undisclosed or unknown environmental, health or other related matters. Certain environmental laws and regulations may require that an owner or operator of an asset address prior environmental contamination, which could involve substantial cost. Such laws and regulations often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of environmental contamination. The Fund may therefore be exposed to substantial risk of loss from environmental claims arising in respect of its investments. Community and environmental groups may protest about the development or operation of infrastructure assets which may induce government action to the detriment of the Fund. Some of the most onerous environmental requirements regulate air emissions of pollutants and greenhouse gases; these requirements may particularly affect investments in the energy sector.

In addition, as consensus builds that global warming is a significant threat, initiatives seeking to address climate change through regulation of greenhouse gas emissions have been adopted by, are pending or have been proposed before international, federal, state, and regional regulatory authorities. Many industries (e.g., electrical power, mining, manufacturing and transportation) face various climate change risks, many of which could conceivably materially impact them. Such risks include (i) regulatory/litigation risk (e.g., changing legal requirements that could result in increased permitting and compliance costs, changes in business operations, the discontinuance of certain operations, and related litigation); (ii) market risk (e.g., declining market for products and services seen as greenhouse gas intensive); and (iii) physical risk (e.g., risks to plants or property owned or operated by a company posed by rising sea levels, increased frequency or severity of storms, drought, and other physical occurrences attributable to climate change). These risks could result in unanticipated delays or expenses and, under certain circumstances, could prevent completion of investment activities once undertaken, any of which could have an adverse effect on the Fund.

109. **Waste Management Risks.** The waste management industry is subject to extensive and evolving federal, state or provincial and local environmental, health, safety and transportation laws and regulations. These laws and regulations are administered by the U.S. Environmental Protection Agency (“**EPA**”), Environment Canada, and various other federal, state, provincial and local environmental, zoning, transportation, land use, health and safety agencies. Many of these

agencies regularly examine a portfolio investment's operations to monitor compliance with these laws and regulations and have the power to enforce compliance, obtain injunctions or impose civil or criminal penalties in case of violations. There has been an increase in both the amount of government regulation and the number of enforcement actions being brought by regulatory entities against operations in the waste services industry. There are significant capital expenditures in connection with environmental protection measures, including compliance with federal, state or provincial and local rules. There are costs associated with siting, design, permitting, operations, monitoring, site maintenance, corrective actions, financial assurance, and facility closure and post-closure obligations. The acquisition, development or expansion of a waste management or disposal facility or transfer station involves considerable time, effort and cost to obtain or maintain required permits and approvals. There are no assurances that the portfolio investment will be able to obtain or maintain required governmental approvals. Once obtained, operating permits are subject to renewal, modification, suspension or revocation by the issuing agency. Compliance with current regulations and future requirements may require significant capital and operating expenditures. Advancements in disposal alternatives may adversely affect a portfolio investment engaged in waste management.

The Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, ("**CERCLA**") which is also known as Superfund, provides for federal authority to respond directly to releases or threatened releases of hazardous substances into the environment that have created actual or potential environmental hazards. CERCLA's primary means for addressing such releases is to impose strict liability for cleanup of disposal sites upon current and former site owners and operators, generators of the hazardous substances at the site and transporters who selected the disposal site and transported substances thereto. Liability under CERCLA is not dependent on the intentional release of hazardous substances; it can be based upon the release or threatened release, even as a result of lawful, unintentional and non-negligent action, of hazardous substances as the term is defined by CERCLA and other applicable statutes and regulations. The EPA may issue orders requiring responsible parties to perform response actions at sites, or the EPA may seek recovery of funds expended or to be expended in the future at sites. Liability may include contribution for cleanup costs incurred by a defendant in a CERCLA civil action or by an entity that has previously resolved its liability to federal or state regulators in an administrative or judicially-approved settlement. Liability under CERCLA could also include obligations to a potentially responsible party, or PRP, that voluntarily expends site clean-up costs. Further, liability for damage to publicly-owned natural resources may also be imposed. The Fund may have potential liability under CERCLA as an owner or operator of facilities at which hazardous substances have been disposed and as a generator or transporter of hazardous substances disposed of at other locations.

110. *Risks Associated with Ongoing Changes in the Power Generation and Utility Industry.* The Fund may make certain investments in the utility industry. In many regions the electric utility industry experiences competitive pressures, primarily as a result of consumer demands, technological advances, greater availability of natural gas and other factors. Selected pressure may exist where a wholesale market operates. A number of countries are considering, or implementing, methods to introduce and promote competition in the power generation and transmission industries. To the extent competitive pressures increase, the economics of independent power generation projects into which the Fund may invest may come under increasing pressure. In addition, utility asset owners may find it increasingly difficult to negotiate long-term procurement or sales agreements with counterparties, which may affect their profitability and financial stability.

Electricity generation and related infrastructure investments may be subject to extensive non-U.S. and U.S. federal, state and local energy laws and regulations in the U.S. and other jurisdictions where portfolio investments are located, including without limitation, in the U.S. the Federal Power Act (“**FPA**”), the Energy Policy Act of 2005, the Public Utility Holding Company Act of 2005, and the Public Utility Regulatory Policies Act. Changes in applicable energy laws or regulations, or in the interpretations or administration of these laws and regulations, could result in increased compliance costs or the need for additional capital expenditures. If a portfolio investment fails to comply with these requirements, it could also be subject to civil or criminal liability and the imposition of fines.

Under the FPA, the Federal Energy Regulatory Commission (“**FERC**”) regulates wholesale sales of electricity and the transmission of electricity in interstate commerce by “public utilities” as defined under the FPA and places constraints on the conduct of their business, including, among other things, rate and corporate regulation including ownership and disposition of jurisdictional assets. In addition, the portfolio investments are subject to regulation by state agencies. Prior FERC or state approvals may be required prior to making or disposing of certain investments in regulated public utilities. Public utilities under the FPA are required to obtain FERC acceptance of their route schedules for wholesale sales of electricity and may obtain authority to sell electricity at market-based rates. If certain conditions are not met, FERC has the authority to deny as well as later revoke or revise market-based rate authority and require sales to be made based on cost of service rates. Even where market-based rate authority has been granted, FERC may impose various forms of market mitigation measures, including price caps, bidding rules and operating restrictions, where it determines that potential market power might exist and that the public interest requires such potential market power to be mitigated. Failure to obtain or loss of market-based rate authority for any portfolio investment in a power generation asset that is not otherwise exempt could have a material adverse effect on such portfolio investment’s revenues and business.

State public utility commissions in U.S. states (“**PUCs**”) have historically had broad authority to regulate both the rates charged by, and the financial activities of, electric utilities that sell electricity at retail and other public utilities that provide utility service to the public such as water utilities and telecommunication service providers, and a number of other matters relating to electric and other public utilities. State laws may also impose certain regulatory and reporting requirements on other owners and operators of generation facilities and other public utilities. Independent power producers are considered to be public utilities in some states and are subject to varying degrees of regulation by PUCs, ranging from a requirement to obtain a “certificate of public convenience and necessity” to regulation of organizational, accounting, financial and other corporate matters. States may assert jurisdiction over the location and construction of electric generating facilities and other public utility facilities, and in certain situations, over the issuance of securities and the sale or other transfer of assets by these facilities. State jurisdictional natural gas transportation and storage rates are also frequently subject to regulation by local PUCs. Similar regulation may also apply in other non-U.S. jurisdictions where portfolio investments are made.

111. **Telecommunications Sector Risks.** The Fund may make infrastructure investments in the telecommunications sector. Investment opportunities in the telecommunications sector are driven largely by consumer demand, technological advances, and improvements in data collection and storage. Changes in the development and proliferation of new technologies, data transmission and/or consumer demand, as well as changes in the prevailing global economy, may adversely affect the Fund’s ability to identify and consummate attractive portfolio investments in the telecommunications sector. Competitive pressures within the communications industry are intense and the securities of communications companies may be subject to significant price volatility. In

addition, because the communications industry is subject to rapid and significant changes in technology, the companies that the Fund will invest in will face competition from technologies being developed or to be developed in the future by other entities, which may make such companies' products and services obsolete.

In particular, the ownership and maintenance of cell towers and other communications sites may be affected by a variety of factors, including consumer demand for wireless services, zoning, environmental, health, tax or other government regulations or changes in the application and enforcement thereof, governmental licensing of spectrum or restricting or revoking our customers' spectrum licenses, general economic conditions, capital expenditures on network infrastructure, technological changes, public perception of possible health risks associated with cellular and other wireless communications technology and maintenance of leasehold and sub-leasehold interests, fee interests, easements, licenses and rights-of-way.

112. *Transportation Sector Risks.* The Fund expects to make investments in infrastructure opportunities relating to the transportation sector, which may include investments relating to airports, roads, bridges and tunnels, port terminals, railroads, municipal transport, parking facilities and other public or private transportation-related infrastructure investments. The Fund's ability to make attractive transportation-related infrastructure investments may be subject to a variety of considerations, including general supply/demand trends, overall economic development and growth in the jurisdictions in which the Fund may make investments, general market conditions, socioeconomic changes, and changes relating to governmental spending and related policies. Any adverse or unexpected changes in such conditions could adversely affect the Fund's ability to consummate attractive transportation-related infrastructure investments and/or the performance of any portfolio investments in the transportation sector.
113. *Strategic Asset Risks.* The Fund's Portfolio Investments may control investments that constitute significant strategic value to public or governmental bodies. Strategic assets are assets that have a national or regional profile and may have monopolistic characteristics. The very nature of these assets could generate additional risks not common in other industry sectors. Given the essential nature of the services provided by strategic infrastructure assets, there is a higher probability that the services provided by such assets will be in constant demand. Should an owner of such assets fail to make such services available, users of such services may incur significant damage and may, due to the characteristics of the strategic assets, be unable to replace the supply or mitigate any such damage, thereby heightening any potential loss from third-party claims.
114. *Political and Societal Challenges.* Many infrastructure projects may be subject to siting requirements. Siting of projects is also frequently subject to regulation by applicable state, county and local authorities. For example, proposals to site an energy plant in a particular location may be challenged by a number of parties, including non-governmental organizations and special interest groups based on alleged security concerns, disturbances to natural habitats for wildlife and adverse aesthetic impacts. Concerns can also arise regarding some of the techniques used in the extraction of shale gas in order to enhance recovery, such as the use of natural gas hydraulic fracturing (also known as "fracking"), which may require governmental permits or approvals and which have recently been the subject of heightened environmental concerns and public opposition in some jurisdictions. The failure of any portfolio investment or project to receive, renew or maintain any required permits or approvals or any inability to satisfy any requirement of any permits or approvals may result in increased compliance costs, the need for additional capital expenditures or a suspension of project operations.

115. *Risks Inherently Associated with Technology.* Technology based investments often face specific risks which the Fund will also be exposed to by concentrating its investment strategy based on reliance of such technology. Such risks typically include: (1) rapidly changing science and technologies; (2) new competing products and improvements in existing products which may quickly render existing products or technologies obsolete; (3) scarcity of management, technical, scientific, research and marketing personnel with appropriate training; (4) the possibility of lawsuits related to patents and other intellectual property and their associated rights; and (5) rapidly changing investor sentiments and preferences with regard to technology.

Many technology investments rely on a combination of patent, copyright, trademark and trade secret protection and non-disclosure agreements to establish and protect proprietary rights. There can be no assurance that competitors will not develop technologies substantially equivalent or superior to a portfolio investment's technologies, or allege patent infringement by a portfolio investment. Piracy or any such allegations may adversely affect portfolio investment revenue, particularly outside the U.S. in countries where laws are less protective of intellectual property rights. The absence of harmonized patent laws makes it more difficult to ensure consistent respect for patent rights. Reductions in the legal protection for software intellectual property rights could adversely affect portfolio investments.

116. *Competition in Technology-Related Sectors.* Competitors of the Fund and its portfolio investments range in size from diversified global companies with significant research and development resources to small, specialized firms whose narrower product lines may let them be more effective in deploying technical, marketing and/or financial resources. Barriers to entry in the software and technology industries are low and software products can be distributed broadly and quickly at relatively low cost. Many of the areas in which the Fund and its portfolio investments participate evolve rapidly with changing and disruptive technologies, shifting user needs and frequent introductions of new products and services.

117. *Third-Party Infringement Claims.* The Fund (or an affiliate thereof) or a portfolio investment may, from time to time, receive notices from others claiming the Fund (or an affiliate thereof) or such portfolio investment (or a third party using a portfolio investment's products or services) has infringed their intellectual property rights. The number of these claims may grow because of constant technological change in the technology sector, increased user-generated content, the extensive patent coverage of existing technologies, and the rapid rate of issuance of new patents. Additionally, portfolio investments may use "open source" software in their products, or may use such software in the future. Such open source software is generally licensed by its authors or other third parties under open source licenses. Licensing authors or third parties may allege that a portfolio investment has not complied with the conditions of one or more of these licenses. To resolve these and other intellectual property infringement claims, the Fund and/or portfolio investments may enter into royalty and licensing agreements on unfavorable terms, stop selling or redesign affected products, or pay damages to satisfy indemnification commitments with customers. These outcomes may cause operating margins of the relevant portfolio investments, and ultimately, the Fund, to decline. In addition to monetary damages, in some jurisdictions plaintiffs can seek injunctive relief that may limit or prevent importing, marketing and selling products that have infringing technologies. In some countries, such as Germany, an injunction can be issued before the parties have fully litigated the validity of the underlying patents.

118. *Convertible Securities.* A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible

security held by the Fund is called for redemption, the Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on the Fund's ability to achieve its investment objective.

119. **Debt Investments.** The Fund is permitted to invest in debt, debt-related, and other securities of portfolio investments. These securities may be unsecured, subordinated to senior indebtedness, or unprotected by covenants or limitations on additional indebtedness.

Debt securities are subject to both credit and interest rate risks. If an issuer is unable to make principal and interest payments on its indebtedness, the Fund may suffer a partial or total loss of capital invested in the company. Declines in revenues or increases in expenses may significantly affect the ability of an issuer to pay, and these risks may change over the life of an investment. Interest rates are subject to risks associated with changes in the market. Interest rate changes directly affect the value of adjustable rate securities, and indirectly affect the value of fixed rate securities.

The Fund is permitted to invest in convertible debt and equity-related securities to the extent that the General Partner believes such investments offer potential for capital appreciation. There is no minimum credit standard that is a prerequisite to the Fund's investment in any security and the debt securities acquired by the Fund may be non-investment grade.

portfolio investments could experience adverse business conditions that could result in a default on all or part of their obligations to the Fund. A portfolio investment's ability to satisfy its obligations to the Fund could be impacted by market or industry conditions, national or international economic or political factors or other developments beyond the company's control. Defaults could ultimately result in the loss of investment principal.

120. **Interest Rate Risk.** Portfolios with debt investments are subject to interest rate risks; changes in the prevailing market interest rates could negatively affect the value of such investments in the Fund's portfolio. The ability of portfolio investments in which the Fund may invest to refinance debt instruments or repay debt obligations may depend on their ability to obtain financing, including by selling new securities or instruments in the high yield debt or bank financing markets, which at certain points over the last several years have been extraordinarily difficult to access at favorable rates. Volatility and instability in the securities market also may increase the risks inherent in the Fund's investments. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate credit instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner, although generally to a lesser degree. Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. While interest rates are currently expected to remain at favorable rates in the near term, there is a general belief that the U.S. Federal Reserve will at some point in the future tighten the monetary supply and increase benchmark interest rates, which may have a negative impact on the price of debt instruments globally and could adversely affect the value of the Fund's investments. Additional factors that may affect market interest rates include inflation, slow or stagnant economic growth or recession, unemployment, international disorders and instability in domestic and foreign financial markets. The Fund expects that it will periodically experience imbalances in its assets and liabilities as a result of changes in interest rates. In a changing interest rate environment, the Fund may not be able to manage this risk effectively. If the Fund is unable to manage interest rate risk effectively,

the Fund's performance could be adversely affected. While the Fund is permitted to seek to do so, it is not required to hedge its interest rate risk.

121. *Prepayment Risk.* The frequency at which prepayments (including voluntary prepayments by the obligors and accelerations due to defaults) occur on debt instruments will be affected by a variety of factors including the prevailing level of interest rates and spreads as well as economic, demographic, tax, social, legal and other factors. Generally, obligors tend to prepay their fixed rate obligations when prevailing interest rates fall below the coupon rates on their obligations. Similarly, floating rate issuers and borrowers tend to prepay their obligations when spreads narrow.

In general, "premium" securities (securities whose market values exceed their principal or par amounts) are adversely affected by faster than anticipated prepayments, and "discount" securities (securities whose principal or par amounts exceed their market values) are adversely affected by slower than anticipated prepayments. Since many fixed rate obligations will be discount instruments when interest rates and/or spreads are high, and will be premium instruments when interest rates and/or spreads are low, such debt instruments may be adversely affected by changes in prepayments in any interest rate environment.

The adverse effects of prepayments may impact the Fund's portfolio in two ways. First, particular investments may experience outright losses, as in the case of an interest-only instrument in an environment of faster actual or anticipated prepayments. Second, particular investments may underperform relative to hedges that the Manager may have constructed for these investments, resulting in a loss to the Fund's overall portfolio. In particular, prepayments (at par) may limit the potential upside of many instruments to their principal or par amounts, whereas their corresponding hedges often have the potential for unlimited loss.

122. *Nature of Mezzanine and Other Subordinated Investments.* Most of the Fund's investments will consist of debt and equity securities and/or other instruments, loans or interests in pools of securities and/or other instruments that are subordinated or may be subordinated in right of payment and ranked junior to other securities and/or instruments issued by, or loans made to, obligors. Mezzanine and other subordinated debt investments involve a high degree of risk with no certainty of any return of capital. Although subordinated debt generally is senior to common stock and other equity securities in the capital structure, it may be subordinated to large amounts of senior debt and are often unsecured.

While subordinated debt investments may benefit from the same or similar financial and other covenants as those enjoyed by the indebtedness ranking ahead of such investments and may benefit from cross-default provisions, some or all of such terms may not be part of particular investments. In addition, the ability of the subordinated debt holders (including the Independent Investor) to influence a company's affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors. For example, under terms of subordination agreements, senior creditors are typically able to block the acceleration of the mezzanine debt or other exercises by the subordinated creditors of their rights. Accordingly, the Fund may not be able to take the steps necessary to protect its investments in a timely manner or at all. Further, the unsecured debt in which the Fund may invest may not be protected by financial covenants or limitations upon additional indebtedness, could have limited liquidity, and may not be rated by a credit rating agency.

Subordinated debt investments may increase the Fund's exposure to adverse economic factors such as significantly rising interest rates, severe downturns in the economy, or deterioration in the

condition of the portfolio investment on the subordinated debt investment. Conversely, mezzanine loans and other subordinated debt investments are often less risky than equity investments because the claims of subordinated debt investors are typically senior to those of equity holders in the company. In the event that any portfolio investment on a mezzanine loan or other subordinated debt investment is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness, the value of the Fund's investment in such loan could be significantly reduced or even eliminated.

If a portfolio investment becomes subject to insolvency proceedings in any jurisdiction, the rights of holders of mezzanine and subordinated debt may be adversely affected. Such proceedings and related laws and remedies may vary substantially from jurisdiction to jurisdiction, may create the right of such portfolio investment to avoid certain unfavorable contracts or obligations and may result in significant delay and/or limitations on repayment of amounts owed to the Fund. With respect to the Fund's investments in the form of subordinated debt instruments, upon any distribution to the relevant borrower's creditors in a bankruptcy, liquidation, or reorganization, or similar proceeding, the holders of such borrower's senior and/or secured indebtedness (to the extent of the collateral securing such obligation) will be entitled to be paid in full before any payment may be made on the Fund's investment. In the event of a bankruptcy, liquidation, or reorganization, or similar proceeding relating to such a borrower, the Fund will typically participate with all other holders of such borrower's indebtedness in the assets remaining after the borrower has paid all of its senior and/or secured indebtedness (to the extent of the collateral securing such obligation). Such borrower may not have sufficient funds to pay all of its creditors, and the Fund may receive payments less ratably (or no payments at all) than the holders of senior and/or secured indebtedness of such borrower or the holders of indebtedness that is not subordinated.

123. *Impact of Government Regulation, Regulatory Approvals and Reform.* Certain industry segments in which the Fund may invest are, or may become, (i) highly regulated at both the federal and state levels in the United States and internationally and (ii) subject to frequent regulatory change. While the Fund intends to invest in portfolio investments it believes have obtained all material U.S. federal, state, local or non-U.S. approvals required to operate, the laws and regulations relating to such industries are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. In addition, the consent or approval of certain regulatory authorities may be required in order for the Fund to acquire or hold certain portfolio investments. The Fund's investments could be adversely affected to the extent any applicable laws or regulatory requirements change or become increasingly stringent as a result of judicial or administrative interpretations or regulatory interpretive guidance with respect to such portfolio investments. Moreover, additional regulatory approvals may become applicable in the future as a result of the foregoing or for other reasons. There can be no assurance that the portfolio investments in which the Fund holds investments will be able to obtain all required regulatory approvals or, once obtained, to maintain such approvals in accordance with the requirements applicable thereto. Failure or delay in obtaining and maintaining any applicable regulatory approvals could adversely affect the business of the Fund and impede the Fund's ability to effectively achieve its investment objective.

Additionally, the SEC has proposed and enacted significant rules that will impact the business of GSIM and the Fund. 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 GSIM and its affiliates, the Fund and/or its investments. In addition, the Fund is 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 the Fund. In addition, following the applicable compliance date, such regulations will require the General Partner to disclose to prospective investors and/or Limited Partners certain preferential investment terms that the General Partner provides to any Limited Partner in connection with its investment in the Fund, which could cause the General Partner to deny certain preferential terms to Limited Partners.

124. **Compensation and Potential Conflicts.** The Fund Agreement provides the General Partner with wide-ranging authority to make determinations, including those related to investment purchases and dispositions (and their timing), valuation and other matters that have the potential to affect the compensation of the General Partner and its affiliates. In making such determinations, the General Partner is subject to potential conflicts of interest. For example, the potential to earn additional compensation can create an incentive for the General Partner to make investments and to hold investments longer than otherwise would be the case in the absence of the Fund Management Fee and carried interest compensation arrangements. The General Partner expects to be incentivized to cause the Fund to make investments and hold on to investments (and to delay or forego a determination that the investments are permanently written down or completely written off for U.S. federal income taxes purposes in the manner described in the Fund Agreement (such investments, **"Impaired Value Investments"**)) in order to generate greater ongoing Management Fees and, potentially, larger carried interest distributions than would otherwise be the case if such investments had not been made or held (or if such determination had not been made), including because of the possibility that the investments' values will appreciate in the future.

Where the Fund Management Fee is calculated taking into account the valuation of an investment, including a determination of whether an investment has become an Impaired Value Investment, the General Partner will have incentives to make determinations that result in the continued payment of, or a higher, Fund Management Fee. Where the Fund Agreement does not require Fund Management Fees to be reduced in connection with investment reorganizations, restructurings, extraordinary dividends or similar transactions, the General Partner expects to be incentivized to pursue such transactions. Additionally, the amount of carried interest owed to the General Partner is dependent in part on the amount and timing of investment dispositions, as well as in certain instances determinations that investments are Impaired Value Investments, and the General Partner expects to be subject to related conflicts of interest in determining whether and when to dispose of investments, make distributions, and/or determine that an investment is an Impaired Value Investment, within the requirements of the Fund Agreement.

The Fund Agreement provides the General Partner with wide-ranging authority on the determination of Impaired Value Investments, and the criteria used by the General Partner or its affiliates in valuing an investment, or determining whether an investment is an Impaired Value Investment, have the potential to be subjective, to be influenced by market information and other factors, and to vary over time. There can be no assurance that a third party or investor would agree with the substance or timing of the General Partner's determination that an investment is an Impaired Value Investment, and, except as set forth in the Fund Agreement, neither the General Partner nor its affiliates is obligated to follow any third-party methodology in making its determination on whether an investment meets the relevant standards or whether value can be recovered or retained during the Fund's holding period. In making its determination, the General Partner is entitled to make its own determination taking into account all facts and circumstances it

deems relevant, subject to the provisions of the Fund Agreement. As a general matter, the standards for determining Impaired Value Investments are intended to be high, and are not intended to apply to investments experiencing partial or temporary declines in value. Because the amount of compensation to the General Partner and its affiliates is dependent in part on an investment's status as an Impaired Value Investment, the General Partner faces potential conflicts of interest in determining whether an investment meets, or continues to meet, the relevant criteria. Although the General Partner and its affiliates intend to operate in accordance with the Fund Agreement, as well as valuation and other practices and procedures, in order to mitigate the potential for subjectivity in making such determinations, there can be no assurance that such practices and procedures will address all of the necessary factors to do so, or completely eliminate all potential conflicts of interest in such determinations.

125. *Recent Developments in the Banking Sector.* An investment in the Fund is subject to the risk that one of the banks, brokers, hedging counterparties, lenders or other custodians (each, a “**Financial Institution**”) of some or all of the Fund’s (or any portfolio investment’s) assets fails to timely perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a “**Distress Event**”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. If a Financial Institution experiences a Distress Event, the Manager, the Fund or one of its portfolio investments may not be able to access deposits, borrowing facilities or other services, either permanently or for an extended period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation (“**FDIC**”), in the case of banks, and the Securities Investor Protection Corporation (“**SPIC**”), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties during Distress Events, there can be no assurance that such intervention will occur in a future Distress Event or that any such intervention undertaken will be successful or avoid the risks of loss, substantial delays or negative impacts on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of the General Partner to manage the Fund and its investments, and on the ability of the General Partner, the Fund and any portfolio investment to maintain operations, which in each case could result in significant losses and in unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event the Fund is not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of the Fund to access capital contributions or otherwise); the inability of the Fund to acquire or dispose of investments, or acquire or dispose of such investments at prices that the General Partner believes reflect the fair value of such investments; and the inability of portfolio investments to make payroll, fulfill obligations or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution’s services, it is also possible that the Fund or a portfolio investment will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital, or otherwise). Although the General Partner expects to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. The Fund and its

portfolio investments are subject to similar risks if a Financial Institution utilized by investors in the Fund or by suppliers, vendors, service providers or other counterparties of the Fund or a portfolio investment becomes subject to a Distress Event, which could have a material adverse effect on the Fund.

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

126. **Russia-Ukraine Conflict.** The ongoing military conflict between Russia and Ukraine has caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. However, the ultimate impact of the Russia-Ukraine conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Fund or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

The Russia-Ukraine conflict may have a significant adverse impact on, and result in significant losses to, the Fund. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of the Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which the Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives.

123. **Terrorist Activities.** Terrorist activities, anti-terrorist efforts, armed conflicts involving the United States or its interests abroad and natural disasters may adversely affect the United States, its financial markets and global economies and could prevent the Fund from meeting its investment objectives and other obligations. The potential for future terrorist attacks, the national and international response to terrorist attacks, acts of war or hostility and natural disasters have created many economic and political uncertainties in the past and may do so in the future, which may adversely affect the United States and world financial markets and the Fund for the short or long-term in ways that cannot presently be predicted.

On October 7, 2023, a Hamas militant group breached the fences separating Israel and Gaza and entered southern Israel, killing at least 1,400 people, many of them civilians. The foregoing attack sparked an armed conflict, which is currently ongoing, between Palestinian militant groups led by Hamas and Israel (the "**2023 Israel-Hamas War**"). Although, a state of hostility has existed since the establishment of the State of Israel in varying degrees of intensity between various Arab countries and Israel, the current conflict between Israel and Hamas has escalated to a heightened level not seen in recent years and may escalate further. Additionally, while Israel has entered into

peace agreements with both Egypt and Jordan and several other countries have previously announced their intentions to establish trade and other relations with Israel, the 2023 Israel-Hamas War has created tremendous unrest and uncertainty in the region, which may threaten any such peace agreements. A further expansion of the hostilities between Israel and Hamas or other groups or states allied or sympathetic to Hamas could have significant international ramifications. The ongoing 2023 Israel-Hamas War may have a significant adverse impact and result in significant losses to the Fund, including those described above and in “—*Russia-Ukraine Conflict*.” The ultimate impact of the 2023 Israel-Hamas War and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Fund or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

10. CERTAIN LEGAL, TAX AND REGULATORY CONSIDERATIONS

CERTAIN SECURITIES LAW CONSIDERATIONS

U.S. Investment Company Act of 1940.

The Fund does not intend to register as an investment company under the 1940 Act in reliance of Sections 3(c)(1) and/or 3(c)(7) of the 1940 Act, which exempts from registration issuers that are not making a public offering of securities and whose outstanding securities are either beneficially owned by not more than 100 persons who meet certain conditions or are owned exclusively by “qualified purchasers,” respectively. Accordingly, Limited Partners are not afforded the protections of the 1940 Act.

There is no assurance that such exemptions will continue to be available to the Fund. Due to the burdens of compliance with the 1940 Act, the performance of the Fund’s investment portfolio could be materially adversely affected, and risks involved in financing portfolio investments could substantially increase, if the Fund becomes subject to registration under the 1940 Act. Neither the Fund nor its counsel can assure investors that, under certain conditions, changed circumstances, or changes in the law, the Fund may not become subject to the 1940 Act or other burdensome regulation.

U.S. Investment Advisers Act of 1940.

The Manager expects to register as an investment adviser with the U.S. Securities and Exchange Commission (the “**SEC**”) under the Investment Advisers Act. The Manager expects to expend a significant amount of time and expense complying with the reporting and recordkeeping obligations to ensure that it complies with the requirements of the Investment Advisers Act. Such efforts could detract from the Manager’s ability to effectively manage the business of the Fund, and accordingly, negatively impact investors’ returns. The General Partner’s carried interest is intended to comply with Rule 205-3 promulgated under the Investment Advisers Act. In the event that the Fund makes distributions of property other than cash, the amount of any such distribution shall be accounted for as determined by the General Partner in accordance with the Fund Agreement, and an independent appraisal will not necessarily be obtained. Investors in the Fund will be required to represent to the Fund that they are “qualified clients” or “qualified purchasers” as such terms are defined under the 1940 Act and the Investment Advisers Act.

U.S. Securities Act of 1933.

The limited partner interests described herein are not registered under the 1933 Act or U.S. state or non-U.S. securities laws in reliance upon the exemptions for transactions not involving a public offering. As a purchaser of limited partner interests in a private placement not registered under the 1933 Act, each investor will be required to make certain representations to the Fund, including that the investor is acquiring such interests for investment, and not with a view to resale or distribution, and that it is an “accredited investor,” as defined in Regulation D promulgated under the 1933 Act. Further, each investor must be prepared to bear the economic risk of an investment in the Fund for an indefinite period, since limited partner interests in the Fund cannot be sold unless they are subsequently registered under the 1933 Act or an exemption from such registration is available. It is extremely unlikely that Interests will ever be registered under the 1933 Act.

U.S. Securities Exchange Act of 1934.

It is not expected that the Fund will be required to register the Interests or any other security of the Fund under Section 12(g) or any other provision of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the “**Exchange Act**”). As a result, the Fund

would not be subject to the periodic reporting and related requirements of the Exchange Act and Limited Partners should only expect to receive the information and reports required to be delivered pursuant to the Fund Agreement and applicable law.

In connection with any acquisition of beneficial ownership by the Fund, or by a group that includes the Fund, of more than 5% of any class of the equity securities of a company registered under the Exchange Act, the Fund may be required to make certain filings with the SEC. Generally, these filings require disclosure of the identity and background of the purchasers, the source and amount of funds used to acquire the securities, the purpose of the transaction, the purchaser's interest in the securities, and any contracts, arrangements, or undertakings regarding the securities. In certain circumstances, the Fund may be required to aggregate its investment position in a given portfolio investment with the beneficial ownership of that investment's securities by, or on behalf of, the General Partner and its affiliates or other members of a group that includes the Fund, which could require the Fund, together with such other parties, to make certain disclosure filings or otherwise restrict the Fund's activities with respect to such portfolio investment securities.

Also, if the Fund becomes the beneficial owner of more than 10% of any class of the equity securities of a company registered under the Exchange Act, or otherwise becomes an "affiliate" of such a company, the Fund may be subject to certain additional reporting requirements and to liability for short swing profits under Section 16 of the Exchange Act. The Fund intends to manage its investments so as to avoid the short swing profit liability provisions of Section 16 of the Exchange Act.

U.S. Federal Commodities Regulation

The Fund expects to trade in instruments regulated by the CFTC, and in such event the General Partner and/or its affiliates intend to qualify for an applicable exemption from registration with the CFTC as a commodity pool operator ("**CPO**") with respect to the Fund (and/or such entities) pursuant to CFTC Regulation 4.13(a)(3), which requires filing a notice of exemption with the National Futures Association. This regulation also generally requires that (i) the limited partner interests are exempt from registration under the 1933 Act and are not publicly marketed in the U.S. and (ii) at the time of the relevant investment, with respect to the Fund's positions in CFTC-regulated instruments: (A) aggregate initial margin and related amounts required to establish such positions, determined at the time the most recent position was established, will not exceed 5% of the liquidation value of the Fund's portfolio, after taking into account unrealized profits and unrealized losses on any such positions; or (B) the aggregate net notional value of such positions, determined at the time the most recent position was established, does not exceed 100% of the liquidation value of the Fund's portfolio, after taking into account unrealized profits and unrealized losses on any such positions. Therefore, unlike a registered CPO, the General Partner and/or such affiliates would not be required to deliver a CFTC-compliant disclosure document and a certified annual report to investors. Nonetheless, the General Partner does intend to provide investors with an annual audited financial statements and the reports described in the Fund Agreement.

The General Partner and/or its affiliates reserve the right to pursue an alternative exemption from CPO registration, or else register with the CFTC.

This Memorandum is intended to present a general outline of the policies and structure of the Fund and the General Partner. Each prospective Limited Partner should thoroughly review the Fund Agreement, which specifies the rights and obligations of the Partners. The "*Summary Term Sheet*" contained herein is necessarily incomplete and is qualified in its entirety by reference to the Fund Agreement. Copies of the Fund Agreement and subscription agreement will be made available upon request.

Alternative Investment Fund Managers Directive

The Alternative Investment Fund Managers Directive (the “**AIFMD**”), as implemented in each member state of the European Economic Area (“**EEA**”) and as implemented and retained by the United Kingdom (“**UK**”) following its departure from the EU, regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors in the EEA and the UK, respectively.

To the extent the Fund is actively marketed to investors domiciled or having their registered office in the EEA or the UK: (i) the Fund and the Manager will be subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which will result in the Fund incurring additional costs and expenses; (ii) the Fund and the Manager may become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions or the UK, which would result in the Fund incurring additional costs and expenses or may otherwise affect the management and operation of the Fund; (iii) the Manager will be required to make detailed information relating to the Fund and its investments available to regulators and third parties; and (iv) the AIFMD will also restrict certain activities of the Fund in relation to EEA or UK Portfolio Investments, including, in some circumstances, the Fund’s ability to recapitalize, refinance or potentially restructure a Portfolio Investment within the first two years of ownership, which may in turn affect operations of the Fund generally. In addition, it is possible that some jurisdictions will elect to restrict or prohibit the marketing of non-EEA funds to investors based in those jurisdictions, which may make it more difficult for the Fund to raise its targeted amount of Capital Commitments.

The Manager or its affiliates may provide this Memorandum and other information regarding the Fund and the limited partner interests therein to UK or EEA Investors who have contacted the Manager, its affiliates or its placement agent at the Investor’s own initiative to request such information. Where information is provided in response to an own-initiative request by a prospective Investor, such Investor will not benefit from any protections or rights under the AIFMD in respect of any resulting subscription for limited partner interests in the Fund.

Other Securities Laws.

The Interests will not be registered under any other securities laws, including U.S. state securities or blue-sky laws and non-U.S. securities laws.

There is no public market for the Interests and no such market is expected to develop in the future. The Interests may not be sold or transferred (i) except as permitted under the Fund Agreement and (ii) unless they are registered under the 1933 Act and under any other applicable securities laws or an exemption from such registration thereunder is available.

AUTOMATIC EXCHANGE OF INFORMATION REGIMES AND INTERNATIONAL AGREEMENTS TO IMPROVE TAX COMPLIANCE

Numerous jurisdictions have enacted, or have committed to enact, legislation and administrative guidance requiring the collection and sharing of certain information to combat tax avoidance. The Organization for Economic Co-operation and Development (the “**OECD**”) has published a global Common Reporting Standard (the “**CRS**”) for the automatic exchange of financial account information pursuant to which many countries have signed and implemented multilateral agreements requiring the collection and sharing of similar information. The EU has also signed separate automatic exchange of information agreements with certain non-EU countries, pursuant to which the EU and the relevant jurisdiction will automatically exchange information on the financial accounts of each other’s residents. Other countries may sign and implement these or similar arrangements in the future. Pursuant to these regimes, entities such as the Fund may be required to collect information concerning their owners and

may be required to share such information with the taxing authorities of jurisdictions in which the Fund invests or holds a financial account.

Additionally, FATCA aims to combat tax evasion by United States tax residents using foreign accounts. It includes certain provisions on withholding taxes and requires financial institutions outside the United States to pass information about their U.S. customers either directly with the IRS or, where an applicable intergovernmental agreement is in place between such non-U.S. financial institution's jurisdiction and the United States, via its own taxing authority.

FATCA imposes various documentation, registration, due diligence and reporting requirements on "foreign financial institutions" ("**FFIs**"). An FFI is generally any non-U.S. entity that (a) accepts deposits in the ordinary course of a banking or similar business, (b) holds financial assets for the benefit of one or more persons as a substantial portion of its business, or (c) is an investment entity, which includes (among other things) an entity engaged primarily in the business of investing or trading in securities or partnership interests or an entity that functions or holds itself out as a collective investment vehicle, a private equity fund, a hedge fund, a venture capital fund, a leveraged buyout fund, or any similar entity. However, whether a non-U.S. entity is an FFI may be modified by an IGA.

Different or reduced requirements apply to FFIs which (i) qualify as "exempt beneficial owners" (including certain governmental investors and certain tax-exempt organizations and pension funds), (ii) reside in a "Model 1 IGA" partner country, or (iii) enter into and comply with an agreement with the IRS (an "**FFI Agreement**"). IGAs, IGA-related guidance and FFI Agreements generally impose obligations on applicable FFIs to collect information concerning their account holders, report certain information about some or all account holders to the IRS or the applicable IGA country authority (which shares that information with the IRS), and, in certain cases, withhold upon payments to "recalcitrant account holders" and/or close their accounts. In addition, most FFIs are required to register with the IRS and obtain a global intermediary identification number, or "GIIN". The foregoing FATCA requirements apply in addition to the documentation and withholding requirements described below under Section 10 – "*Certain Legal, Tax and Regulatory Considerations – Certain U.S. Federal Income Tax Considerations – U.S. Taxation of Non-U.S. Limited Partners.*"

Failure to comply with the applicable requirements described above generally results in an FFI becoming subject to a 30% withholding tax on all of the withholdable payments made to it. "Withholdable payments" generally include any payment (or allocation from a partnership, if no corresponding payment is made) of (i) U.S.-source interest, dividends, and royalties (a "**FDAP Payment**") and (ii) the gross proceeds of a disposition of any stock, debt instrument, or other property that can produce U.S.-source dividends or interest (a "**Proceeds Payment**"). The withholding requirements with respect to FDAP Payments are currently in effect. The withholding requirements with respect to Proceeds Payments have been suspended indefinitely pursuant to proposed U.S. Treasury Regulations, which, pursuant to such proposed Treasury Regulations' preamble, can be relied on until the issuance of final regulations. The 30% withholding tax under FATCA also applies to withholdable payments made to a non-U.S. entity that is not an FFI unless such entity provides the withholding agent with a certification identifying each substantial U.S. owner of the entity, which generally includes any U.S. person who directly or indirectly owns more than 10% of the entity, or an exception applies. Certain Limited Partners may be able to credit the amount of any FATCA withholding tax against their actual U.S. tax liability (if any) and claim a refund of any amount of such withholding tax in excess of its actual U.S. tax liability. However, such credits or refunds are subject to various limitations and conditions.

If a Limited Partner fails to comply with applicable FATCA requirements, the Fund may be required to withhold 30% of withholdable payments received by the Fund that are distributable to such Limited

Partner, and may implement additional remedial measures. Additionally, if an investment in the United States is made through an alternative investment vehicle organized outside the United States, persons that make a withholdable payment to such alternative investment vehicle may be required to withhold the 30% FATCA tax unless the alternative investment vehicle complies with the FATCA requirements applicable to it.

The Fund and any alternative investment vehicles generally intend to comply with some or all of the aforementioned information exchange requirements. Limited Partners will be required to provide certifications and other information to the General Partner and/or the Manager pursuant to such requirements and failure to do so may result in withholding taxes, government-imposed remedies, expulsion of such Limited Partner from the Fund or alternative investment vehicles, or other remedial measures.

CERTAIN TAX CONSIDERATIONS

There are a number of tax considerations with respect to an investment in the Fund. Income or gains from investments held by the Fund may be subject to withholding taxes or other taxes in jurisdictions not described herein. Accordingly, prospective investors should consult their own tax and other advisers as to the suitability and tax consequences of an investment in the Fund in light of their particular circumstances. In respect of the Fund, the amount of tax due, if any, with respect to gains and income of the Fund will be determined separately for each partner. Each such partner will be responsible for keeping its own records and calculating and reporting any gain or loss resulting from a distribution from the Fund.

The tax rules or customary practices relating to tax or their interpretation in relation to the Fund, its assets, its investors or an investment in the Fund may change during the life of the Fund. In particular, both the level and basis of taxation may be subject to change. Additionally, the interpretation and application of tax rules and customary practices by any taxation authority or court to the Fund, its assets, its investors or an investment in the Fund may differ from that anticipated by the General Partners and its advisers. This may affect returns to investors.

Investors, the Fund and/or any vehicle in which the Fund has a direct or indirect interest may be subject to tax at source on interest, dividends, gains and other income in jurisdictions in which any such vehicles are located and/or investments are made. The Fund may also be liable to local taxation in certain jurisdictions if it, or an entity in which it has an interest, sells shares of a company resident in that jurisdiction. Such tax may or may not be creditable to, or deductible by, investors in their own jurisdictions.

The results of the Fund's activities may affect individual investors differently, depending upon their individual financial and tax situations. In particular, due to possible differences between the allocation of a gain or income for tax purposes and related distributions of cash, there can be no assurances that investors who are subject to tax on the allocated gain or income will receive distributions sufficient to fully satisfy their tax liabilities.

The General Partner and the Manager will endeavor to make decisions in the best interests of the Fund and its investors as a whole, but there can be no assurance that a result will not be more advantageous to some investors than others. The tax structuring of the Fund or its investments may not be tax efficient for any particular prospective investor. No undertaking is given that amounts distributed or allocated to investors will have any particular tax characteristics or that any specific tax treatment will be enjoyed.

Reduced rates of taxation may be available to certain investors under applicable tax treaties. Partners that wish to claim the benefit of an applicable income tax treaty may be required to submit information

to tax authorities in such jurisdictions. Potential investors should consult their own tax advisors regarding the tax consequences of an investment in the Fund.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of certain U.S. federal income tax considerations relating to an investment in the Fund by U.S. Limited Partners (as defined below). For purposes of this discussion, the “**Fund**” shall refer collectively to the Main Fund and the Blocker Fund. This discussion is based on provisions of the Internal Revenue Code of 1986, as amended (the “**Code**”), the regulations promulgated thereunder (the “**Treasury Regulations**”), Internal Revenue Service (“**IRS**”) rulings and pronouncements and judicial decisions now in effect. These authorities may be changed, perhaps with retroactive effect, so as to result in U.S. federal income tax consequences different from those set forth below, and such changes could adversely affect the tax consequences of an investment in the Fund by certain Limited Partners.

This discussion is intended to be general and does not address all of the tax considerations that may be relevant to any particular Limited Partner, or unless otherwise expressly set forth herein, to Limited Partners subject to special treatment under the U.S. federal income tax laws (for example, states and municipalities, banks, insurance companies, dealers in securities, private foundations, charitable remainder trusts, certain former citizens or residents of the United States, Limited Partners that are CFCs or PFICs (each, as defined below), or foreign governments or certain entities controlled by foreign governments).

This discussion does not address all of the material U.S. federal income tax consequences to the investors of an investment in the Fund, and generally does not address the consequences under any U.S. federal tax laws other than U.S. federal income tax laws (such as U.S. federal estate and gift tax laws), or all of the material U.S. state or local tax consequences of an investment to any investor. This discussion also does not address the tax consequences that may be relevant to non-U.S. investors except to the extent set forth below under the heading “—*U.S. Taxation of Non-U.S. Limited Partners*,” and does not address non-U.S. tax consequences of an investment in the Fund. The actual tax and financial consequences of the ownership or sale of Interests in the Fund will vary depending upon the investor’s circumstances. No assurance can be given that the IRS or any state or local taxing authority will concur with the following analysis or the tax consequences set forth below. No ruling has been or will be requested by the Fund from the IRS or any state or local taxing authority as to such matters.

For purposes of this discussion, a “U.S. Person” is generally (i) an individual who is a citizen or resident of the U.S. for U.S. federal income tax purposes, (ii) a corporation or other entity taxable as a corporation created or organized in the U.S. or under the laws of the U.S., any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source or (iv) a trust (A) that is subject to the supervision of a court within the U.S. and the control of one or more U.S. persons as described in Section 7701(a)(30) of the Code or (B) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. Person. A “U.S. Limited Partner” is a Limited Partner that is a U.S. Person. If a Limited Partner is a partnership for U.S. federal income tax purposes, the tax treatment of a partner in such partnership will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a Limited Partner treated as a partnership for U.S. federal income tax purposes, you should consult your tax advisers. This discussion does not constitute tax advice and is not intended to substitute for an investor’s own tax planning or the advice an investor should obtain from the investor’s own tax adviser.

Certain aspects of the discussion herein concern the potential investment in an entity classified as a partnership or as a disregarded entity for U.S. federal income tax purposes. Such an entity is referred to herein as a “**Flow-Through Entity**.”

For U.S. federal income tax purposes, the Fund intends to take the position (and this discussion assumes, except where otherwise indicated) that the Fund is not engaged in a trade or business by virtue of its own activities, or the activities of the General Partner and its affiliates. However, this position is not free from doubt and could be challenged by the IRS. If the Fund were deemed to be engaged in a trade or business for U.S. federal income tax purposes, the tax consequences for an investor could, in some cases, differ substantially from those discussed herein. Each prospective Limited Partner should consult with its tax advisor concerning such consequences. As noted below, the Main Fund may be deemed to be engaged in a U.S. trade or business by virtue of certain investments in Flow-Through Entities. See “—U.S. Taxation of Non-U.S. Limited Partners,” below.

Prospective investors should consult their own tax advisers regarding the U.S. federal, state, and local income tax consequences in their particular situations of the purchase, ownership, and disposition of Interests in the Fund, as well as any consequences under the laws of any other taxing jurisdiction.

Partnership Status

Subject to the discussion of “publicly traded partnerships” (“PTP”) below, under Treasury Regulations, a partnership organized under U.S. law is generally classified as a partnership for U.S. federal income tax purposes, unless it elects to be treated as a corporation. The classification of an entity as a partnership may not be respected for certain U.S. state, local or non-U.S. tax purposes.

An entity such as the Fund that would otherwise be classified as a partnership for U.S. federal income tax purposes may nonetheless be taxable as a corporation if it is a PTP. If the Fund were determined to be taxable as a corporation, it would be taxable on its earnings at corporate income tax rates, and any distributions to the Partners would be taxable as dividends to the Partners to the extent of the earnings and profits of the Fund. The General Partner intends to operate the Fund so it will neither elect to be treated as a corporation nor be treated as a PTP for U.S. federal income tax purposes. The General Partner intends to treat the Fund as a partnership for U.S. federal income tax purposes and the discussion herein assumes such treatment applies.

An organization that is classified as a partnership for U.S. federal income tax purposes is not generally subject to federal income tax itself, although it may be required to file an annual information return. The remainder of this discussion assumes that the Fund will be treated as a partnership for U.S. federal income tax purposes. No ruling will be sought from the IRS as to the tax classification of the Fund, and no assurance can be given that the IRS will concur with the foregoing.

The Fund generally will not pay U.S. federal income taxes (except as discussed below under “—U.S. Federal Income Tax Audits and Resulting Liabilities”), but each Limited Partner will be required to report its distributive share (whether or not distributed) of the income, gains, losses, deductions, and credits of the Fund (which may include the income and other tax items of any partnerships, limited liability companies or other flow-through entities in which the Fund invests). It is possible that the Limited Partners could incur income tax liabilities without receiving from the Fund sufficient distributions to pay such tax liabilities. The Fund’s taxable year will be the calendar year, or such other year as is required by the Code.

Treasury Regulations require taxpayers to make certain additional disclosures in connection with the filing of any tax return that reflects tax benefits from a “reportable transaction” as defined in the regulations, which include certain transactions that generate losses in excess of threshold amounts. To the extent that the Fund engages in a “reportable transaction,” Limited Partners of the Fund may be required to make certain disclosures in connection with their tax returns and may be subject to penalties if such disclosures are not made.

Limited Partners that are U.S. persons may be subject to various tax information reporting requirements with respect to non-U.S. entities as a consequence of investing in the Fund. Failure to satisfy the applicable requirements may result in substantial penalties. A prospective Limited Partner should consult its tax advisor with respect to all reporting requirements that may arise with respect to an investment in the Fund.

Taxation of U.S. Limited Partners

General

Each U.S. Limited Partner will be required to report on its U.S. federal income tax return and will be taxed upon its share of each item of the Fund's income, gain, loss, deduction and credit for each taxable year of the Fund ending with or within the Limited Partner's taxable year. See "*—Allocations of Income, Gain, Loss, Deduction and Credit*" below. Each item generally will have the same character and source (either U.S. or foreign), as though the Limited Partner realized the item directly. U.S. Limited Partners must report these items regardless of the extent to which, or whether, they receive cash distributions from the Fund for such taxable year, and thus may incur income tax liabilities in excess of any distributions from the Fund. Moreover, the Fund plans to invest in other partnerships and limited liability companies and may invest in certain securities, such as original issue discount obligations, preferred stock with redemption or repayment premiums, stock of certain types of foreign corporations, such as a "controlled foreign corporation" or "passive foreign investment company." These investments could cause the Fund, and consequently the U.S. Limited Partners, to recognize taxable income without receiving any cash. Thus, taxable income allocated to a U.S. Limited Partner may exceed cash distributions, if any, made to such Limited Partner. In such a case, a U.S. Limited Partner would have to satisfy tax liabilities arising from an investment in the Fund from such Limited Partner's own funds.

U.S. Limited Partners that are individuals, estates or trusts are subject to a Medicare tax of 3.8% on "net investment income" (or undistributed "net investment income," in the case of estates and trusts), with such tax applying to the lesser of such income or the excess of such person's adjusted gross income (with certain adjustments) over a specified amount. Net investment income includes net income from interest, dividends, annuities, royalties and rents and net gain attributable to the disposition of investment property. It is anticipated that all or a portion of the net income and gain attributable to an investment in the Fund will be included in a U.S. Limited Partner's "net investment income" subject to this Medicare tax. The Net Investment Income Tax is in addition to any other applicable tax.

With respect to U.S. Limited Partners who are individuals, certain dividends paid by a corporation, including certain qualified foreign corporations, and received by such holders may be subject to reduced rates of taxation. A qualified foreign corporation includes a non-U.S. corporation that is eligible for the benefits of a comprehensive income tax treaty with the U.S. which the Treasury Department determines to be satisfactory for these purposes and which includes an exchange of information provision. In addition, a non-U.S. corporation is treated as a qualified foreign corporation with respect to dividends received from that corporation on shares that are readily tradable on an established securities market in the U.S. U.S. Limited Partners, who are individuals, will not be eligible for reduced rates of taxation on any dividends if the payor is a PFIC (defined below) in the taxable year in which such dividends are paid or in the preceding taxable year. Prospective investors should consult their own tax advisors regarding the application of the foregoing rules to their particular circumstances.

Limitation on Deductibility of Interest on Investment Indebtedness

Except as described below, interest on any amount borrowed by (i) the Fund, to the extent allocable to a U.S. Limited Partner (other than a corporation) or (ii) a U.S. Limited Partner (other than a corporation) to purchase an interest in the Fund or to make a capital contribution to the Fund, which amount is allocable to investments by the Fund in debt instruments and in equity securities of corporate portfolio investments, generally will be “investment interest” and subject to a limitation on deductibility. In general, investment interest is deductible only to the extent of the taxpayer’s “net investment income.” For this purpose, “net investment income” generally includes net income from the Fund and other income from property held for investment (other than, in each case, income treated as business income). However, qualified dividend income, as defined under Section 1(h)(11)(B) of the Code, and long term capital gain are excluded from the definition of net investment income unless the taxpayer makes a special election to treat such dividend income or capital gain as ordinary income. Interest that is not deductible in the year incurred because of the investment interest limitation may be carried forward and deducted in a future year in which the taxpayer has sufficient investment income.

Interest on any amount borrowed by a U.S. Limited Partner to purchase an interest in the Fund or to make a capital contribution to the Fund, which amount is allocable to Flow-Through Investment (as defined below), generally will be treated as “business interest” expense (rather than as “investment interest”). The Fund’s interest expense from borrowings could be treated partially as “investment interest” expense (as discussed above) and partially as “business interest” expense.

Under current U.S. tax law, a U.S. Limited Partner’s allocable share of the net “business interest” expenses (i.e., the excess of “business interest” expense over “business interest” income) attributable to a Flow-Through Investment held by the Fund, plus interest attributable to any amount borrowed by such U.S. Limited Partner to purchase an interest in the Fund or to make a capital contribution to the Fund, which amount is allocable to a Flow-Through Investment for the applicable taxable year, generally will be deductible by such U.S. Limited Partner only to the extent that such interest expense does not exceed 30% of the U.S. Limited Partner’s allocable share of the applicable Flow-Through Investment’s “adjusted taxable income” for the applicable taxable year unless an exception applies, including the exception described below relating to real property trades or businesses. In the case of a partnership (such as the Fund), this limitation is generally computed at the level of the partnership. A Flow-Through Investment’s adjusted taxable income generally means its ordinary taxable business income computed without reduction for any business interest expenses. Interest that is not deductible in the year incurred because of the “business interest” limitation may be carried forward and deducted in a future year in which the taxpayer has sufficient adjusted taxable income. This limitation may increase the taxable income of the Fund and/or the entities in which the Fund invests, thereby decreasing the after-tax returns of the Fund or its investors.

Under current U.S. federal income tax law, most miscellaneous itemized deductions (e.g., investment advisory fees, tax preparation fees, unreimbursed employee expenses and subscriptions to professional journals) are disallowed for non-corporate taxpayers. Such disallowed deductions generally include a non-corporate U.S. Limited Partner’s share of the Fund Management Fee and most other Fund expenses. For taxable years beginning after December 31, 2025, the foregoing disallowance of miscellaneous itemized deductions is scheduled to expire, with a reinstatement of the limitation that individuals may deduct certain miscellaneous itemized deductions (e.g., investment advisory fees and tax preparation fees) only to the extent that these deductions exceed, in the aggregate, 2% of the taxpayer’s adjusted gross income, subject to further limitation based on the individual’s adjusted gross income. Partners that are corporations for U.S. federal income tax purposes are not affected by limitations on miscellaneous itemized deductions, but such limitations do apply to individual shareholders of subchapter S corporation Partners.

A non-corporate U.S. Limited Partner's allocable share of losses and expenses attributable to the Fund's ownership (directly or indirectly through an entity classified as a partnership or disregarded entity for U.S. federal income tax purposes) of an entity classified as a partnership or disregarded entity for U.S. federal income tax purposes that is engaged in a U.S. trade or business (a "**Flow-Through Investment**") will be subject to certain additional limitations. Losses attributable to a Flow-Through Investment, to the extent allocable to a non-corporate U.S. Limited Partner (and certain closely held and personal service corporations), generally also will be subject to the passive loss limitations, which limit the ability of such U.S. Limited Partners to use such losses to offset active business income, compensation income, and portfolio income (e.g., interest, dividends, capital gains from portfolio investments and royalties). The Fund's distributive share of income or losses from a Flow-Through Investment generally will be treated as passive activity income or losses. Accordingly, a Partner will be subject to the passive activity loss limitations on the use of any such losses, and such losses, together with any other passive activity losses generated by such other investments made by any such U.S. Limited Partner, can generally be used only to offset the Fund's passive activity income allocable to such Partner and any other passive activity income generated by such other investments. Income and gain of the Fund not treated as passive activity income generally will be treated as portfolio income, and a U.S. Limited Partner generally will not be able to use passive activity losses to offset such portfolio income from the Fund. Under the business interest expense limitation discussed below, additional limitations on deductibility may apply to the extent that any portion of a passive activity loss consists of interest expense incurred by the underlying business.

In addition, to the extent that a non-corporate U.S. Limited Partner's allocable share of a loss attributable to a Flow-Through Investment is otherwise available for use after application of the passive loss limitations, such loss may be treated as an "excess business loss." For taxable years beginning before January 1, 2029, a non-corporate U.S. Limited Partner may use an excess business loss to offset other income only up to a specified dollar amount (initially \$250,000, or \$500,000 in the case of married taxpayers), which will be adjusted for inflation. Any disallowed excess business loss generally will be added to the U.S. Limited Partner's net operating loss and may be carried over to future years. The deductibility of net operating loss carryforwards is subject to further limitations.

Adjusted Basis

Each U.S. Limited Partner generally will (subject to certain limitations discussed below) be entitled to deduct its allocable share of the Fund's losses to the extent of its tax basis in its Interests at the end of the tax year of the Fund in which such losses are recognized. A U.S. Limited Partner's adjusted basis in its Interests is, in general, equal to the amount of cash the U.S. Limited Partner has contributed to the Fund, increased by the U.S. Limited Partner's share of income and liabilities of the Fund, and decreased by the U.S. Limited Partner's proportionate share of cash distributions, losses and reductions in such liabilities.

Taxation of Distributions

Cash distributions (including distributions of certain "marketable securities" treated as cash distributions) from the Fund to U.S. Limited Partners generally are not taxable. Instead, a U.S. Limited Partner's adjusted basis in its Interests generally will be reduced by the amount of such cash distributions. However, to the extent cash distributions exceed the adjusted basis of a U.S. Limited Partner's Interests, the U.S. Limited Partner will recognize gain. Distributions (other than liquidating distributions) of property other than cash will reduce the adjusted basis (but not below zero) of a Limited Partner's Interests by the amount of the Fund's adjusted basis in such property immediately before its distribution. For purposes of the above-described rules, decreases in a U.S. Limited Partner's share of liabilities of the Fund (directly or through lower-tier partnerships) are treated as cash distributions.

As such, a U.S. Limited Partner will recognize gain in connection with a decrease in such U.S. Limited Partner's allocable share of liabilities of the Fund (directly or through lower-tier partnerships) if the amount of such decrease exceeds the U.S. Limited Partner's adjusted basis in its Interests. Thus, taxable income realized by a U.S. Limited Partner as a result of a reduction in its allocable share of liabilities of the Fund (directly or through lower-tier partnerships) may exceed the amount of cash, if any, that is distributed to a U.S. Limited Partner in the year in which such taxable income is realized.

Allocations of Income, Gain, Loss, Deduction and Credit

Pursuant to the Fund Agreement, items of the Fund's taxable income, gain, loss, deduction and credit are allocated so as to take into account the varying interests of the Limited Partners and General Partner over the term of the Fund. Treasury Regulations provide that allocations of items of partnership income, gain, loss and deduction will be respected for tax purposes if such allocations have "substantial economic effect," or are determined to be in accordance with a partner's interest in the partnership, and allocations of partnership credits will be respected if such allocations are in accordance with a partner's interest in the partnership. The General Partner believes allocations pursuant to the Fund Agreement should be given effect, for U.S. federal income tax purposes, and the General Partner intends to prepare tax information returns based on such allocations. It is possible, however, that the IRS could challenge the Fund's allocations as lacking "substantial economic effect" or as not being in accordance with the Limited Partners' and General Partner's interests in the Fund. Any resulting reallocation of tax items may have adverse tax and financial consequences to a U.S. Limited Partner.

Qualified Business Income Deduction

Certain non-corporate U.S. Limited Partners may be eligible for a deduction equal to a portion of the income allocated to them that is attributable to a Flow-Through Investment and certain other income. In general, a U.S. individual taxpayer is entitled to a deduction equal to 20% of the taxpayer's "qualified business income," plus 20% of the taxpayer's qualified REIT dividends and qualified publicly traded partnership income, subject in each case to certain limitations (collectively, the "qualified business income deduction"). "Qualified business income" is the sum of the taxpayer's income from qualified trades or businesses, but generally excludes capital gains and dividend income. Although many types of businesses are qualified trades or businesses, various types of service-related businesses are ineligible (including, for example, services in the fields of health, law, consulting, financial services and investment management). With respect to each taxable year, the 20% deduction with respect to qualified business income is subject to a cap based on a percentage of the individual's allocable share of the wages paid or capital invested with respect to the applicable qualified trade or business. Because of the foregoing limitations and the complexity associated with determining the amount of qualified business income and the applicable deduction limitations, there can be no assurances that any of the Fund's income will be qualified business income or otherwise eligible for the qualified business income deduction or that (if a portion of the Fund's income does constitute such income) the Fund will be able to provide information sufficient to enable individual U.S. Limited Partners to calculate their deductions with respect to such income. In addition, the tax law provision permitting the qualified business income deduction is scheduled to expire for taxable years beginning after December 31, 2025.

Limits on Deductions for Losses and Expenses

The ability of a Limited Partner to deduct its allocable share of any such net loss from its taxable income from other sources may be subject to a number of limitations in the Code. For example, each U.S. Limited Partner will not be entitled to deduct its share of Fund losses in excess of its adjusted basis in its Interests at the end of the tax year of the Fund in which such losses are recognized. Other

limitations that may apply for U.S. Limited Partners who are individuals or certain closely held corporations are limitations relating to “passive losses,” amounts “at risk,” “investment interest,” and “business interest.”

Because of some of these limitations, it is possible that, if the Fund had losses and income from different types of activities, certain investors may not be able to use losses from the Fund to reduce income therefrom. Prospective investors should consult their own tax advisers regarding the application of these rules to an investment in the Fund.

Organizational Expenses and Syndication Expenses

In general, neither the Fund nor any Partner may currently deduct organizational or syndication expenses. An election may be made by a partnership to amortize organizational expenses over a 180-month period. Syndication expenses must be capitalized and cannot be amortized or otherwise deducted. However, the capitalization of such syndication expenses may result in increased capital loss or decreased capital gain on the disposition or liquidation of an Interest in the Fund.

Sale or Disposition of Limited Partner Interests

A U.S. Limited Partner that sells or otherwise disposes of an Interest in the Fund in a taxable transaction generally will recognize gain or loss equal to the difference, if any, between the amount realized from the sale or disposition and the adjusted U.S. federal income tax basis of the Interests. The amount realized will include the U.S. Limited Partner’s share of the liabilities of the Fund (directly or through lower-tier partnerships) outstanding at the time of the sale or disposition. If the U.S. Limited Partner holds the Interests as a capital asset, such gain or loss generally will be treated as capital gain or loss to the extent a sale of assets by the Fund would qualify for such treatment, and such gain or loss generally will be long-term capital gain or loss if the U.S. Limited Partner has held the Interests for more than one year on the date of such disposition; *provided* that a contribution by the U.S. Limited Partner within the one-year period ending on such date will cause part of such gain or loss to be short-term. Gain from the sale or other disposition of an Interest will be treated as ordinary income to the extent attributable to any “unrealized receivables”, “inventory items” and similar ordinary income items of the Fund. Long-term capital gain of individuals is generally taxed at reduced rates.

Potential Delay in Receipt of Tax Information

The Fund may not be able to provide final tax filing information to the Limited Partners for any given fiscal year until after the initial tax filing deadlines for Limited Partner tax returns. As a result, Limited Partners should plan to obtain extensions of time for filing their income tax returns.

Taxation of U.S. Limited Partners with Respect to Foreign Corporations

The Fund may invest in stock of non-U.S. entities treated as corporations for U.S. federal income tax purposes. In that event, U.S. Limited Partners may be subject to special rules, as described below. Certain non-U.S. corporations may be treated as pass-through entities for U.S. tax purposes. U.S. Limited Partners may be required to report items of income, gain, loss and deductions annually regardless of whether such entity has distributed cash or other property to such U.S. Limited Partner.

Controlled Foreign Corporations. If a U.S. Person, including any U.S. Limited Partner, owns directly or by attribution at least 10% of the value or total voting power of a foreign corporation, such U.S. Person is considered a “U.S. Shareholder” with respect to the foreign corporation. If U.S. Shareholders in the aggregate own more than 50% of the voting power or value of the stock of such corporation, the foreign corporation will be classified as a “controlled foreign corporation” (a “**CFC**”). In general, U.S. Limited Partners will be treated as owning a proportionate amount of the stock of a foreign corporation owned by the Fund. Complex attribution rules apply, however, for purposes of determining ownership.

If a corporation is treated as a CFC at any point during the taxable year, then each U.S. Shareholder of a CFC generally will be subject to current U.S. tax on its proportionate share of certain types of undistributed income of the foreign corporation (e.g., dividends, interest, certain rents and royalties, gain from the sale of property producing such income and certain income from sales and services (“**Subpart F Income**”)) regardless of cash distributions from the company and in certain circumstances, of earnings of the CFC that are treated as invested in U.S. property. In addition, gain on the sale of the CFC’s stock attributable to a U.S. person treated as owning at least 10% of the voting stock of such CFC (during the period that the corporation is a CFC and thereafter for a five-year period) may be recharacterized in whole or in part as dividend income rather than capital gain. This gain may be eligible for reduced rates of tax on dividends discussed above if the CFC is treated as a qualified foreign corporation. It is possible that one or more non-U.S. Portfolio Investments may be treated as CFCs and that U.S. Limited Partners may be treated as U.S. Shareholders.

In addition, a U.S. Shareholder of a CFC is subject to an additional taxable income inclusion for its pro-rata amount of “global intangible low-taxed income” (“**GILTI**”). The includable amount of such income is the 10% U.S. Shareholder’s share of the excess of the CFC’s “net CFC tested income” above a notional 10% annual return on the CFC’s aggregate adjusted tax basis in certain tangible depreciable business assets. Corporate U.S. shareholders are entitled to a deduction equal to 50% of the GILTI amount until 2025 (and a deduction equal to 37.5% of the GILTI amount thereafter) and may be able to offset a share of such income inclusions with deemed paid foreign tax credits, subject to a number of complex limitations on the use of such credits.

With respect to GILTI, even if a Fund is a 10% U.S. Shareholder with respect to a CFC, only U.S. Limited Partners who are themselves 10% U.S. Shareholders with respect to such CFC on a direct or indirect basis are required to include their share of tested income and assets of such CFC in calculating the U.S. Limited Partner’s GILTI amount for U.S. federal income tax purposes. Similarly, even if a Fund is a 10% U.S. Shareholder with respect to a CFC, only U.S. Limited Partners who are themselves 10% U.S. Shareholders with respect to such CFC on a direct or indirect basis are required to include their share of such “Subpart F” income from such CFC for U.S. federal income tax purposes. These “look-through” rules do not apply with respect to gain on sale of CFC stock that is re-characterized in whole or in part as dividend income, which re-characterization continues to apply to U.S. Partners if the Fund is a 10% U.S. Shareholder with respect to a CFC at any time during the 5-year period ending on the date of the sale of the CFC stock.

If a non-U.S. corporation that is a CFC would also be treated as a PFIC under the passive income or passive assets tests described below, the non-U.S. corporation is treated only as a CFC with respect to a U.S. Limited Partner that is itself a 10% U.S. Shareholder with respect to such CFC (i.e., in the event of an overlap, the CFC rules trump the PFIC rules).

Passive Foreign Investment Companies. U.S. tax law contains special provisions dealing with “passive foreign investment companies” (“**PFICs**”). A PFIC is defined as any non-U.S. corporation in which either (i) 75% or more of its gross income for the taxable year is “passive income” or (ii) 50% or more of its assets (by value) produce or are held for the production of “passive income.” There are no minimum stock ownership requirements for PFICs. Once a corporation qualifies as a PFIC with respect to a U.S. shareholder, it is, subject to certain exceptions, always treated as a PFIC with respect to such shareholder, regardless of whether it satisfies either of the qualification tests in subsequent years. If the Fund were to invest in a PFIC, any gain on disposition of stock of the PFIC, as well as income realized on certain “excess distributions” by the PFIC, would be treated as though such gain were realized ratably over the shorter of a U.S. Limited Partner’s holding period of its Interest or the Fund’s holding period for the PFIC. Such gain or income would be taxed as ordinary income. In addition, an interest charge would be imposed on the Partner based on the tax deemed deferred from

prior years. If the Fund were to invest in a PFIC and the Fund made a “qualified electing fund” election (a “**QEF election**”) under the Code, in lieu of the foregoing treatment, the Fund would be required to include in income each year a portion of the ordinary earnings and net capital gains of the qualified electing fund, even if not distributed to the Fund (“**QEF inclusion**”). A QEF inclusion that is not accompanied by a distribution of cash or property generally will increase a U.S. Limited Partner’s tax basis in the PFIC stock. Any gain resulting from a disposition of PFIC interests will be taxed as short- or long-term capital gain.

Current Treasury Regulations allow a U.S. limited partnership (such as the Fund or a U.S. alternative investment vehicle of the Fund) to make a QEF election with respect to the PFIC. Under recent proposed Treasury Regulations, a U.S. Limited Partner that indirectly owns PFIC stock through a U.S. limited partnership (such as the Fund or a U.S. alternative investment vehicle of the Fund) is permitted to make a QEF election for the stock of the PFIC indirectly owned by the U.S. Limited Partner by reason of its interest in the Fund or a U.S. alternative investment vehicle. In contrast to the current Treasury Regulations, however, a QEF election made by a U.S. Limited Partner applies to all of the PFIC stock owned by such Partner, even if owned outside of the Fund (or U.S. alternative investment vehicle). Any U.S. Limited Partner making a QEF election under the proposed Treasury Regulations must notify the Fund (or U.S. alternative investment vehicle) of the election to assist such partnership with information reporting requirements and tracking tax basis in the QEF stock. To make a QEF election, among other things, the IRS would have to be supplied with an information statement provided by the PFIC. The Fund may be unable to, and is not required to, obtain the information (or under the proposed Treasury Regulations, provide the information to the applicable U.S. Limited Partners to enable them) to make and maintain a valid QEF election.

Alternatively, an election may be made by the Fund in the case of certain “marketable stock” to “mark-to-market” the stock of a PFIC on an annual basis. Pursuant to such an election, the Fund would include in each year as ordinary income the excess, if any, of the fair market value of such stock over its adjusted basis at the end of the taxable year.

The proposed Treasury Regulations referred to above also permit a U.S. Limited Partner to make a mark-to-market election where the U.S. Limited Partner owns marketable stock indirectly through the Fund or a U.S. alternative investment vehicle. Similar notification requirements apply to such U.S. Limited Partners if they choose to make such election.

There can be no assurance that (i) a company in which the Fund invests will not be a PFIC, (ii) a PFIC in which the Fund does invest will provide the information necessary for a QEF election to be made or (iii) the stock of a non-U.S. corporation in which the Fund invests will be marketable.

Foreign Tax Credit Limitations

The Fund may invest in securities of corporations and other entities organized outside the U.S. Income from such investments, including interest, dividends, and gains, may be subject to non-U.S. withholding taxes. Although an income tax treaty in effect between the country of the issuer of securities in which the Fund invests and the country of which a Limited Partner is a resident may reduce or eliminate such non-U.S. withholding taxes, there can be no assurance that the benefit of such an income tax treaty will extend to payments made to the Fund. To claim the benefits of such an income tax treaty, if any, a Limited Partner may be required to file a claim for a refund with the country of the issuer. Additionally, to claim the benefits of such a treaty, a Limited Partner may be required to provide certain information and/or certifications.

U.S. Limited Partners generally will be entitled to a foreign tax credit with respect to non-U.S. income taxes paid directly by the Fund on the income and gains of the Fund. However, there are complex

rules contained in the Code that may, depending on each U.S. Limited Partner's particular circumstances, limit the availability or use of foreign tax credits. U.S. Limited Partners, including those who may be unable to claim or use foreign tax credits, may be able to claim a deduction for such non-U.S. income taxes paid.

Except in limited circumstances, U.S. Limited Partners generally will not be entitled to an indirect foreign tax credit with respect to non-U.S. income taxes paid by a Portfolio Investment treated as a non-U.S. corporation for U.S. federal income tax purposes. Instead, U.S. Limited Partners that are corporations and that own, directly or indirectly, 10% or more of the Portfolio Investment may be entitled to deduct part or all of the dividends from such Portfolio Investment.

In general, foreign tax credits can only be used to offset non-U.S. source income. To the extent a U.S. Limited Partner qualifies for a foreign tax credit, the U.S. Limited Partner's share of gain from the sale of the Fund's non-U.S. investments may be treated as U.S. source income. Consequently, a U.S. Limited Partner may not be able to use the foreign tax credit relating to non-U.S. taxes, if any, imposed on such gains unless such credit can be applied against the U.S. federal income tax due on other income derived from non-U.S. sources. Certain losses arising from the Fund may be treated as non-U.S. source losses, which could reduce the amount of foreign tax credits otherwise available.

Foreign Currency Gain or Loss

The Fund may engage in transactions involving non-U.S. currencies. If the Fund engages in such transactions, it is likely that the Fund and the U.S. Limited Partners will experience foreign currency gain or loss with respect to the Fund's investments. In general, foreign currency gain or loss is treated as ordinary income or loss. Prospective investors should consult their own tax advisers regarding the tax treatment of foreign currency gain or loss.

Local Tax Consequences

Prospective investors should also consider the potential state and local tax consequences of an investment in the Fund. In addition to being taxed in its own state or locality of residence, a Limited Partner may be subject to tax return filing obligations and income, franchise and other taxes in jurisdictions in which the Fund or its Portfolio Investments operate. Potential investors should consult their own tax advisors regarding the local consequences of an investment in the Fund.

U.S. Taxation of Non-U.S. Limited Partners

The discussion below summarizes certain U.S. federal income tax considerations applicable to a Non-U.S. Limited Partner that is considering an investment in the Fund. As used herein, the term "Non-U.S. Limited Partner" means any Limited Partner that is not a United States Person. The U.S. federal income tax treatment of a non-U.S. Limited Partner investing as a Limited Partner in the Fund is complex and will vary depending on the circumstances and activities of such Limited Partner and the Fund. Each non-U.S. Limited Partner should consult its tax advisor regarding the U.S. federal, state and local and non-U.S. income, estate and other tax consequences of an investment in the Fund. This summary assumes that a Non-U.S. Limited Partner is not engaged in a trade or business within the United States, and has no U.S. source income, other than as a result of its investment in the Fund.

As a condition of admission to the Fund, each non-U.S. Limited Partner generally will be required to complete, execute and deliver to the General Partner the version of IRS Form W-8 applicable to such non-U.S. Limited Partner. A non-U.S. Limited Partner that is an intermediary or classified as a partnership or disregarded entity for U.S. federal income tax purposes generally also will be required to provide applicable tax information and certificates with respect to its investors.

A Non-U.S. Limited Partner generally will be subject to U.S. federal withholding taxes at the rate of 30% (or such lower rate provided by an applicable tax treaty) on its share of U.S.-source Fund income from dividends, interest (other than interest that constitutes portfolio interest within the meaning of the Code), and certain other income that is not treated as “effectively connected with the conduct of a trade or business within the United States,” as defined in Section 864 of the Code (“**ECI**”). A Non-U.S. Limited Partner claiming a reduced rate of withholding under an applicable tax treaty will be required to certify its eligibility for such reduced rate (generally by providing the applicable version of IRS Form W-8 completed in a manner satisfactory to the General Partner).

As noted above, the Fund intends to take the position (and this discussion generally assumes) that the Fund is not engaged in a U.S. trade or business by virtue of its own activities or the activities of the General Partner and its affiliates. Accordingly, it is expected that a non-U.S. Limited Partner’s share of the Fund’s gain from the sale of portfolio investments (other than Flow-Through Investments that are engaged in a U.S. trade or business) generally should not be subject to U.S. federal income tax unless the investment constitutes a U.S. real property interest (which may include stock in a corporation if 50% or more of the applicable assets of the corporation, by value, were U.S. real property interests at any time during the Fund’s direct or indirect ownership of such corporation’s securities in the prior five years (such a corporation, a “**USRPHC**”)).

However, the Fund may make one or more Flow-Through Investments in entities that are directly or indirectly engaged in (or deemed to be engaged in) a U.S. trade or business or make investments directly or indirectly in U.S. real estate assets (see discussion below) that may generate ECI. If a Non-U.S. Limited Partner were to realize ECI through the Fund, (i) a non-U.S. Limited Partner’s share of the Fund’s income that is ECI (including operating income from a Flow-Through Investment and gain from sale of equity interests in, or the assets of, such a Flow-Through Investment) would be subject to U.S. federal income tax at regular U.S. federal income tax rates on such ECI, and the Fund would be required to withhold amounts in respect of such tax, (ii) a Non-U.S. Limited Partner that is a corporation would be subject to the branch profits tax at a current rate of 30% (or lower treaty rate), (iii) the Non-U.S. Limited Partner may be subject to U.S. federal income tax (and, in the case of a corporation, branch profit tax) on any gain from the sale or other disposition of its Interest to the extent that such gain is attributable to such Non-U.S. Limited Partner’s share of any assets of the Fund that give rise to ECI (and the acquirer in such disposition would be required to withhold 10% of the amount realized by such Non-U.S. Limited Partner on such disposition, or 15% if the partnership interest constitutes a USRPI (as defined below)) (see below “*Certain Dispositions of Interests in the Fund*”), and (iv) the Non-U.S. Limited Partner would be required to file a U.S. federal income tax return with respect to the non-U.S. Limited Partner’s share of Fund income that is ECI. If a Non-U.S. Limited Partner in the Fund did not file U.S. federal income tax returns and such investor were later determined to have realized ECI, such investor might not be entitled to offset its losses and deductions against its gross ECI (and, therefore, could be taxable on its gross, rather than net, ECI) and other generally applicable penalties could apply. Similar consequences would apply if the Fund were treated as being directly engaged in a U.S. trade or business by virtue of its own activities or the activities of the General Partner and its affiliates.

The Fund may also make Investments that will be treated as “United States real property interests” (“**USRPIs**”) for purposes of the Foreign Investment in Real Property Tax Act of 1980 (“**FIRPTA**”) provisions set forth in Section 897 of the Code. A Non-U.S. Limited Partner (other than a “qualified foreign pension fund” (“**QFPF**”) as defined in Section 897(l)(2) of the Code) generally will be treated as if it realized ECI subject to tax at normal graduated U.S. federal income tax rates (as described above) under FIRPTA if the Fund recognizes a gain on the disposition of a USRPI (which includes (i) a direct interest in U.S. real property, (ii) any interest in a corporation (including an entity classified as

a real estate investment trust (“**REIT**”) under the Code) that is treated as a USRPHC, or (iii) a Flow-Through Entity, if the Fund sells its interest in such entity at a time when more than 50% of the value of the entity’s assets constitute USRPIs and more than 90% of the value of the entity’s assets constitute USRPIs plus cash and cash equivalents) (the “50/90 Test”). However, to the extent that the Fund invests in an interest in a REIT, the stock of which is owned less than 50% (by value) by non-U.S. persons, directly or indirectly, at all times during the prior five years (a “**Domestically-Controlled REIT**”), the interests in such REIT will not be treated as a USRPI. At this time, it cannot be determined with any certainty whether the Fund will invest in any Domestically-Controlled REIT.

If finalized, proposed Treasury Regulations would introduce a limited “look-through” rule for purposes of determining whether a REIT is a Domestically-Controlled REIT. Under such proposed Treasury Regulations, (1) a non-publicly traded domestic C corporation is a “look-through person” if 25% or more of its outstanding stock (by value) is owned, directly or indirectly, by non-U.S. persons, (2) “look-through persons” include non-publicly traded partnerships, REITs, regulated investment companies, trusts and S corporations and (3) REIT stock is treated as held proportionately by each look-through person’s owners that are non-look-through persons. This look-through rule would be effective for transactions, including sales of REIT stock (and redemptions of Fund interests where Fund holds a REIT), occurring on or after the date final regulations are issued that implement the proposed regulations; it is possible that such final regulations differ materially from the proposed regulations. The proposed regulations do not contemplate grandfathering ownership structures established prior to finalization, and the U.S. Treasury Department stated that it may challenge positions contrary to the look-through rule prior to finalization. The General Partner is permitted to request (and Limited Partners could be required to provide) additional information related to a Limited Partner’s beneficial ownership so that the General Partner can determine the effect, if any, of the proposed regulations on the Fund and its Partners.

Additionally, distributions by a REIT to the Fund that are attributable to gain from sales or exchanges of USRPIs by the REIT, whether or not designated as a capital gain dividend, generally will be treated as gain that is ECI. Unless an exception applies (such as for a QFPF), Non-U.S. Limited Partners will be taxed on this gain at the same rates applicable to U.S. Limited Partners, subject to a special alternative minimum tax in the case of nonresident alien individuals. Also, this gain may be subject to a 30% (or lower applicable treaty rate) branch profits tax in the hands of a Non-U.S. Limited Partner that is a corporation. The Fund will be required to withhold and pay over to the U.S. tax authorities a percentage of the proceeds equal to the highest applicable U.S. income tax rate of each Non-U.S. Limited Partner’s (other than QFPFs) allocable share of any distributions made by a REIT to the Fund that are designated as capital gain dividends. Distributions can be designated as capital gain dividends to the extent of a REIT’s net capital gain for the taxable year of the distribution. Any tax withheld by the Fund (which may exceed the actual tax liability) will be allowed as a credit against the amount of U.S. tax owed by the Non-U.S. Limited Partner. The General Partner will be required to withhold tax on the allocable portion of the distribution that is attributable to gain from the sales or exchanges by a REIT of a USRPI if and to the extent that such gain constitutes ECI pursuant to Notice 2007-55.

The Fund will be required to withhold and pay over to the U.S. tax authorities tax in an amount equal to the highest applicable rate of tax in effect for the taxable year of disposition multiplied by each non-U.S. Partner’s distributive share of the gain realized on the disposition of a USRPI (other than in the case of a QFPF). Gain realized by a Non-U.S. Limited Partner (other than certain non-U.S. pension plans) from the sale of all or any portion of its interest in the Fund will be subject to U.S. federal income tax to the extent the gain is attributable to USRPIs owned (directly or indirectly) by the Fund. In such case, the U.S. federal income tax consequences (including U.S. federal income tax return filing

requirements) described above generally would apply, except that the U.S. branch profits tax does not apply to gain recognized on the disposition of the stock of a USRPHC.

With respect to income generated by the Fund from U.S. activities, other than ECI, Non-U.S. Limited Partners (i) generally will not be subject to U.S. federal income tax in respect of capital gains realized by the Fund, (ii) generally will not be subject to withholding tax in respect of any U.S. source interest income of the Fund that qualifies as “portfolio interest” under the Code, and (iii) will be subject to withholding tax in respect of any U.S. source dividend income of the Fund, certain U.S. source interest income that does not qualify as “portfolio interest” under the Code, and other U.S. source fixed and determinable annual or periodic income of the Fund, generally at the current statutory rate of 30% (subject to possible reduction pursuant to any applicable income tax treaty).

If the Fund proposes to make one or more U.S. Flow-Through Investments, the Blocker Fund expects to make such investment through one or more blocker corporations (or other structures) designed to prevent Non-U.S. Limited Partners investing through the Blocker Fund from recognizing ECI from such investment. However, Limited Partners in the Blocker Fund will be responsible for all costs, expenses and reduction in proceeds that the General Partner determines are attributable to such blocker corporations (or other structures), including, without limitation, those related to the structuring, formation, operation and liquidation of, and all taxes incurred in connection with, related to or imposed on, a blocker corporation or other structure. In addition, each blocker corporation typically will form, with the General Partner, one or more flow-through entities to hold all or a portion of the Blocker Fund’s investment in the applicable Flow-Through Investment, or will use other structures so that, to the maximum extent possible, the capital contributions of and the aggregate net distributions received and retained by the General Partner are the same in timing, amount, and character as the General Partner would have received and retained if the Blocker Fund had made such investment directly rather than through a blocker corporation.

To avoid the imposition of withholding tax upon certain U.S. source income of the Fund, backup withholding, or to obtain any benefits pursuant to a treaty, a Non-U.S. Limited Partner will have to comply with certain information reporting requirements, including certification of its foreign status and, if applicable, its treaty eligibility.

A portion of any Other Fees from portfolio investments will be paid directly to the General Partner or an affiliate, which will then, subject to the terms of the Fund Agreement, reduce future Fund Management Fees otherwise payable by the Fund. In connection with the liquidation of the Fund (or at such earlier times as the General Partner may determine, in accordance with the Fund Agreement), the General Partner may pay amounts in respect of Other Fees to the Fund. Provided that a Non-U.S. Limited Partner irrevocably elects to waive its right to share in distributions of such amounts paid to the Fund in respect of Other Fees, such Non-U.S. Limited Partner should not be deemed to have received any portion of such Other Fees. There is, however, a risk that the IRS might take the position that a Non-U.S. Limited Partner should be treated as having received a portion of such fees and that such fees, if paid for services rendered in the U.S., constitute ECI. Any such ECI would be subject to U.S. federal income tax (including the reporting, branch profits, and withholding rules) as outlined above.

Certain Dispositions of Interests in the Fund

As noted above, if the Fund is treated as engaged (directly or indirectly) in a trade or business within the United States, any gain realized by a Non-U.S. Limited Partner from the sale or exchange of an interest in the Fund would constitute ECI to the extent such Non-U.S. Limited Partner’s distributive share of the amount of gain would have been treated as ECI if the Fund had sold all of its assets at fair market value as of the date of the sale or exchange of such interest. Furthermore, the transferee

of an interest in the Fund that is treated as engaged (directly or indirectly) in whole or in part in a U.S. trade or business will be required to deduct and withhold a tax equal to 10% of the amount realized (or deemed realized) on the sale or exchange such entire interest and remit the withheld amounts to the IRS unless the Fund or the non-U.S. Limited Partner is able to provide certain certifications related to ECI and U.S. real property interest determinations at the time of such transfer. The Fund may not be able to provide any such certifications related to any such ECI or U.S. real property interest determinations and neither the Fund nor the General Partner will be obligated to do so. If the transferee fails to withhold the required amount, the Fund will be required to deduct and withhold from distributions to the transferee a tax in an amount equal to the amount the transferee failed to withhold (plus interest on such amount).

U.S. Taxation of U.S. Tax-Exempt Investors

Income recognized by a U.S. tax-exempt entity is exempt from U.S. federal income tax, except to the extent of the entity's "unrelated business taxable income" within the meaning of Section 512 of the Code ("**UBTI**"). With exceptions for certain types of entities, UBTI generally is defined as income from a trade or business regularly carried on by a tax-exempt entity that is unrelated to its exempt purpose (including an unrelated trade or business regularly carried on by a partnership of which the entity is a partner). However, subject to the discussion below of debt financing and "acquisition indebtedness," UBTI generally does not include (i) dividends and interest, (ii) rents from real property, (iii) rents from personal property leased in connection with real property (provided that the amount of rent attributable to the personal property does not exceed 10% of the total rent received under the lease) and (iv) gains from the sale, exchange, or other disposition of property (except for "dealer property" or "inventory property" as discussed below). The exclusion from UBTI for rents from real property is not applicable if (a) more than 50% of the total rents received or accrued under the lease is attributable to personal property, (b) the determination of the amount of rent depends in whole or in part on the income or profits derived by any person from the property (other than an amount based on a fixed percentage of receipts or sales), or (c) services are rendered to the occupant primarily for its convenience or are other than those customarily rendered in connection with the rental of space for occupancy only.

Additionally, if the Fund (or a Flow-Through Entity in which the Fund invests) is at any time determined to be holding one or more of its assets primarily for sale to customers in the ordinary course of business ("**dealer property**"), or if one or more of its assets constitutes property of a kind that would properly be included in inventory if on hand at the end of the year ("**inventory property**"), any gain or loss realized upon the sale or exchange of such dealer property or inventory property, as the case may be, generally would be treated as UBTI to U.S. tax-exempt Limited Partners. Whether property is dealer property or inventory property depends on all of the facts and circumstances related to such property. There can be no assurance that the IRS will not contend that one or more of the assets held by the Fund (or a Flow-Through Entity in which the Fund invests) constitutes dealer property or inventory property. If the IRS were successful in such a contention, any gain from the sale of such assets generally would be treated as UBTI.

A U.S. tax-exempt entity deriving gross income characterized as UBTI that exceeds \$1,000 in any taxable year is obligated to file a U.S. federal income tax return, even if it has no liability for that year as a result of deductions against such gross income, including an annual \$1,000 statutory deduction. UBTI must be computed separately with respect to each trade or business of a tax-exempt entity, and thus, UBTI losses from one trade or business cannot be used offset UBTI of another trade or business. Accordingly, if the Fund generates UBTI, this rule may preclude a tax-exempt entity from using UBTI losses from other activities or investments to offset such income. However, to the extent provided in applicable U.S. Treasury regulations, UBTI income and losses from the Fund and other investment

funds in which such U.S. tax-exempt Limited Partner invests may potentially be aggregated if certain conditions are met. Each U.S. tax-exempt Limited Partner should consult its tax advisor concerning the calculation of any UBTI in respect of its interest in the Fund.

If the Fund makes Flow-Through Investments, all or a portion of the income or gain derived by the Fund with respect thereto generally will be treated as UBTI.

In addition, a portion of any Other Fees will be paid directly to the General Partner or an affiliate, which will then, subject to the terms of the Fund Agreement, reduce future Fund Management Fees otherwise payable by the Fund. In connection with the liquidation of the Fund, the General Partner may pay amounts in respect of Other Fees to the Fund or the Limited Partners. Provided that a tax-exempt Limited Partner irrevocably elects to waive its right to receive or share in distributions of amounts paid to the Fund in respect of Other Fees, such tax-exempt Limited Partner should not be deemed to have received any portion of such Other Fees. There is, however, a risk that the IRS might take the position that a tax-exempt Limited Partner should be treated as having received a portion of such fees, and if the Fund regularly received such fees, the tax-exempt Limited Partner's share of such fees could be treated as UBTI.

Furthermore, if a U.S. tax-exempt Limited Partner's acquisition of an Interest in the Fund is debt-financed, or the Fund incurs debt that is allocated to the acquisition of an investment, all or a portion of the income attributed to the "debt-financed property" would be included in UBTI regardless of whether such income would otherwise be excluded as dividends, interest, or other similar income. Such treatment would apply, in the case of ordinary income, only in tax years in which the Fund has indebtedness outstanding or, in the case of a sale, if the Fund had indebtedness outstanding at any time during the 12-month period prior to the sale. The Fund has the ability to borrow funds and thus may hold debt-financed property that may produce UBTI for a U.S. tax-exempt Limited Partner, even if the U.S. tax-exempt Limited Partner is a Limited Partner in the Blocker Fund.

As described above, certain Portfolio Investments by the Fund may cause certain taxable U.S. Limited Partners to have imputed income under the CFC and PFIC provisions of the Code. In general, however, a tax-exempt investor's allocable share of such income would not be treated as UBTI, unless dividends attributable to such stock would ordinarily be UBTI.

If the Fund proposes to make an investment in equity securities of a Flow-Through Investment, the Blocker Fund expects to make such investment through one or more blocker corporations (or other structures) designed to prevent U.S. tax-exempt Limited Partners investing through the Blocker Fund from recognizing UBTI from such investment. However, Limited Partners in the Blocker Fund will be responsible for all costs, expenses and reduction in proceeds that the General Partner determines are attributable to such blocker corporations (or other structures), including, without limitation, those related to the structuring, formation, operation and liquidation of, and all taxes incurred in connection with, related to or imposed on, a blocker corporation or other structure. In addition, each blocker corporation typically will form, with the General Partner, one or more flow-through entities to hold all or a portion of the Blocker Fund's investment in the applicable Flow-Through Investment, or will use other structures so that, to the maximum extent possible, the capital contributions of and the aggregate net distributions received and retained by the General Partner are the same in timing, amount, and character as the General Partner would have received and retained if the Blocker Fund had made such investment directly rather than through a blocker corporation.

The potential for having income characterized as UBTI may have a significant effect on any investment by a U.S. tax-exempt entity in the Fund. Prospective investors that are U.S. tax-exempt investors should consult their own tax advisers regarding all aspects of UBTI.

Section 4965 of the Code imposes excise taxes on certain tax-exempt entities and/or their managers if the entity is a party to a “prohibited tax shelter transaction” (as defined in Section 4965 of the Code). Under IRS guidance, a U.S. tax-exempt Limited Partner and/or its managers may be subject to excise taxes under Section 4965 of the Code as a result of transactions entered into by the Fund only if the Fund enters into a prohibited tax shelter transaction that is facilitated by reason of the tax-favored status of the U.S. tax-exempt Limited Partner. The Fund does not intend to enter into any prohibited tax shelter transaction that is facilitated by reason of the tax-favored status of any U.S. tax-exempt Limited Partner.

U.S. Federal Income Tax Audits and Resulting Liabilities

A partnership (including the Fund) appoints one person (the “**partnership representative**”) to act on its behalf in connection with IRS audits and related proceedings. The partnership representative’s actions, including the partnership representative’s agreement to adjustments of the Fund’s income in settlement of an IRS audit of the Fund, will bind all Partners. Pursuant to the Fund Agreement, the General Partner or its delegate will be designated as the partnership representative (and if the partnership representative is an entity, an individual person chosen by the General Partner will serve as the “designated individual” of the General Partner (or such other person as is designated as the partnership representative of the Fund) for purposes of Section 6223 of the Code and the Treasury Regulations promulgated thereunder), and the Partners are required, if necessary, to consent to such designation.

In addition, U.S. federal income taxes (and any related interest and penalties) attributable to an adjustment to the Fund’s income (or in some cases, taxes attributable to adjustments related to certain informational filings made by the Fund) following an IRS audit or judicial proceeding will, absent an election by the Fund to the contrary, have to be paid by the Fund in the year during which the audit or other proceeding is resolved, if such adjustment results in an increase in U.S. federal income tax liability (as determined under the tax rules applicable to audits of partnerships). If an adjustment to the Fund’s income following an IRS audit or judicial proceeding results in a reduction in U.S. federal income tax liability (as determined under the tax rules applicable to audits of partnerships), the adjustment will flow through to the Partners based on their interests for the year in which the audit or other proceeding is resolved. This could cause the economic burden of U.S. federal income tax liability (or the economic benefit of a favorable adjustment) arising on audit of the Fund to be borne by (or, in the case of a favorable adjustment, to benefit) Partners based on their interests in the Fund in the year during which the audit or other proceeding is resolved, even though such tax liability (or benefit) is attributable to an earlier taxable year in which the interests or identity of some or all of the Partners was different. The partnership audit rules also can cause the Fund’s U.S. federal income tax liability arising on audit to be computed in less advantageous ways than the tax liability of the Partners would be computed had the Fund not been audited (for example, by applying the highest marginal U.S. federal income tax rates and potentially ignoring the tax-exempt status of certain partners). Certain procedures may allow the Fund, in calculating taxes imposed on the Fund with respect to audit adjustments, to take into account certain applicable lower tax rates and the tax-exempt status of certain Partners, which may require Partners to provide certain information to the Fund (possibly including information about the owners of Partners classified as partnerships). In addition, if elected by the partnership representative, alternative procedures may allow the Fund to avoid such entity-level U.S. federal income tax liability in some cases if certain conditions are satisfied. These alternative procedures may require Partners (based on their interests in the Fund in the prior tax year under audit) to (i) file amended returns and pay any tax that would be due for the prior tax year under audit, (ii) adjust the tax liability reported on their income tax returns for the year in which the audit is resolved,

and/or (iii) provide certain information to the Fund (possibly including information about the owners of Partners classified as partnerships).

The foregoing partnership audit rules may also apply to audits of any Portfolio Investment of the Fund that is treated as a partnership for U.S. federal income tax purposes.

Any U.S. federal income taxes (and any related interest and penalties) paid by the Fund, or by a Portfolio Investment treated as a partnership, in respect of IRS audit adjustments at the Fund level or at the Portfolio Investment level will be allocated by the General Partner to, and will be borne by, the Partners pursuant to the terms of the Fund Agreement.

U.S. State and Local Tax Matters

In addition to the U.S. federal income tax consequences described above, prospective investors should consider potential U.S. state and local tax consequences of an investment in the Fund. U.S. state and local tax laws may differ from U.S. federal income tax laws with respect to the treatment and timing of specific items of income, gain, loss, deduction, and credit. A Partner's allocable share of the taxable income or loss of the Fund generally will be required to be included in determining such Partner's reportable income for U.S. state and local tax purposes in the jurisdiction(s) in which the Partner is subject to taxation.

The Fund itself may also be subject to U.S. state and/or local tax, depending on the location and scope of the Fund's activities. In addition, a U.S. state in which a Partner is not a resident, but in which the Fund or a Flow-Through Entity in which the Fund holds a direct or indirect equity interest may be deemed to be engaged in business, may impose a tax (and tax return filing requirements) on that Partner with respect to its share of the Fund's income derived from that U.S. state and, in some cases, the Fund may be required to withhold such taxes. Under some circumstances, a Partner with tax liabilities in more than one U.S. state may be entitled to a deduction or credit for taxes paid to one U.S. state against the tax liability owed to another.

A Limited Partner (including certain tax exempt Limited Partners) in the Main Fund may be required to file U.S. state or local tax returns and pay U.S. state or local taxes to the extent that the Main Fund makes Flow-Through Investments in entities conducting activities in one or more states or local taxing jurisdictions, even if such Limited Partner is not resident or domiciled in such state(s) or local taxing jurisdiction(s). A Limited Partner may be able to claim a tax credit or deduction, subject to any applicable limitations and requirements, for all or a portion of such state or local taxes on the state or local tax return filed by such Limited Partner in the state in which such Limited Partner is resident or domiciled.

Because the Blocker Fund will use blocker corporations to make Flow-Through Investments, it is generally anticipated that a Limited Partner in the Blocker Fund is not likely to be required to file U.S. state or local tax returns in U.S. states (other than the state where the Limited Partner is resident or domiciled) solely as a result of the Limited Partner's investment in Blocker Fund.

Prospective tax-exempt investors should be aware that the rules of some U.S. states and localities for computing and/or reporting UBTI may differ from U.S. federal rules. Each Limited Partner should consult such Limited Partner's own tax advisor concerning the U.S. state and local taxation of such Limited Partner's particular circumstances.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with an investment in the Fund by (i) employee benefit plans that are subject to the U.S. Employee Retirement Income Security Act of 1974,

as amended (“**ERISA**”), (ii) plans, including individual retirement accounts (“**IRAs**”), “Keogh” plans and other arrangements, that are subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, “**Similar Laws**”) and (iii) entities the underlying assets of which are considered to include “plan assets”, within the meaning of Section 3(42) of ERISA and the regulations promulgated thereunder (“**Plan Assets**”), of any such plan, account or arrangement described in clauses (i) or (ii) (each, a “**Benefit Plan Investor**”).

General Fiduciary Matters. ERISA and Section 4975 of the Code impose certain duties on persons who are fiduciaries of a Benefit Plan Investor and prohibit certain transactions involving the assets of a Benefit Plan Investor and its fiduciaries or other “parties in interest” within the meaning of Section 3(14) of ERISA (“**Parties in Interest**”) or “disqualified persons” within the meaning of Section 4975(e)(2) of the Code (“**Disqualified Persons**”). Under ERISA, any person who exercises any discretionary authority or control over the administration of a Benefit Plan Investor or the management or disposition of the assets of a Benefit Plan Investor, or who renders investment advice for a fee or other compensation to a Benefit Plan Investor, is generally considered to be a fiduciary of the Benefit Plan Investor (a “**Plan Fiduciary**”).

In considering an investment in the Fund of a portion of the assets of any Benefit Plan Investor, a Plan Fiduciary should determine, particularly in light of the risks and lack of liquidity inherent in an investment in the Fund, whether the investment is in accordance with the documents and instruments governing the Benefit Plan Investor and the applicable provisions of ERISA, the Code or any similar Laws relating to the Plan Fiduciary’s duties to the Benefit Plan Investor, including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, Section 4975 of the Code and any other applicable similar Laws. Without limiting the foregoing, among other factors, Plan Fiduciaries should consider the composition of the Benefit Plan Investor’s portfolio with respect to diversification; the cash flow needs of the Benefit Plan Investor and the illiquidity of an investment in the Fund; the economic terms of the Benefit Plan Investor’s investment in the Fund and the Benefit Plan Investor’s funding objectives; the tax effects of an investment in the Fund; and the fact that the objectives of any particular investor will not be taken into account in the management and operation of the Fund. In addition, each Benefit Plan Investor and Plan Fiduciary should consider the fact that neither the General Partner nor any of its respective affiliates or employees will act as a fiduciary to any Benefit Plan Investor with respect to the decision to invest such Benefit Plan Investor’s assets in the Fund or with respect to the operation and management of the Fund. The General Partner is not undertaking to provide impartial investment advice with respect to a prospective Benefit Plan Investor’s decision to invest in the Fund. It is intended, as discussed below, that the Fund will not hold Plan Assets.

Prohibited Transactions. Section 406 of ERISA and Section 4975 of the Code generally prohibit Benefit Plan Investors from engaging in specified transactions involving Plan Assets with persons or entities who are Parties in Interest or Disqualified Persons. The acquisition and/or ownership of Interests by a Benefit Plan Investor with respect to which the Fund or its affiliates are considered a Party in Interest, or a Disqualified Person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor (the “**DOL**”) has issued prohibited transaction class exemptions, or “**PTCEs**,” that may apply to the acquisition and holding of investments in the Fund. These class exemptions may include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled

separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. There can be no assurance that all or any of the conditions of any such exemption will be satisfied with respect to a Benefit Plan Investor's investment in the Fund. A nonexempt prohibited transaction could result in significant penalties, liabilities, excise taxes or other adverse consequences to the relevant Plan Fiduciary, Party in Interest or Disqualified Person, as further described under "*Plan Asset Consequences*," below.

Plan Fiduciaries should also consider whether an investment in the Fund could involve a conflict of interest. A prohibited conflict could occur, for example, if the Plan Fiduciary acting on behalf of a Benefit Plan Investor has any interest in or affiliation with the Fund or the General Partner that could affect the Plan Fiduciary's best judgment as a fiduciary, even if exemptive relief might otherwise be available.

Plan Assets. Under Section 3(42) of ERISA and the regulations promulgated thereunder (the "**Plan Asset Regulations**"), when a Benefit Plan Investor acquires an equity interest in an entity that is neither a "publicly-offered security" nor a security issued by an investment company registered under the 1940 Act, the Benefit Plan Investor's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity, unless it is established either: (i) that less than 25% of the total value of each class of equity interests in the entity is held by Benefit Plan Investors, excluding equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee (direct or indirect) with respect to such assets, and any affiliates thereof (the "**25% Test**"); or (ii) that the entity is an "operating company," as defined in the Plan Asset Regulations (the "**Operating Company Exception**"). Thus, absent satisfaction by the Fund of the Operating Company Exception, if 25% or more of the total value of any class of equity interests of the Fund is held by Benefit Plan Investors, an undivided interest in each of the underlying assets of the Fund would be deemed to be Plan Assets of any Benefit Plan Investor that invested in the Fund for purposes of ERISA and the Code.

The definition of an "operating company" in the Plan Asset Regulations includes, among other things, a VCOC. Generally, in order to qualify as a VCOC, an entity must demonstrate on its "initial valuation date" (as defined in the Plan Asset Regulations), and annually thereafter, that at least 50% of its assets, valued at cost (other than short-term investments pending long-term commitment or distribution to investors), are invested in operating companies (other than VCOCs) (i.e., operating entities that (x) are primarily engaged directly, or through a majority owned subsidiary or subsidiaries, in the production or sale of a product or service other than the investment of capital, or (y) qualify as "real estate operating companies," as defined in the Plan Asset Regulations) in which such entity has direct contractual management rights. In addition, to qualify as a VCOC, an entity must, in the ordinary course of its business, actually exercise such management rights with respect to at least one of the operating companies in which it invests. The Plan Asset Regulations do not provide specific guidance regarding what rights will qualify as management rights, and the DOL has consistently taken the position that such determination can only be made in light of the surrounding facts and circumstances of each particular case, substantially limiting the degree to which it can be determined with certainty whether particular rights will satisfy this requirement.

Plan Asset Consequences. If the assets of the Fund were deemed to be Plan Assets, this would result, among other things, in (i) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by the Fund, and (ii) the possibility that certain transactions in which the Fund might seek to engage, or has previously engaged, could constitute "prohibited transactions" under ERISA and/or the Code. If a prohibited transaction occurs for which no exemption is available, the General Partner and/or any Plan Fiduciary that has engaged in the prohibited transaction could be required to (i) restore to the Benefit Plan Investor any profit realized on the transaction and (ii)

reimburse the Benefit Plan Investor for any losses suffered by the Benefit Plan Investor as a result of the investment. In addition, each Disqualified Person involved could be subject to an excise tax equal to 15% of the amount involved in the prohibited transaction for each year the transaction continues and, unless the transaction is corrected within statutorily required periods, to an additional tax of 100% of the amount involved in the prohibited transaction. Plan Fiduciaries who decide to invest the assets of a Benefit Plan Investor in the Fund could, under certain circumstances, be liable for prohibited transactions or other violations as a result of such investment-or as co-fiduciaries for actions taken by or on behalf of the Fund or the General Partner. With respect to an IRA that invests in the Fund, the occurrence of a prohibited transaction involving the individual who established the IRA, or his or her beneficiaries, would, among other things, cause the IRA to lose its tax-exempt status.

The General Partner intends either to (i) limit equity participation by Benefit Plan Investor in the Main Fund to less than 25% of the total value of each class of equity interests in the Main Fund as described above, or (ii) operate the Fund in such a manner so as to qualify the Main Fund as a VCOC so that the underlying assets of the Main Fund should not constitute Plan Assets. However, there can be no assurance that, notwithstanding the efforts of the General Partner, the Main Fund will qualify as a VCOC, or will not otherwise be deemed to include Plan Assets.

Under the Fund Agreement, the General Partner will have the power to take certain actions to avoid having the assets of the Fund characterized as Plan Assets, including, without limitation, the right to cause a Limited Partner that is a Benefit Plan Investor to withdraw from the Fund. While the General Partner and the Fund do not expect that the General Partner will need to exercise such power, neither the General Partner nor the Fund can give any assurance that such power will not be exercised.

Under certain circumstances certain investors may invest in the Fund or one or more Alternative Investment Vehicles through an entity established by the General Partner or an affiliate thereof, including a corporation, partnership or Feeder Fund (each such entity an **"Intermediate Entity"**). The discussion above under "General Fiduciary Matters," "Plan Assets" and "Plan Asset Consequences" will be similarly applicable to any investment in the Fund or Alternative Investment Vehicle either directly or indirectly through an Intermediate Entity. While the General Partner intends, as described above, to provide that the underlying assets of the Main Fund and each Alternative Investment Vehicle should not constitute Plan Assets, an Intermediate Entity is not expected to qualify as an "operating company" for purposes of the Plan Asset Regulations and it is possible that an Intermediate Entity may not satisfy the 25% Test, in which case the assets of such Intermediate Entity may constitute Plan Assets for purposes of ERISA, Section 4975 of the Code or applicable similar Law. The General Partner may structure each such Intermediate Entity as an intermediate vehicle for purposes of an investment in the Main Fund or an Alternative Investment Vehicle, as the case may be, and limit any discretion with respect to the management or disposition of the assets of such Intermediate Entity. When investing in the Main Fund or an Alternative Investment Vehicle through such an Intermediate Entity, (a) each Limited Partner will, by making a Capital Contribution or a loan to such an Intermediate Entity, be deemed to direct the general partner (or similar managing entity) of the Intermediate Entity to invest (directly or indirectly through one or more Intermediate Entities) the amount of such capital contribution and the proceeds of such loan, if any, in the Fund or Alternative Investment Vehicle, as applicable, and (b) each Limited Partner investing Plan Assets of a Benefit Plan Investor will, by making a Capital Contribution or a loan to such an Intermediate Entity, be deemed to (i) acknowledge that during any period when the underlying assets of the Intermediate Entity are deemed to constitute Plan Assets for purposes of ERISA, Section 4975 of the Code or applicable similar Law, the general partner (or similar managing entity) of the Intermediate Entity will act as a custodian with respect to such Plan Assets but is not intended to be a fiduciary with respect to any Benefit Plan Investor for purposes of ERISA, Section 4975 of the Code or any applicable similar Law and (ii) represent that such capital

contribution and the holding of the loan, and the transactions contemplated by such direction, will not result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or a violation of any applicable similar Law. However, there can be no assurance that the fiduciary and prohibited transaction provisions of ERISA, Section 4975 of the Code or applicable similar Law will not be applicable to activities of such an Intermediate Entity.

Reporting of Indirect Compensation. ERISA and regulations issued thereunder require that Benefit Plan Investors subject to ERISA report to the DOL the current value of and other information with respect to the assets of such Benefit Plan Investors. Because there will be no public market for interests in the Fund, a Plan Fiduciary or Benefit Plan Investor may not have an independent basis on which to determine the fair market value of such interests. Benefit Plan Investors subject to ERISA may also be required to report details of compensation for certain services provided by an entity such as the Fund, excluding certain compensation paid by the Fund if the Fund qualifies as an operating company, unless such compensation is characterized as “eligible indirect compensation.” The descriptions contained in this Memorandum of fees and compensation, including the Carried Interest Amount payable to the General Partner and the Fund Management Fee payable to the Manager, are intended to satisfy the disclosure requirements for “eligible indirect compensation” for which the alternative reporting option on Schedule C of the Benefit Plan Investor’s Form 5500 Annual Return/Report may be available.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Each Plan Fiduciary should consult with its legal adviser concerning the considerations discussed above before making an investment in the Fund. As indicated above, similar Laws governing the investment and management of the assets of governmental or non-U.S. plans may contain fiduciary and prohibited transaction requirements similar to those under ERISA and the Code. Accordingly, fiduciaries of such governmental or non-U.S. plans, in consultation with their advisers, should consider the impact of their respective laws and regulations on an investment in the Fund and the considerations discussed above, if applicable.

Each Plan Fiduciary should consult its legal adviser concerning the considerations discussed above before making an investment in the Fund.

11. OFFERING LEGENDS

NOTICE TO RESIDENTS OF ARGENTINA:

No public offering of Interests is being made to investors resident in Argentina. Interests are being offered only to a limited number of institutional investors and sophisticated individual investors capable of understanding the risks of their investment. The National Securities Commission of Argentina has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Interests to investors resident in Argentina.

NOTICE TO RESIDENTS OF AUSTRALIA:

Any offer or invitation of Interests in Australia will only be extended to persons who are wholesale clients for the purpose of section 761G of the Corporations Act and sophisticated or professional investors within the meanings of sections 708 and 9 of the Corporations Act respectively or otherwise pursuant to one or more exemptions contained in the Corporations Act so that it is lawful to offer Shares without disclosure to investors under Chapter 6D or Part 7.9 of the Corporations Act.

This document is not intended to be distributed or passed on, directly or indirectly, to any other class of persons in Australia. This document is not a disclosure document under Chapter 6D of the Corporations Act or a Product Disclosure Statement under Part 7.9 of the Corporations Act. It is not required to, and does not, contain all the information which would be required in a disclosure document or a product disclosure document. Any offer or invitation made in this document is only an offer or invitation to make offers where the offer or invitation does not need disclosure to investors under Chapter 6D or Part 7.9 of the Corporations Act. No offer or application made following the receipt of this document will be considered unless the offer or invitation does not need disclosure to investors under Chapter 6D or Part 7.9 of the Corporations Act.

The Fund is not a registered managed investment scheme, nor is it required to be registered as a managed investment scheme, and this Memorandum is not a product disclosure document lodged or required to be lodged with the Australian Securities and Investments Commission. Interests in the Fund will only be offered in Australia to persons to whom such securities may be offered without a product disclosure statement under Part 7.9 of the Corporations Act 2001 (Cth). Interests in the Fund subscribed for by investors in Australia must not be offered for resale in Australia for 12 months from allotment except in circumstances where disclosure to investors under the Corporations Act 2001 (Cth) would not be required or where a compliant product disclosure statement is produced. Prospective investors in Australia should confer with their professional advisors if in any doubt about their position.

NOTICE TO RESIDENTS OF AUSTRIA:

The Interests have not been registered at or otherwise authorised by the Austrian Financial Market Authority for the offering or distribution in the Republic of Austria. The Interests may not be marketed and distributed to investors domiciled in the Republic of Austria, unless the distribution has occurred at the initiative of the investor or on his behalf. This Memorandum, any other document relating to the Interests and the information contained therein, may only be used in connection with an offer or distribution of the Interests if the offer or distribution has occurred at the initiative of the investor or on his behalf. Any investor intending to offer and resell the Interests in Austria is solely responsible that any such offer and resale takes place in compliance with the provisions of the applicable securities regulation.

NOTICE TO RESIDENTS OF THE BAHAMAS:

The Fund has not been licensed or registered with the Securities Commission of The Bahamas because it is a non-Bahamas based investment fund for the purposes of the Investment Funds Act, 2019 (the “IFA”) and it is exempt from licensing under the IFA. Whilst a copy of this Memorandum has been filed with the Securities Commission of The Bahamas, as required by the IFA, this Memorandum has not been registered, with, reviewed or approved by the Securities Commission of The Bahamas. Interests in the Fund may only be offered in The Bahamas to “accredited investors,” in compliance with Bahamian Exchange Control Regulations, by or through the Fund’s investment fund administrator licensed by, or a firm registered with, the Securities Commission of The Bahamas, to sell securities.

NOTICE TO RESIDENTS OF BAHRAIN:

Neither this Memorandum nor the Interests have been authorized by or registered or filed with the Central Bank of Bahrain or any other governmental authority in the Kingdom of Bahrain, nor has the Fund received authorization from the Central Bank of Bahrain or any other governmental authority in Kingdom of Bahrain to market or sell the Interests within the Kingdom of Bahrain. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation in the Kingdom of Bahrain. No services relating to the Interests, including the receipt of applications and the allotment or redemption of the Interests, may be rendered by the Fund within the Kingdom of Bahrain.

NOTICE TO RESIDENTS OF BELGIUM:

The offer to the public of interests in the Fund in Belgium within the meaning of the Belgian Act of April 19, 2014 on alternative undertakes for collective investment, the Belgian Act of July 11, 2018 on the offer to the public of investment instruments and the admission of investment instruments to listing on a regulated market, and Regulation (EU) 2017/1129 has not been authorized by the Fund. The offering may therefore not be advertised, and interests in the Fund may not be offered, sold, transferred or delivered to, or subscribed to by, and no memorandum, information circular, brochure or similar document may be distributed to, directly or indirectly, any individual or legal entity in Belgium, except (i) to “qualified investors” as referred to in Article 2(e) of Regulation (EU) 2017/1129, (ii) subject to the restriction of a minimum investment of €100,000 per investor or (iii) in any other circumstances in which the present offering does not qualify as an offer to the public in accordance with the aforementioned Regulation (EU) 2017/1129 and the Act of July 11, 2018. This Memorandum has been issued to the intended recipient for personal use only and exclusively for the purpose of the offering. Therefore, it may not be used for any other purpose, nor may it be passed on to any other person in Belgium.

NOTICE TO RESIDENTS OF BERMUDA:

The Interests may not be marketed, offered or sold directly or indirectly to the public in Bermuda and neither this Memorandum, which is not subject to and has not received approval from either the Bermuda Monetary Authority or the Registrar of Companies and no statement to the contrary, explicit or implicit, is authorized to be made in this regard, nor any offering material or information contained herein relating to the Interests, may be supplied to the public in Bermuda or used in connection with any offer for the subscription or sale of Interests to the public in Bermuda. Bermuda investors may be subject to foreign exchange control approval and filing requirements under the relevant Bermuda foreign exchange control regulations, as well as offshore investment approval requirements.

NOTICE TO RESIDENTS OF BRAZIL:

The Fund is not listed with any stock exchange, organized over the counter market or electronic system of securities trading. The Interests have not been and will not be registered with any securities exchange commission or other similar authority, including the Brazilian Securities and Exchange Commission (Comissão de valores Mobiliários or the “**CVM**”). The Interests will not be directly or indirectly offered or sold within Brazil through any public offering, as determined by Brazilian law and by the rules issued by the CVM, including Law No. 6,385 (Dec. 7, 1976) and CVM Resolution No. 160 (Jul. 13, 2022), as amended from time to time, or any other law or rules that may replace them in the future.

Acts involving a public offering in Brazil, as defined under Brazilian laws and regulations and by the rules issued by the CVM, including Law No. 6,385 (Dec. 7, 1976) and CVM Resolution No. 160 (Jul. 13, 2022), as amended from time to time, or any other law or rules that may replace them in the future, must not be performed without such prior registration. Persons in Brazil wishing to acquire the Interests should consult with their own counsel as to the applicability of these registration requirements or any exemption therefrom. Without prejudice to the above, the sale and solicitation of the Interests is limited to professional investors as defined by CVM Resolution No.30 (May 5, 2021), or as defined by any other rule that may replace it in the future.

This Memorandum is confidential and intended solely for the use of the addressee and cannot be delivered or disclosed in any manner whatsoever to any person or entity other than the addressee.

NOTICE TO RESIDENTS OF BRITISH VIRGIN ISLANDS:

This Memorandum does not constitute, and there will not be, an offering of securities to the public in the British Virgin Islands.

NOTICE TO RESIDENTS OF BRUNEI:

This Memorandum has not been delivered to, licensed or permitted by the Autoriti Monetari Brunei Darussalam as designated under the Securities Markets Order of 2013.

NOTICE TO RESIDENTS OF CANADA:

ANY OFFER OR SALE OF THE INTERESTS IN CANADA WILL BE MADE ONLY TO PURCHASERS PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT (I) ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS (“**NI 45-106**”) OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO) AND (II) ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF ANY OF THE INTERESTS IN CANADA MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS.

PURSUANT TO SECTION 3A.3 OF NATIONAL INSTRUMENT 33-105 UNDERWRITING CONFLICTS (“**NI 33-105**”), ANY DEALERS OR PLACEMENT AGENTS USED IN CONNECTION WITH THIS OFFERING, ARE NOT REQUIRED TO COMPLY WITH THE DISCLOSURE REQUIREMENTS OF NI 33-105 REGARDING UNDERWRITER CONFLICTS OF INTEREST IN CONNECTION WITH THIS OFFERING.

THIS MEMORANDUM IS NOT, AND UNDER NO CIRCUMSTANCES SHOULD BE

CONSTRUED AS, AN ADVERTISEMENT, PUBLIC OFFERING OR SOLICITATION FOR PURCHASERS OF SECURITIES IN CANADA. THE GENERAL PARTNER IS NOT REGISTERED, NOR IS IT CURRENTLY RELYING ON AN EXEMPTION FROM REGISTRATION, AS A DEALER, ADVISER OR INVESTMENT FUND MANAGER IN CANADA. INVESTMENTS IN INTERESTS MAY ONLY BE MADE BY ELIGIBLE PRIVATE PLACEMENT PURCHASERS THAT QUALIFY AS “ACCREDITED INVESTORS” AND “PERMITTED CLIENTS” UNDER APPLICABLE CANADIAN SECURITIES LAWS PURSUANT TO APPLICABLE CANADIAN PRIVATE PLACEMENT OFFERING DOCUMENTS, WHICH WILL BE PROVIDED TO YOU UPON REQUEST. NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS REVIEWED THIS MEMORANDUM OR HAS IN ANY WAY PASSED UPON THE MERITS OF ANY INTERESTS REFERENCED IN THIS MEMORANDUM AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

OFFERING. THE OFFERING IN CANADA IS BEING MADE SOLELY BY THIS MEMORANDUM AND NOT THROUGH ANY ADVERTISEMENT OF INTERESTS IN ANY PRINTED MEDIA OF GENERAL AND REGULAR PAID CIRCULATION, RADIO OR TELEVISION OR ANY OTHER FORM OF ADVERTISING. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS MEMORANDUM AND ANY DECISION TO PURCHASE INTERESTS SHOULD BE MADE BASED SOLELY ON THE INFORMATION CONTAINED HEREIN. NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS REVIEWED OR IN ANY WAY PASSED UPON THIS MEMORANDUM OR THE MERITS OF THE INTERESTS, AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

THE OFFERING IN CANADA IS BEING MADE SOLELY IN THE CANADIAN PROVINCES OF ONTARIO, QUÉBEC, ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN, AND NOVA SCOTIA (THE “**PRIVATE PLACEMENT PROVINCES**”). INTERESTS HAVE NOT BEEN, NOR WILL THEY BE, QUALIFIED BY PROSPECTUS FOR SALE TO THE PUBLIC UNDER APPLICABLE CANADIAN SECURITIES LAWS AND, ACCORDINGLY, ANY OFFER AND SALE OF INTERESTS IN CANADA WILL BE MADE ON A BASIS WHICH IS EXEMPT FROM THE PROSPECTUS REQUIREMENTS OF THOSE SECURITIES LAWS.

THIS MEMORANDUM IS FOR THE CONFIDENTIAL USE OF THOSE PERSONS TO WHOM IT IS DELIVERED IN CONNECTION WITH THE OFFERING IF THE INTERESTS IN CANADA. THE GENERAL PARTNER RESERVES THE RIGHT TO REJECT ALL OR PART OF ANY OFFER TO PURCHASE THE SECURITIES FOR ANY REASON, OR ALLOCATE TO ANY PROSPECTIVE PURCHASER LESS THAN ALL OF THE INTERESTS FOR WHICH IT HAS SUBSCRIBED.

EXCEPT AS OTHERWISE EXPRESSLY REQUIRED BY APPLICABLE LAW OR AS AGREED TO IN CONTRACT, NO REPRESENTATION, WARRANTY OR UNDERTAKING (EXPRESS OR IMPLIED) IS MADE AND NO RESPONSIBILITIES OR LIABILITIES OF ANY KIND OR NATURE WHATSOEVER ARE ACCEPTED BY ANY SECURITIES DEALER AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE FUND, GENERAL PARTNER OR MANAGER OF THE INTERESTS IN CONNECTION WITH THE OFFERING OF THE INTERESTS IN CANADA.

INVESTING IN THE INTERESTS INVOLVES RISKS. PROSPECTIVE PURCHASERS SHOULD REFER TO THE RISK FACTOR DISCLOSURE CONTAINED IN THIS MEMORANDUM FOR ADDITIONAL INFORMATION CONCERNING THESE RISKS.

RESALE RESTRICTIONS. THE DISTRIBUTION OF INTERESTS IN CANADA IS BEING

MADE ON A PRIVATE PLACEMENT BASIS. ACCORDINGLY, ANY RESALE OF SUCH INTERESTS MUST BE MADE IN ACCORDANCE WITH, OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION AND PROSPECTUS REQUIREMENTS OF APPLICABLE CANADIAN SECURITIES LAWS, WHICH VARY DEPENDING ON THE PROVINCE OR TERRITORY OF CANADA. IN ADDITION, IN ORDER TO COMPLY WITH THE DEALER REGISTRATION REQUIREMENTS OF CANADIAN SECURITIES LAWS, ANY RESALE OF INTERESTS MUST BE MADE BY A PERSON NOT REQUIRED TO REGISTER AS A DEALER UNDER APPLICABLE CANADIAN SECURITIES LAWS, THROUGH AN APPROPRIATELY REGISTERED DEALER OR IN ACCORDANCE WITH AN EXEMPTION FROM THE DEALER REGISTRATION REQUIREMENTS. THE FUND IS NOT A "REPORTING ISSUER" AS SUCH TERM IS DEFINED UNDER APPLICABLE CANADIAN SECURITIES LAW IN ANY PROVINCE OR TERRITORY OF CANADA IN WHICH THE INTERESTS WILL BE OFFERED. UNDER NO CIRCUMSTANCES WILL THE FUND BE REQUIRED TO FILE A PROSPECTUS OR SIMILAR DOCUMENT WITH ANY SECURITIES REGULATORY AUTHORITY IN CANADA QUALIFYING THE RESALE OF THE INTERESTS TO THE PUBLIC IN ANY PROVINCE OR TERRITORY OF CANADA. CANADIAN PURCHASERS ARE ADVISED THAT THE FUND CURRENTLY DOES NOT INTEND TO FILE A PROSPECTUS OR SIMILAR DOCUMENT WITH ANY SECURITIES REGULATORY AUTHORITY IN CANADA QUALIFYING THE RESALE OF THE INTERESTS TO THE PUBLIC IN ANY PROVINCE OR TERRITORY OF CANADA IN CONNECTION WITH THIS OFFER OF THE INTERESTS. THEREFORE, THERE WILL BE NO PUBLIC MARKET IN CANADA FOR THE INTERESTS AND THE RESALE OR TRANSFER OF THE INTERESTS WILL BE SUBJECT TO RESTRICTIONS. THESE RESALE RESTRICTIONS MAY IN SOME CIRCUMSTANCES APPLY TO REALES MADE OUTSIDE OF CANADA. PURCHASERS OF INTERESTS ARE ADVISED TO SEEK CANADIAN LEGAL ADVICE PRIOR TO ANY RESALE OF INTERESTS. IN ADDITION, TRANSFERS OF INTERESTS MAY ONLY BE MADE WITH THE PRIOR WRITTEN CONSENT OF THE GENERAL PARTNER WHICH MAY BE GRANTED OR WITHHELD IN ITS SOLE DISCRETION.

STATUTORY RIGHT OF ACTION. SECURITIES LEGISLATION IN CERTAIN PROVINCES OF CANADA PROVIDES PURCHASERS WITH REMEDIES FOR RESCISSION OR DAMAGES, OR BOTH, WHERE THIS MEMORANDUM (INCLUDING ANY AMENDMENT THERETO) CONTAINS AN UNTRUE STATEMENT OF A MATERIAL FACT (MEANING A FACT THAT WOULD REASONABLY BE EXPECTED TO HAVE A SIGNIFICANT EFFECT ON THE MARKET PRICE OR VALUE OF THE INTERESTS), OR OMITS TO STATE A MATERIAL FACT THAT IS REQUIRED TO BE STATED OR THAT IS NECESSARY IN ORDER TO MAKE ANY STATEMENT THEREIN NOT MISLEADING IN THE LIGHT OF THE CIRCUMSTANCES IN WHICH IT WAS MADE (A "**MISREPRESENTATION**"), PROVIDED THAT THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY THE PURCHASER WITHIN THE TIME LIMIT PRESCRIBED BY, AND ARE SUBJECT TO THE DEFENCES CONTAINED IN, THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE. ANY PURCHASER SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE FOR PARTICULARS OF THESE RIGHTS AND DEFENCES OR CONSULT WITH A LEGAL ADVISOR.

THE FOLLOWING IS A SUMMARY OF THE STATUTORY RIGHTS OF RESCISSION OR DAMAGES, OR BOTH, UNDER SECURITIES LEGISLATION IN CERTAIN OF THE PROVINCES OF CANADA WHERE SUCH SUMMARY IS REQUIRED TO BE DISCLOSED UNDER THE RELEVANT SECURITIES LEGISLATION, AND AS SUCH, IS SUBJECT TO THE EXPRESS PROVISIONS OF THE LEGISLATION AND ANY RELATED REGULATIONS AND RULES. THE RIGHTS DESCRIBED BELOW ARE IN ADDITION TO, AND WITHOUT DEROGATION FROM, ANY OTHER RIGHT OR REMEDY AVAILABLE AT LAW TO PURCHASERS OF THE INTERESTS, SUBJECT TO ANY

DEFENCES ALSO DESCRIBED BELOW. PURCHASERS SHOULD REFER TO THE APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THEIR PROVINCE FOR THE PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISOR.

SASKATCHEWAN PURCHASERS

THE RIGHT OF ACTION FOR RESCISSION OR DAMAGES DESCRIBED HEREIN IS CONFERRED BY SECTION 138 OF *THE SECURITIES ACT, 1988* (SASKATCHEWAN) (THE “**SASKATCHEWAN ACT**”). THE SASKATCHEWAN ACT PROVIDES THAT IN THE EVENT THIS MEMORANDUM, TOGETHER WITH ANY AMENDMENTS HERETO CONTAINS A MISREPRESENTATION, A PURCHASER WHO PURCHASES INTERESTS COVERED BY THIS MEMORANDUM HAS, WITHOUT REGARD TO WHETHER THE PURCHASER RELIED ON THE MISREPRESENTATION, A STATUTORY RIGHT FOR RESCISSION AGAINST THE FUND OR HAS A RIGHT OF ACTION FOR DAMAGES AGAINST: (A) THE FUND OR A SELLING SECURITYHOLDER ON WHOSE BEHALF THE DISTRIBUTION IS MADE; (B) EVERY PROMOTER AND DIRECTOR OF THE FUND, AS THE CASE MAY BE, AT THE TIME THIS MEMORANDUM OR ANY AMENDMENT TO IT WAS SENT OR DELIVERED; (C) EVERY PERSON OR COMPANY WHOSE CONSENT HAS BEEN FILED RESPECTING THE OFFERING, BUT ONLY WITH RESPECT TO REPORTS, OPINIONS OR STATEMENTS THAT HAVE BEEN MADE BY THEM; (D) WHERE APPLICABLE, EVERY PERSON OR COMPANY THAT, IN ADDITION TO THE PERSONS OR COMPANIES MENTIONED IN CLAUSES (A) TO (C), SIGNED THIS MEMORANDUM OR THE AMENDMENT TO THIS MEMORANDUM; AND (E) EVERY PERSON WHO OR COMPANY THAT SELLS INTERESTS ON BEHALF OF THE FUND UNDER THIS MEMORANDUM OR AMENDMENT TO THIS MEMORANDUM. IF SUCH PURCHASER ELECTS TO EXERCISE A STATUTORY RIGHT OF RESCISSION AGAINST THE FUND, IT SHALL HAVE NO RIGHT OF ACTION FOR DAMAGES AGAINST THAT PERSON OR COMPANY.

THE SASKATCHEWAN ACT ALSO PROVIDES A NUMBER OF LIMITATIONS AND DEFENCES, INCLUDING THE FOLLOWING: (A) NO PERSON OR COMPANY WILL BE LIABLE IF THE PERSON OR COMPANY PROVES THAT THE PURCHASER PURCHASED THE INTERESTS WITH KNOWLEDGE OF THE MISREPRESENTATION; (B) IN THE CASE OF AN ACTION FOR DAMAGES, NO PERSON OR COMPANY WILL BE LIABLE FOR ALL OR ANY PORTION OF THE DAMAGES THAT IT PROVES DO NOT REPRESENT THE DEPRECIATION IN VALUE OF THE INTERESTS AS A RESULT OF THE MISREPRESENTATION; AND (C) IN NO CASE WILL THE AMOUNT RECOVERABLE IN ANY ACTION EXCEED THE PRICE AT WHICH THE SECURITIES WERE OFFERED TO THE PUBLIC. IN ADDITION, NO PERSON OR COMPANY, OTHER THAN THE ISSUER OR SELLING SECURITYHOLDER, WILL BE LIABLE IF THE PERSON OR COMPANY PROVES THAT: (A) THIS MEMORANDUM OR ANY AMENDMENT TO IT WAS SENT OR DELIVERED WITHOUT THE PERSON'S OR COMPANY'S KNOWLEDGE OR CONSENT AND THAT, ON BECOMING AWARE OF IT BEING SENT OR DELIVERED, THAT PERSON OR COMPANY IMMEDIATELY GAVE REASONABLE GENERAL NOTICE THAT IT WAS SO SENT OR DELIVERED; OR (B) WITH RESPECT TO ANY PART OF THIS MEMORANDUM OR ANY AMENDMENT TO IT PURPORTING TO BE MADE ON THE AUTHORITY OF AN EXPERT, OR PURPORTING TO BE A COPY OF, OR AN EXTRACT FROM, A REPORT, AN OPINION OR A STATEMENT OF AN EXPERT, THAT PERSON OR COMPANY HAD NO REASONABLE GROUNDS TO BELIEVE AND DID NOT BELIEVE THAT THERE HAD BEEN A MISREPRESENTATION, THE PART OF THIS MEMORANDUM OR ANY AMENDMENT TO IT DID NOT FAIRLY REPRESENT THE REPORT, OPINION OR STATEMENT OF THE EXPERT, OR WAS NOT A FAIR COPY OF, OR AN EXTRACT FROM, THE REPORT, OPINION OR STATEMENT OF THE EXPERT.

SIMILAR RIGHTS OF ACTION FOR DAMAGES AND RESCISSION ARE PROVIDED IN SECTION 138.1 OF THE SASKATCHEWAN ACT IN RESPECT OF A MISREPRESENTATION IN ADVERTISING AND SALES LITERATURE DISSEMINATED IN CONNECTION WITH AN OFFERING OF SECURITIES.

THE SASKATCHEWAN ACT ALSO PROVIDES THAT WHERE AN INDIVIDUAL MAKES A VERBAL STATEMENT TO A PROSPECTIVE PURCHASER THAT CONTAINS A MISREPRESENTATION RELATING TO THE SECURITY PURCHASED AND THE VERBAL STATEMENT IS MADE EITHER BEFORE OR CONTEMPORANEOUSLY WITH THE PURCHASE OF THE SECURITY, THE PURCHASER HAS, WITHOUT REGARD TO WHETHER THE PURCHASER RELIED ON THE MISREPRESENTATION, A RIGHT OF ACTION FOR DAMAGES AGAINST THE INDIVIDUAL WHO MADE THE VERBAL STATEMENT.

THE SASKATCHEWAN ACT PROVIDES A PURCHASER WITH THE RIGHT TO VOID THE PURCHASE AGREEMENT AND TO RECOVER ALL MONEY AND OTHER CONSIDERATION PAID BY THE PURCHASER FOR THE INTERESTS IF THE INTERESTS ARE SOLD IN CONTRAVENTION OF THE SASKATCHEWAN ACT, THE REGULATIONS TO THE SASKATCHEWAN ACT OR A DECISION OF THE FINANCIAL AND CONSUMER AFFAIRS AUTHORITY OF SASKATCHEWAN.

THE SASKATCHEWAN ACT ALSO PROVIDES A RIGHT OF ACTION FOR RESCISSION OR DAMAGES TO A PURCHASER OF INTERESTS TO WHOM THIS MEMORANDUM OR ANY AMENDMENT TO IT WAS NOT SENT OR DELIVERED PRIOR TO OR AT THE SAME TIME AS THE PURCHASER ENTERS INTO AN AGREEMENT TO PURCHASE THE INTERESTS, AS REQUIRED BY SECTION 80.1 OF THE SASKATCHEWAN ACT.

SECTION 147 OF THE SASKATCHEWAN ACT PROVIDES THAT NO ACTION SHALL BE COMMENCED TO ENFORCE ANY OF THE FOREGOING RIGHTS MORE THAN, IN THE CASE OF A RIGHT OF RESCISSION, 180 DAYS AFTER THE DATE OF THE TRANSACTION THAT GAVE RISE TO THE CAUSE OF ACTION OR, IN THE CASE OF ANY ACTION, OTHER THAN AN ACTION FOR RESCISSION, BEFORE THE EARLIER OF (I) ONE YEAR AFTER THE PLAINTIFF FIRST HAD KNOWLEDGE OF THE FACTS GIVING RISE TO THE CAUSE OF ACTION, AND (II) SIX YEARS AFTER THE DATE OF THE TRANSACTION THAT GAVE RISE TO THE CAUSE OF ACTION.

THE SASKATCHEWAN ACT ALSO PROVIDES A PURCHASER WHO HAS RECEIVED AN AMENDED COPY OF THIS MEMORANDUM DELIVERED IN ACCORDANCE WITH SUBSECTION 80.1(3) OF THE SASKATCHEWAN ACT HAS A RIGHT TO WITHDRAW FROM THE AGREEMENT TO PURCHASE THE INTERESTS BY DELIVERING A NOTICE TO THE PERSON WHO OR COMPANY THAT IS SELLING THE INTERESTS, INDICATING THE PURCHASER'S INTENTION NOT TO BE BOUND BY THE PURCHASE AGREEMENT, PROVIDED SUCH NOTICE IS DELIVERED BY THE PURCHASER WITHIN TWO BUSINESS DAYS OF RECEIVING THE AMENDED COPY OF THIS MEMORANDUM.

ONTARIO PURCHASERS

SECTION 130.1 OF THE *SECURITIES ACT* (ONTARIO) (THE “**ONTARIO ACT**”) PROVIDES THAT, IF THIS MEMORANDUM, TOGETHER WITH ANY AMENDMENT TO IT, IS DELIVERED TO A PURCHASER RESIDENT IN THE PROVINCE OF ONTARIO AND CONTAINS A MISREPRESENTATION THAT WAS A MISREPRESENTATION AT THE TIME OF PURCHASE, THE PURCHASER HAS, WITHOUT REGARD TO WHETHER THE PURCHASER RELIED UPON THE MISREPRESENTATION, A STATUTORY RIGHT OF ACTION AGAINST THE FUND FOR DAMAGES

OR, ALTERNATIVELY, WHILE STILL THE OWNER OF THE INTERESTS, FOR RESCISSION. IF THE PURCHASER ELECTS TO EXERCISE THE RIGHT OF RESCISSION, THE PURCHASER WILL HAVE NO RIGHT OF ACTION FOR DAMAGES. THE RIGHT OF ACTION IN THE CASE OF RESCISSION WILL BE EXERCISABLE BY A PURCHASER ONLY IF THE PURCHASER GIVES NOTICE TO THE DEFENDANT, NOT MORE THAN 180 DAYS AFTER THE DATE OF THE TRANSACTION THAT GAVE RISE TO THE CAUSE OF ACTION, THAT THE PURCHASER IS EXERCISING THIS RIGHT OR, IN THE CASE OF ANY ACTION OTHER THAN AN ACTION FOR RESCISSION, THE EARLIER OF 180 DAYS AFTER THE PLAINTIFF FIRST HAD KNOWLEDGE OF THE FACTS GIVING RISE TO THE CAUSE OF ACTION, OR THREE YEARS AFTER THE DATE OF THE TRANSACTION THAT GAVE RISE TO THE CAUSE OF ACTION.

THE ONTARIO ACT PROVIDES A NUMBER OF LIMITATIONS AND DEFENCES TO SUCH ACTIONS, INCLUDING THE FOLLOWING: (A) NO PERSON OR COMPANY WILL BE LIABLE IF IT PROVES THAT THE PURCHASER ACQUIRED THE SECURITIES WITH KNOWLEDGE OF THE MISREPRESENTATION; (B) IN THE CASE OF AN ACTION FOR DAMAGES, THE DEFENDANT WILL NOT BE LIABLE FOR ALL OR ANY PORTION OF THE DAMAGES THAT IT PROVES DO NOT REPRESENT THE DEPRECIATION IN VALUE OF THE SECURITIES AS A RESULT OF THE MISREPRESENTATION RELIED UPON; AND (C) IN NO CASE WILL THE AMOUNT RECOVERABLE IN ANY ACTION EXCEED THE PRICE AT WHICH THE NOTES WERE OFFERED UNDER THIS MEMORANDUM.

THE ONTARIO SECURITIES COMMISSION RULE 45-501 ALSO PROVIDES THAT WHERE THIS MEMORANDUM IS DELIVERED TO A PURCHASER TO WHOM INTERESTS ARE DISTRIBUTED IN RELIANCE ON THE "ACCREDITED INVESTOR" PROSPECTUS EXEMPTION IN SECTION 2.3 OF NI 45-106, THE RIGHT OF ACTION IN SECTION 130.1 OF THE ONTARIO ACT IS APPLICABLE UNLESS THE PURCHASER IS: (A) A CANADIAN FINANCIAL INSTITUTION, MEANING EITHER: (I) AN ASSOCIATION GOVERNED BY THE *COOPERATIVE CREDIT ASSOCIATIONS ACT* (CANADA) OR A CENTRAL COOPERATIVE CREDIT SOCIETY FOR WHICH AN ORDER HAS BEEN MADE UNDER SECTION 473(1) OF THAT ACT; OR (II) A BANK, LOAN CORPORATION, TRUST COMPANY, TRUST CORPORATION, INSURANCE COMPANY, TREASURY BRANCH, CREDIT UNION, CAISSE POPULAIRE, FINANCIAL SERVICES CORPORATION, OR LEAGUE THAT, IN EACH CASE, IS AUTHORIZED BY AN ENACTMENT OF CANADA OR A JURISDICTION OF CANADA TO CARRY ON BUSINESS IN CANADA OR A JURISDICTION OF CANADA; (B) A SCHEDULE III BANK, MEANING AN AUTHORIZED FOREIGN BANK NAMED IN SCHEDULE III OF THE *BANK ACT* (CANADA); (C) THE BUSINESS DEVELOPMENT BANK OF CANADA INCORPORATED UNDER THE *BUSINESS DEVELOPMENT BANK OF CANADA ACT* (CANADA); OR (D) A SUBSIDIARY OF ANY PERSON REFERRED TO IN PARAGRAPHS (A), (B) OR (C), IF THE PERSON OWNS ALL OF THE VOTING SECURITIES OF THE SUBSIDIARY, EXCEPT THE VOTING SECURITIES REQUIRED BY LAW TO BE OWNED BY DIRECTORS OF THAT SUBSIDIARY.

NOVA SCOTIA PURCHASERS

THE RIGHT OF ACTION FOR RESCISSION OR DAMAGES DESCRIBED HEREIN IS CONFERRED BY SECTION 138 OF THE *SECURITIES ACT* (NOVA SCOTIA) (THE "**NOVA SCOTIA ACT**"). THE NOVA SCOTIA ACT PROVIDES THAT IN THE EVENT THAT THIS MEMORANDUM, TOGETHER WITH ANY AMENDMENTS HERETO, OR ANY ADVERTISING OR SALES LITERATURE (AS DEFINED IN THE NOVA SCOTIA ACT) CONTAINS A MISREPRESENTATION, A PURCHASER WHO PURCHASES THE INTERESTS REFERRED TO IN IT IS DEEMED TO HAVE RELIED UPON SUCH MISREPRESENTATION IF IT WAS A MISREPRESENTATION AT THE TIME

OF PURCHASE. SUCH PURCHASER HAS A STATUTORY RIGHT OF ACTION FOR DAMAGES AGAINST THE SELLER (WHICH INCLUDES THE FUND), EVERY DIRECTOR AND PERSON WHO SIGNED THIS MEMORANDUM, SUBJECT TO CERTAIN ADDITIONAL DEFENCES, AT THE TIME OF THIS MEMORANDUM OR, ALTERNATIVELY, WHILE STILL AN OWNER OF THE INTERESTS PURCHASED BY THE PURCHASER, MAY ELECT INSTEAD TO EXERCISE A STATUTORY RIGHT OF RESCISSION AGAINST THE FUND, IN WHICH CASE THE PURCHASER SHALL HAVE NO RIGHT OF ACTION FOR DAMAGES AGAINST THE PERSONS DESCRIBED ABOVE. NO SUCH ACTION SHALL BE COMMENCED TO ENFORCE THE RIGHT OF ACTION FOR RESCISSION OR DAMAGES MORE THAN 120 DAYS AFTER THE DATE PAYMENT WAS MADE FOR THE INTERESTS (OR AFTER THE DATE ON WHICH INITIAL PAYMENT WAS MADE FOR THE INTERESTS WHERE PAYMENTS SUBSEQUENT TO THE INITIAL PAYMENT ARE MADE PURSUANT TO A CONTRACTUAL COMMITMENT ASSUMED PRIOR TO, OR CONCURRENTLY WITH, THE INITIAL PAYMENT).

THE NOVA SCOTIA ACT PROVIDES A NUMBER OF LIMITATIONS AND DEFENCES, INCLUDING THE FOLLOWING: (A) NO PERSON OR COMPANY IS LIABLE IF THE PERSON PROVES THAT THE PURCHASER PURCHASED THE INTERESTS WITH KNOWLEDGE OF THE MISREPRESENTATION; (B) IN THE CASE OF AN ACTION FOR DAMAGES, NO PERSON OR COMPANY IS LIABLE FOR ALL OR ANY PORTION OF THE DAMAGES THAT IT PROVES DO NOT REPRESENT THE DEPRECIATION IN VALUE OF THE INTERESTS AS A RESULT OF THE MISREPRESENTATION; AND (C) IN NO CASE WILL THE AMOUNT RECOVERABLE IN ANY ACTION EXCEED THE PRICE AT WHICH THE INTERESTS WERE OFFERED TO THE PURCHASER.

IN ADDITION, A PERSON OR COMPANY, OTHER THAN THE SELLER, WILL NOT BE LIABLE IF THAT PERSON OR COMPANY PROVES THAT: (A) THIS MEMORANDUM OR ANY AMENDMENT HERETO WAS SENT OR DELIVERED TO THE PURCHASER WITHOUT THE PERSON'S OR COMPANY'S KNOWLEDGE OR CONSENT AND THAT, ON BECOMING AWARE OF ITS DELIVERY, THE PERSON OR COMPANY GAVE REASONABLE GENERAL NOTICE THAT IT WAS DELIVERED WITHOUT THE PERSON'S OR COMPANY'S KNOWLEDGE OR CONSENT; (B) AFTER DELIVERY OF THIS OR ANY AMENDMENT TO THIS MEMORANDUM AND BEFORE THE PURCHASE OF THE INTERESTS BY THE PURCHASER, ON BECOMING AWARE OF ANY MISREPRESENTATION IN THIS MEMORANDUM OR ANY AMENDMENT TO THIS MEMORANDUM, THE PERSON OR COMPANY WITHDREW THE PERSON'S OR COMPANY'S CONSENT TO THIS MEMORANDUM OR ANY AMENDMENT TO THIS MEMORANDUM, AND GAVE REASONABLE GENERAL NOTICE OF THE WITHDRAWAL AND THE REASON FOR IT; OR (C) WITH RESPECT TO ANY PART OF THIS MEMORANDUM OR ANY AMENDMENT TO THIS MEMORANDUM PURPORTING (I) TO BE MADE ON THE AUTHORITY OF AN EXPERT, OR (II) TO BE A COPY OF, OR AN EXTRACT FROM, A REPORT, AN OPINION OR A STATEMENT OF AN EXPERT, THE PERSON OR COMPANY HAD NO REASONABLE GROUNDS TO BELIEVE AND DID NOT BELIEVE THAT (A) THERE HAD BEEN A MISREPRESENTATION, OR (B) THE RELEVANT PART OF THIS MEMORANDUM OR ANY AMENDMENT TO THIS MEMORANDUM DID NOT FAIRLY REPRESENT THE REPORT, OPINION OR STATEMENT OF THE EXPERT, OR WAS NOT A FAIR COPY OF, OR AN EXTRACT FROM, THE REPORT, OPINION OR STATEMENT OF THE EXPERT. FURTHERMORE, NO PERSON OR COMPANY, OTHER THAN THE SELLER, IS LIABLE WITH RESPECT TO ANY PART OF THIS MEMORANDUM OR ANY AMENDMENT HERETO NOT PURPORTING (A) TO BE MADE ON THE AUTHORITY OF AN EXPERT OR (B) TO BE A COPY OF, OR AN EXTRACT FROM, A REPORT, OPINION OR STATEMENT OF AN EXPERT, UNLESS THE PERSON OR COMPANY (I) FAILED TO CONDUCT A REASONABLE INVESTIGATION TO

PROVIDE REASONABLE GROUNDS FOR A BELIEF THAT THERE HAD BEEN NO MISREPRESENTATION OR (II) BELIEVED THAT THERE HAD BEEN A MISREPRESENTATION.

CERTAIN CANADIAN INCOME TAX CONSIDERATIONS. ANY DISCUSSION OF TAXATION AND RELATED MATTERS CONTAINED IN THIS MEMORANDUM IS NOT A COMPREHENSIVE DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO PURCHASE THESE SECURITIES. PROSPECTIVE CANADIAN PURCHASERS OF THE INTERESTS SHOULD CONSULT THEIR OWN TAX ADVISERS WITH RESPECT TO ANY TAXES PAYABLE IN CONNECTION WITH AN INVESTMENT IN THE FUND. IT IS RECOMMENDED THAT TAX ADVISORS BE EMPLOYED IN CANADA, AS THERE ARE A NUMBER OF SUBSTANTIVE CANADIAN TAX COMPLIANCE REQUIREMENTS FOR CANADIAN INVESTORS.

CONVERSION OF AMOUNTS INTO CANADIAN DOLLAR EQUIVALENT. UNLESS SPECIFICALLY STATED OTHERWISE, ALL DOLLAR AMOUNTS CONTAINED IN THIS MEMORANDUM ARE IN U.S. DOLLARS AND MUST BE CONVERTED INTO CANADIAN DOLLARS BASED ON THE PREVAILING RELEVANT FOREIGN EXCHANGE RATE AT THE TIME SUCH AMOUNTS ARISE.

FINANCIAL INFORMATION. FINANCIAL INFORMATION CONTAINED IN THIS MEMORANDUM HAS BEEN PREPARED IN ACCORDANCE WITH U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, WHICH DIFFER IN CERTAIN RESPECTS FROM THOSE ACCOUNTING PRINCIPLES USED IN OTHER JURISDICTIONS, INCLUDING CANADA. PROSPECTIVE PURCHASERS SHOULD CONDUCT THEIR OWN INVESTIGATION AND ANALYSIS OF THE BUSINESS, DATA AND TRANSACTIONS DESCRIBED HEREIN AND CONSULT THEIR OWN FINANCIAL ADVISORS.

REPRESENTATION OF CANADIAN PURCHASERS. EACH PURCHASER AND BENEFICIAL OWNER OF INTERESTS WILL BE DEEMED TO HAVE REPRESENTED TO THE FUND, THE GENERAL PARTNER, THE MANAGER, AND THEIR RESPECTIVE AFFILIATES THAT:

- (i) THE OFFER AND SALE OF INTERESTS WAS MADE EXCLUSIVELY THROUGH THE FINAL VERSION OF THIS MEMORANDUM AND WAS NOT MADE THROUGH AN ADVERTISEMENT OF SUCH INTERESTS IN ANY PRINTED MEDIA OF GENERAL AND REGULAR PAID CIRCULATION, RADIO, TELEVISION OR TELECOMMUNICATIONS, INCLUDING ELECTRONIC DISPLAY, OR ANY OTHER FORM OF ADVERTISING IN CANADA;
- (ii) SUCH PURCHASER HAS REVIEWED AND ACKNOWLEDGES THE TERMS OF THIS MEMORANDUM, INCLUDING AND WITHOUT LIMITATION, THIS “NOTICE TO RESIDENTS OF CANADA”, INCLUDING IN RESPECT OF APPLICABLE RESALE RESTRICTIONS;
- (iii) WHERE REQUIRED BY LAW, SUCH PURCHASER IS PURCHASING AS PRINCIPAL, OR IS DEEMED TO BE PURCHASING AS PRINCIPAL IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF THE PROVINCE IN WHICH THE PURCHASER IS RESIDENT, FOR ITS OWN ACCOUNT AND NOT AS AGENT FOR THE BENEFIT OF ANOTHER PERSON;
- (iv) SUCH PURCHASER OR ANY ULTIMATE PURCHASER FOR WHICH SUCH PURCHASER IS ACTING AS AGENT IS ENTITLED UNDER APPLICABLE CANADIAN SECURITIES LAWS TO PURCHASE SUCH INTERESTS WITHOUT THE BENEFIT OF A PROSPECTUS QUALIFIED UNDER SUCH SECURITIES LAWS, AND WITHOUT LIMITING THE GENERALITY OF THE FOREGOING IS AN “ACCREDITED INVESTOR” AS DEFINED IN NI

45-106 OR COMPARABLE PROVISIONS OF THE SECURITIES ACT (ONTARIO), FULFILLS THE REQUIREMENTS OF NI 45-106 AND WAS NOT CREATED AND IS NOT BEING USED SOLELY TO PURCHASE OR HOLD THE INTERESTS AS AN “ACCREDITED INVESTOR”;

- (v) SUCH PURCHASER OR ANY ULTIMATE PURCHASER FOR WHICH SUCH PURCHASER IS ACTING AS AGENT IS A “PERMITTED CLIENT” AS DEFINED IN NI 31-103;
- (vi) TO THE BEST OF THE PURCHASER’S KNOWLEDGE, NONE OF THE FUNDS TO BE PROVIDED BY OR ON BEHALF OF THE PURCHASER TO THE FUND OR ITS AGENTS ARE BEING TENDERED ON BEHALF OF A PERSON OR ENTITY WHO HAS NOT BEEN IDENTIFIED TO THE GENERAL PARTNER;
- (vii) NONE OF THE FUNDS BEING USED TO PURCHASE THE INTERESTS ARE, TO THE PURCHASER’S KNOWLEDGE, PROCEEDS OBTAINED OR DERIVED, DIRECTLY OR INDIRECTLY, AS A RESULT OF ILLEGAL ACTIVITIES AND THAT:
 - (a) THE FUNDS BEING USED TO PURCHASE THE INTERESTS AND ADVANCED BY OR ON BEHALF OF THE PURCHASER TO THE FUND OR ITS AGENTS DO NOT REPRESENT PROCEEDS OF CRIME FOR THE PURPOSE OF THE PROCEEDS OF CRIME (MONEY LAUNDERING) ACT (CANADA) (THE “**PCMLA**”); AND
 - (b) SUCH PURCHASER IS NOT A PERSON OR ENTITY IDENTIFIED IN THE REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTIONS ON THE SUPPRESSION OF TERRORISM, THE UNITED NATIONS AL-QAIDA AND TALIBAN REGULATIONS, THE SPECIAL ECONOMIC MEASURES (BELARUS) REGULATIONS, THE UNITED NATIONS DEMOCRATIC REPUBLIC OF CONGO REGULATIONS, THE UNITED NATIONS CENTRAL AFRICAN REPUBLIC REGULATIONS, THE REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTION ON IRAN, THE SPECIAL ECONOMIC MEASURES (IRAN) REGULATIONS, THE REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTION ON IRAQ, THE REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTION ON LEBANON, THE REGULATION IMPLEMENTING THE UNITED NATIONS RESOLUTION ON LIBYA AND TAKING SPECIAL ECONOMIC MEASURES, THE REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTIONS ON MALI, THE UNITED NATIONS SUDAN REGULATIONS, THE REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTION ON SOUTH SUDAN, THE REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTIONS ON SOMALIA, SPECIAL ECONOMIC MEASURES (RUSSIA) REGULATIONS, SPECIAL ECONOMIC MEASURES (PEOPLE’S REPUBLIC OF CHINA) REGULATIONS, THE REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTIONS ON THE DEMOCRATIC PEOPLE’S REPUBLIC OF KOREA, THE SPECIAL ECONOMIC MEASURES (DPRK) REGULATIONS, THE SPECIAL ECONOMIC MEASURES (NICARAGUA) REGULATIONS, THE SPECIAL ECONOMIC MEASURES (BURMA) REGULATIONS, THE SPECIAL ECONOMIC MEASURES (SYRIA) REGULATIONS, SPECIAL ECONOMIC MEASURES (UKRAINE) REGULATIONS, FREEZING ASSETS OF CORRUPT FOREIGN OFFICIALS ACT, SPECIAL ECONOMIC MEASURES (VENEZUELA) REGULATIONS, REGULATIONS IMPLEMENTING THE UNITED NATIONS RESOLUTION ON YEMEN OR THE SPECIAL ECONOMIC MEASURES (ZIMBABWE) REGULATIONS (COLLECTIVELY, THE “**TRADE SANCTIONS**”)

- (viii) ACKNOWLEDGES THAT THE FUND OR ITS AGENTS MAY IN THE FUTURE BE REQUIRED BY LAW TO DISCLOSE THE PURCHASER'S NAME AND OTHER INFORMATION RELATING TO THE PURCHASER AND ANY PURCHASE OF THE INTERESTS, ON A CONFIDENTIAL BASIS, PURSUANT TO THE PCMLA, THE CRIMINAL CODE (CANADA) AND THE TRADE SANCTIONS OR AS OTHERWISE MAY BE REQUIRED BY APPLICABLE LAWS, REGULATIONS OR RULES, AND BY ACCEPTING DELIVERY OF THIS MEMORANDUM, THE PURCHASER WILL BE DEEMED TO HAVE AGREED TO THE FOREGOING;
- (ix) IT SHALL PROMPTLY NOTIFY THAT FUND OR ITS AGENTS IF THE PURCHASER DISCOVERS THAT ANY SUCH REPRESENTATIONS CEASE TO BE TRUE, AND SHALL PROVIDE THAT FUND OR ITS AGENTS WITH APPROPRIATE INFORMATION IN CONNECTION THEREWITH; AND
- (x) WHERE REQUIRED BY APPLICABLE SECURITIES LAWS, REGULATIONS OR RULES, THE PURCHASER WILL EXECUTE, DELIVER AND FILE SUCH REPORTS, UNDERTAKINGS AND OTHER DOCUMENTS RELATING TO THE PURCHASE OF THE INTERESTS BY THE PURCHASER AS MAY BE REQUIRED BY SUCH LAWS, REGULATIONS AND RULES, OR ASSIST THAT FUND OR ITS AGENTS, AS APPLICABLE, IN OBTAINING THE INFORMATION (TO THE EXTENT REQUIRED OR OTHERWISE NECESSARY TO BE INCLUDED IN ANY SUCH REPORTS, UNDERTAKINGS AND OTHER DOCUMENTS) AND FILING SUCH REPORTS, UNDERTAKINGS AND OTHER DOCUMENTS.

INDIRECT COLLECTION OF PERSONAL INFORMATION. BY PURCHASING INTERESTS, THE PURCHASER ACKNOWLEDGES THAT PERSONAL INFORMATION, SUCH AS THE PURCHASER'S NAME, RESIDENTIAL ADDRESS, TELEPHONE NUMBER, FACSIMILE NUMBER AND E-MAIL ADDRESS, WILL BE DELIVERED TO THE APPLICABLE CANADIAN SECURITIES REGULATOR AND THAT SUCH PERSONAL INFORMATION IS BEING COLLECTED INDIRECTLY UNDER THE AUTHORITY GRANTED TO SUCH SECURITIES REGULATORS UNDER APPLICABLE SECURITIES LAWS FOR THE PURPOSES OF THE ADMINISTRATION AND ENFORCEMENT OF THE SECURITIES LEGISLATION OF THE PRIVATE PLACEMENT PROVINCES. BY PURCHASING INTERESTS, THE PURCHASER SHALL BE DEEMED TO HAVE AUTHORIZED SUCH INDIRECT COLLECTION OF PERSONAL INFORMATION BY THE APPLICABLE SECURITIES REGULATORS. QUESTIONS ABOUT SUCH INDIRECT COLLECTION OF PERSONAL INFORMATION SHOULD BE DIRECTED AS FOLLOWS:

ONTARIO

ONTARIO SECURITIES COMMISSION

20 QUEEN STREET WEST, 22ND FLOOR

TORONTO, ONTARIO M5H 3S8

TELEPHONE: (416) 593- 8314

TOLL FREE IN CANADA: 1-877-785-1555

FACSIMILE: (416) 593-8122

EMAIL: EXEMPTMARKETFILINGS@OSC.GOV.ON.CA

PUBLIC OFFICIAL CONTACT REGARDING INDIRECT COLLECTION OF INFORMATION:
INQUIRIES OFFICER

QUÉBEC

AUTORITÉ DES MARCHÉS FINANCIERS

800, SQUARE VICTORIA, 22E ÉTAGE

C.P. 246, TOUR DE LA BOURSE

MONTRÉAL, QUÉBEC H4Z 1G3

TELEPHONE: (514) 395-0337 OR 1-877-525-0337

FACSIMILE: (514) 873-6155 (FOR FILING PURPOSES ONLY)

FACSIMILE: (514) 864-6381 (FOR PRIVACY REQUESTS ONLY)

EMAIL: FONDSDINVESTISSEMENT@LAUTORITE.QC.CA

PUBLIC OFFICIAL CONTACT REGARDING INDIRECT COLLECTION OF INFORMATION:
CORPORATE SECRETARY

ALBERTA

ALBERTA SECURITIES COMMISSION

SUITE 600, 250 – 5TH STREET SW CALGARY, ALBERTA T2P 0R4

TELEPHONE: (403) 297-6454

TOLL FREE IN CANADA: 1-877-355-0585

FACSIMILE: (403) 297-2082

PUBLIC OFFICIAL CONTACT REGARDING INDIRECT COLLECTION OF INFORMATION: FOIP
COORDINATOR

BRITISH COLUMBIA

BRITISH COLUMBIA SECURITIES COMMISSION

P.O. BOX 10142, PACIFIC CENTRE

701 WEST GEORGIA STREET

VANCOUVER, BRITISH COLUMBIA V7Y 1L2

INQUIRIES: (604) 899-6854

TOLL FREE IN CANADA: 1-800-373-6393

FACSIMILE: (604) 899-6581

EMAIL: INQUIRIES@BCSC.BC.CA; FOI-PRIVACY@BCSC.BC.CA

PUBLIC OFFICIAL CONTACT REGARDING INDIRECT COLLECTION OF INFORMATION: FOI INQUIRIES

SASKATCHEWAN

FINANCIAL AND CONSUMER AFFAIRS AUTHORITY OF SASKATCHEWAN

6TH FLOOR - 1919 SASKATCHEWAN DRIVE

REGINA, SASKATCHEWAN S4P 3V7

TELEPHONE: 306-787-5842

FACSIMILE: 306-787-5899

PUBLIC OFFICIAL CONTACT REGARDING INDIRECT COLLECTION OF INFORMATION: DIRECTOR

NOVA SCOTIA

NOVA SCOTIA SECURITIES COMMISSION

SUITE 400, 5251 DUKE STREET

DUKE TOWER

P.O. BOX 458

HALIFAX, NOVA SCOTIA B3J 2P8

TELEPHONE: (902) 424-7768

FACSIMILE: (902) 424-4625

PUBLIC OFFICIAL CONTACT REGARDING INDIRECT COLLECTION OF INFORMATION: EXECUTIVE DIRECTOR

ENFORCEMENT OF LEGAL RIGHTS. THE FUND AND THE GENERAL PARTNER, AND THE DIRECTORS AND OFFICERS OF THE GENERAL PARTNER AND THE FUND MAY BE LOCATED OUTSIDE CANADA AND, AS A RESULT, IT MAY NOT BE POSSIBLE FOR CANADIAN PURCHASERS OF INTERESTS TO EFFECT SERVICE OF PROCESS WITHIN CANADA UPON THE FUND, GENERAL PARTNER AND THEIR DIRECTORS OR OFFICERS. ALL OR A SUBSTANTIAL PORTION OF THE ASSETS OF THE FUND, GENERAL PARTNER AND THEIR DIRECTORS OR OFFICERS MAY BE LOCATED OUTSIDE OF CANADA AND, AS A RESULT, IT MAY NOT BE POSSIBLE TO SATISFY A JUDGMENT AGAINST THE FUND OR SUCH PERSONS IN CANADA OR TO ENFORCE A JUDGMENT OBTAINED IN CANADIAN COURTS AGAINST THE FUND OR SUCH PERSONS OUTSIDE OF CANADA.

PLACEMENT AGENT. HODES WEILL SECURITIES, LLC ("**HODES WEILL**") IS NOT REGISTERED AS A DEALER IN ANY PROVINCE OR TERRITORY OF CANADA, AND MAY BE ACTING FOR PURPOSES OF PLACING CERTAIN INTERESTS OF THE FUND IN CANADA IN THE PROVINCES OF QUEBEC, ONTARIO, ALBERTA, BRITISH COLUMBIA AND NOVA SCOTIA IN RELIANCE UPON AN EXEMPTION FROM THE DEALER REGISTRATION REQUIREMENT UNDER NI 31-103. HODES WEILL'S HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IS LOCATED IN NEW YORK AT 850 THIRD AVENUE, 16TH FL, NEW YORK, NEW YORK, USA 10022. THERE

MAY BE DIFFICULTIES FOR INVESTORS LOCATED IN THE PROVINCES OF QUEBEC, ONTARIO, ALBERTA, BRITISH COLUMBIA AND NOVA SCOTIA TO ENFORCE LEGAL RIGHTS AGAINST HODES WEILL BECAUSE IT IS RESIDENT OUTSIDE OF CANADA AND ALL OR SUBSTANTIALLY ALL OF ITS ASSETS MAY BE SITUATED OUTSIDE OF CANADA.

THE FOLLOWING LAW FIRMS ARE ACTING AS AGENT FOR SERVICE OF PROCESS OF HODES WEILL IN THE FOLLOWING PROVINCES:

- IN QUÉBEC: LAVERY, DE BILLY, L.L.P., SUITE 4000, 1 PLACE VILLE MARIE, MONTRÉAL, QUÉBEC, H3B 4M4, CANADA;
- IN ONTARIO: LOW MURCHISON RADNOFF LLP, 1565 CARLING AVENUE, SUITE 400, OTTAWA, ONTARIO, K1Z 8R1, CANADA;
- IN ALBERTA: LAWSON LUNDELL LLP, SUITE 1100, 225 - 6TH AVENUE S.W., BROOKFIELD PLACE, CALGARY, ALBERTA, T2P 1N2;
- IN BRITISH COLUMBIA: LAWSON LUNDELL LLP, CATHEDRAL PLACE, 925 WEST GEORGIA STREET, SUITE 1600, VANCOUVER, BRITISH COLUMBIA, V6C 3L2, CANADA;
- IN SASKATCHEWAN: MLT AIKINS LLP, 1500 HILL CENTER 1, 1874 SCARTH STREET, REGINA SK S4P 4E9, CANADA; AND
- IN NOVA SCOTIA: STEWART MCKELVEY LLP, SUITE 900, PURDY'S WHARF TOWER ONE, 1959 UPPER WATER STREET, P.O. BOX 997, HALIFAX, NOVA SCOTIA, B3J 2X2, CANADA.

CHOICE OF LANGUAGE OF DOCUMENTS IN CANADA. UPON RECEIPT OF THIS MEMORANDUM, EACH INVESTOR IN CANADA HEREBY CONFIRMS THAT IT HAS EXPRESSLY REQUESTED THAT ALL DOCUMENTS EVIDENCING OR RELATING IN ANY WAY TO THE SALE OF THE INTERESTS (INCLUDING FOR GREATER CERTAINTY ANY PURCHASER CONFIRMATION OR ANY NOTICE) BE DRAWN UP IN THE ENGLISH LANGUAGE ONLY. *PAR LA RECEPTION DE CE DOCUMENT, CHAQUE INVESTISSEUR CANADIEN CONFIRME PAR LES PRESENTES QU'IL A EXPRESSEMENT EXIGE QUE TOUS LES DOCUMENTS FAISANT FOI OU SE RAPPORTANT DE QUELQUE MANIERE QUE CE SOIT A LA VENTE DES VALEURS MOBILIERES DECRITES AUX PRESENTES (Y COMPRIS, POUR PLUS DE CERTITUDE, TOUTE CONFIRMATION D'ACHAT OU TOUT AVIS) SOIENT REDIGES EN ANGLAIS EXCLUSIVEMENT.*

NOTICE TO RESIDENTS OF THE CAYMAN ISLANDS:

This Memorandum does not constitute and there will not be any offering of interests in the Fund to the public in the Cayman Islands.

NOTICE TO RESIDENTS OF CHILE:

This Memorandum, and the interests in the Fund to which it relates, may not be advertised, marketed, distributed or otherwise made available to the public in the jurisdiction of the recipient ("Jurisdiction"). In connection with the offering of the interests, no prospectus has been registered with or approved by any regulatory body in the Jurisdiction. Interests in the Fund are being offered on a limited private basis, and do not constitute marketing, offering or sales to the public in the Jurisdiction. Therefore, this Memorandum is strictly private and confidential and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

NOTICE TO RESIDENTS OF THE PEOPLE'S REPUBLIC OF CHINA:

Interests may not be marketed, offered or sold directly or indirectly to the public in China and neither this Memorandum, which has not been submitted to the Chinese Securities and Regulatory Commission, nor any offering material or information contained herein relating to the Interests, may be supplied to the public in China or used in connection with any offer for the subscription or sale of Interests to the public in China. Interests may only be marketed, offered or sold to Chinese institutions which are authorized to engage in foreign exchange business and offshore investment from outside China. Chinese investors may be subject to foreign exchange control approval and filing requirements under the relevant Chinese foreign exchange regulations, as well as offshore investment approval requirements.

NOTICE TO RESIDENTS OF COLOMBIA:

Neither this Memorandum nor the Interests have been reviewed or approved by the Financial Superintendency of Colombia (the “FSC”) or any other governmental authority in Colombia, nor has the Fund or any related person received authorization or licensing from the FSC or any other governmental authority in the Colombia to market or sell the Interests within Colombia. No public offering of the Interests is being made in Colombia or to Colombian residents. By requesting any information in connection with this Memorandum, the recipient acknowledges that it contacted the General Partner at its own initiative and not as a result of any promotion or publicity by the General Partner, the Fund or any of their respective agents or representatives. This Memorandum is strictly private and confidential and may not be reproduced, used for any other purpose or provided to any person other than the intended recipient.

NOTICE TO RESIDENTS OF COSTA RICA:

This is a private placement executed outside the Costa Rican territory, and must be ruled by the laws and jurisdiction of the United States. The investor accepts that the security offered has no negotiation market and may not be offered through any media or any other way of publicity that could be interpreted by the Costa Rican governmental authorities as a public offer. Furthermore, the investor specifically understands the following:

- a) That the private offering is not a public offer as per the Costa Rican Securities Law and as such it is not authorized by SUGEVAL or any other local authority, and is not subject to any regulatory, supervision or sanction schemes from the Securities Law that apply to public offerings and is not registered in the National Securities and Intermediaries Registry.
- b) As a private offering, the Fund Interests are being offered only to sophisticated investors and the investor understands that it will not receive periodical information as per the regulations from CONASSIF (National Financial System Supervision Council) and SUGEVAL.
- c) Since it is not a public offering registered in the National Securities and Intermediaries Registry, there is no established secondary market for the Fund Interests, and that any dispute or litigation regarding the investment must be resolved under the laws of the jurisdiction in which the fund is established or other jurisdiction outside of Costa Rica.

NOTICE TO RESIDENTS OF CYPRUS:

No public offering of interests in the Fund is being made to investors resident in Cyprus.

Interests in the Fund are being offered only to a limited number of professional investors capable of understanding the risks of their investment. This Memorandum may be made available and the interests of the Fund may be marketed to professional investors (as defined in the Investment Services and Activities and Regulated Markets Law L.87(I)/2017) in Cyprus at the initiative of the Manager, or any affiliate or agent thereof, only if the conditions stated in section 66 of the Cyprus Alternative Investment Fund Managers Law of 2013 (as amended) have been met and the notification procedure in accordance with paragraph 7 of CySEC's Directive DI131/56/02 has been made.

NOTICE TO RESIDENTS OF CZECH REPUBLIC:

No public offer is being made and no one has taken any action that would, or is intended to, permit a public offering of the Interests to be made in the Czech Republic. Subject to exemptions that may be available under applicable law, the Interests may not be offered or sold, directly or indirectly, and neither this Memorandum nor any other offering material or advertisement in connection with the Interests may be distributed or published in or from the Czech Republic. This Memorandum will not be submitted for approval to the Czech National Bank, and the Czech National Bank has not otherwise approved or authorized the offering of the Interests to investors resident in the Czech Republic.

NOTICE TO RESIDENTS OF DENMARK:

This Memorandum has not been and will not be filed with or approved by the Danish Financial Supervisory Authority or any other regulatory authority in Denmark, and interests in the Fund have not been and are not intended to be listed on the Danish regulated market.

Consequently, this Memorandum may not be made available and interests in the Fund may not be marketed or offered for sale directly or indirectly to any natural or legal person in Denmark except as permitted under applicable rules, including but not limited to Consolidated Act No. 1047 of 14 October 2019 on managers of alternative investment funds etc. (the “**Danish AIFM Act**”) implementing the EU Alternative Investment Fund Managers Directive (the “**AIFMD**”) into Danish law and any Executive Orders issued pursuant thereto.

As such the Fund may not be marketed, and this Memorandum may not be sent, to investors in Denmark unless (i) the Fund has been approved for marketing in Denmark by the Danish Financial Supervisory Authority pursuant to Article 42 of the AIFMD, in which case interests in the Fund may be marketed to professional investors within the meaning of the Danish AIFM Act only or (ii) such offering was initiated by the investors. This Memorandum must not be distributed to, or relied upon by, investors in Denmark in any other circumstances.

NOTICE TO INVESTORS IN ECUADOR

The Fund is not managed or represented by a fund management company or trust administrator in Ecuador and has not been registered with or approved by the National Securities Council or the Superintendency of Companies, Securities and Insurance of Ecuador. Interests are therefore not eligible for advertising, placement or circulation in Ecuador. The information provided in this Memorandum is not an offer to sell, or an invitation to make an offer to purchase, Interests in Ecuador or to, or for the benefit of, any Ecuadorian person or entity. This Memorandum may not be distributed or reproduced, in whole or in part, in Ecuador by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that its recipients will only participate in the issue of Interests outside of Ecuador on their own account and will undertake not to transfer, directly or indirectly, Interests to persons or entities in Ecuador.

NOTICE TO RESIDENTS OF EL SALVADOR:

The recipient acknowledges that this Memorandum has been prepared and delivered upon the recipient's request, on a private placement basis.

NOTICE TO RESIDENTS OF EEA MEMBER STATES:

Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), contains various exemptions from the prospectus requirements arising under the Prospectus Regulation and under the securities laws of the EEA member states and the UK. To the extent such exemptions apply to the offering of interests in the Fund, the Manager reserves the right to offer interests in the Fund in accordance with such exemptions, notwithstanding references herein to any other provision of the securities laws of any EEA member state or the UK.

Following implementation of the AIFMD, the offering or placement of interests in the Fund to or with investors domiciled or with a registered office in an EEA member state or the UK ("**EEA or UK Investors**") may be restricted or prohibited under national law in that EEA member state or the UK, or may be permitted only if the Manager or an affiliate thereof complies with certain procedural and substantive obligations.

Interests in the Fund will not be directly or indirectly placed at the initiative or on behalf of the Manager or any affiliate thereof to EEA or UK Investors and hence there will be no "marketing" of the Fund for the purposes of the AIFMD. The inclusion of an offering legend in respect of any EEA member state or the UK therefore does not imply that an offering or placement of interests in the Fund has been or will be made at the initiative of the Manager or any affiliate or agent thereof to EEA or UK Investors in that EEA member state or the UK (as applicable).

The AIFMD does not restrict EEA or UK Investors from investing in the Fund at their own initiative. This Memorandum may be provided to an investor who is an EEA or UK Investor in response to an own-initiative request, notwithstanding that interests in the Fund are not otherwise being offered or placed to or with EEA or UK Investors at the initiative of the Manager or its affiliates or agents in the jurisdiction of the investor.

Interests in the Fund are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any "retail investor" within the meaning of the Second Markets in Financial Instruments Directive (2014/65/EU), and therefore no Key Information Document ("**KID**") is required to be provided to investors in accordance with the Packaged Retail and Insurance-Based Investment Products Regulation (No. 1286/2014) and the Commission Delegated Regulation (EU) 2017/653.

The provisions of this offering legend apply to EEA or UK Investors (as applicable) in addition to any other offering legend included in respect of any specific EEA member state or the UK.

NOTICE TO RESIDENTS OF ESTONIA:

No public offer is being made and no one has taken any action that would, or is intended to, permit a public offering of interests in the Fund to be made in Estonia. Subject to exemptions that may be available under applicable law, interests in the Fund may not be offered or sold, directly or indirectly, and neither this Memorandum nor any other offering material or advertisement in connection with interests in the Fund may be distributed or published in or from Estonia. This Memorandum will not be submitted for approval to the Estonian Financial Supervisory Authority and the Estonian Financial

Supervisory Authority has not otherwise approved or authorized the offering of interests in the Fund to investors resident in Estonia.

NOTICE TO RESIDENTS OF FINLAND:

In Finland, this Memorandum may be provided solely to, and interests in the Fund may be made available only to, Finnish professional clients (as defined in the EU Directive 2014/65/EU on markets in financial instruments and in the Finnish Investment Services Act (*sijoituspalvelulaki* 14.12.2012/747, as amended, the “ISA”)). Marketing of interests in the Fund to Finnish professional investors has not been notified to the Finnish Financial Supervisory Authority (“FIN-FSA”) in accordance with the Finnish Act on Alternative Investment Fund Managers (*laki vaihtoehtorahastojen hoitajista*, 7.3.2014/162, as amended, the “AIFML”) and the FIN-FSA has not approved the commencement of any such marketing.

The Manager is not authorised or registered in Finland in accordance with the AIFML. The Fund is not a UCITS fund and therefore its marketing is not subject to the provisions of the Finnish Act on Mutual Funds (*sijoitusrahastolaki*, 29.1.1999/48, as amended, the “MFA”), and accordingly, prospective investors should acknowledge that this Memorandum is not a fund prospectus as meant in the MFA. Furthermore, even if interests in the Fund were to be construed as “securities” as defined in the Finnish Securities Markets Act (*arvopaperimarkkinalaki*, 14.12.2012/746, as amended, the “SMA”), based on the exemptions set forth in the SMA, the offering of interests in the Fund would be exempted from the prospectus requirements of the SMA (based on the marketing being restricted to a limited number of professional clients). Accordingly, prospective investors must acknowledge that this Memorandum is not a prospectus within the meaning set forth in the SMA.

Prospective investors should also note that the Manager is not an investment firm (*sijoituspalveluyritys*) within the meaning of the ISA, nor is it subject to the supervision of the FIN-FSA. Any prospective investors should acknowledge that they will not be treated as clients of placement agents (if any) engaged by the Manager in connection with the placement of interests in the Fund and such placement agents may not be under any duty to safeguard the interests of prospective investors. Furthermore, the Fund is not a property fund as meant in the Finnish Act on Property Funds (*kiinteistörahastolaki*, 19.12.1997/1173).

This Memorandum has been prepared for private information purposes only and it may not be used for, and shall not be deemed, a public offering of interests in the Fund. This Memorandum is strictly for private use by its holder and may not be passed on to third parties or otherwise distributed publicly. Neither this Memorandum nor any accompanying supplement has been approved by the FIN-FSA.

NOTICE TO RESIDENTS OF FRANCE:

This Memorandum has not been, and will not be, registered with or approved by the French *Autorité des marchés financiers*. Accordingly, this Memorandum may not be made available, nor may interests in the Fund be offered for sale, in France except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the “Prospectus Regulation”). In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of interests in the Fund in France is limited (i) to persons who are “qualified investors” (as defined in Article 2(e) of the Prospectus Regulation), (ii) to fewer than 150 natural or legal persons (other than qualified investors) or (iii) in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

NOTICE TO RESIDENTS OF GERMANY:

This Memorandum has not been and will not be submitted to, nor has it been approved by, the Bundesanstalt für Finanzdienstleistungsaufsicht (the German Federal Financial Supervisory Authority or “**BaFin**”). The Fund has not been notified for marketing in Germany to the BaFin. Therefore, no sale of interests in the Fund to German residents is permitted, unless the sale did not involve any “marketing” or “pre-marketing” (“**Vertrieb**” or “**Pre-Marketing**” as these terms are construed under the German Capital Investment Code (*Kapitalanlagegesetzbuch* - “**KAGB**”)) by any party, i.e. where the investor invests in the Fund solely on his/her/its own initiative. Furthermore, a sale of interests in the Fund to professional or semi-professional investors resident in Germany is permitted if the pre-marketing or marketing has not occurred at the initiative of the fund manager or on its behalf. Neither this Memorandum nor any other document relating to the Fund or interests in the Fund may be circulated or supplied to persons resident in the Federal Republic of Germany other than to professional or semi-professional investors (a) at the sole initiative and explicit request of the investor, i.e., not on the initiative of the fund manager or (b) by persons not acting on behalf of the fund manager.

To the extent the Memorandum provides information on any investment vehicles and partnerships other than the Fund, the information is for investor disclosure purposes only. The interests in any such other vehicles and partnerships may not be marketed in Germany within the meaning of § 293 para. 1 KAGB.

Each potential investor is advised to consider possible tax consequences and to consult his own tax counsel.

NOTICE TO RESIDENTS OF GREECE:

Neither the Fund nor a securities prospectus in respect of interests in the Fund has been, or is intended to be, registered with and approved by the Hellenic Capital Market Commission. Interests in the Fund are therefore not eligible for advertising, placement or public circulation in Greece. The information provided in this Memorandum is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer interests in the Fund in Greece to or for the benefit of any Greek person or entity. This Memorandum is not to be distributed or reproduced, in whole or in part, in Greece by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that its recipients will only participate in the issue of interests in the Fund outside of Greece on their own account and undertake not to transfer, directly or indirectly, interests in the Fund to the public in Greece.

NOTICE TO RESIDENTS OF GUATEMALA:

This Memorandum and the Fund herein described have not been nor will they be registered with or approved by the Registro de Valores y Mercancías (the Guatemalan Securities and Commodities Market Authority). Accordingly, this Memorandum may not be made available, nor may the Interests be marketed and offered for sale in Guatemala, other than under circumstances which are deemed to constitute a private offering under the Guatemalan Securities and Commodities Market Law (Ley del Mercado de Valores y Mercancías Decreto 34-96).

NOTICE TO RESIDENTS OF GUERNSEY:

Neither the Guernsey Financial Services Commission nor the States of Guernsey take any responsibility for the financial soundness of the Fund or for the correctness of any of the statements made or opinions expressed with regard to it. If you are in any doubt about the contents of this

Memorandum you should consult your accountant, legal or professional advisor or financial advisor. The General Partner has taken all reasonable care to ensure that the facts stated in this Memorandum are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in this Memorandum, whether of fact or opinion. The General Partner accepts responsibility accordingly. It should be remembered that the price of Interests can go down as well as up.

NOTICE TO RESIDENTS OF HONG KONG:

The contents of this Memorandum have not been reviewed or approved by any regulatory authority in Hong Kong. This Memorandum does not constitute an offer or invitation to the public in Hong Kong to acquire Interests. Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for the purposes of issue, this Memorandum or any advertisement, invitation or document relating to Interests, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than in relation to Interests which are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” (as such term is defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571) (the “**SFO**”) and the subsidiary legislation made thereunder) or in circumstances which do not result in this Memorandum being a “prospectus” as defined in the Companies Ordinances of Hong Kong (Cap. 32) (the “**CO**”) or which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CO. The offer of Interests is personal to the person to whom this Memorandum has been delivered by or on behalf of the Fund, and a subscription for Interests will only be accepted from such person. No person to whom a copy of this Memorandum is issued may issue, circulate or distribute this Memorandum in Hong Kong or make or give a copy of this Memorandum to any other person. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Memorandum, you should obtain independent professional advice.

NOTICE TO RESIDENTS OF ICELAND:

This Memorandum has been issued to the recipient, for personal use only, exclusively in connection with the offering of interests in the Fund. Accordingly, this Memorandum may not be used by the recipient for any other purpose nor forwarded to any other person or entity in Iceland. The Interests in the Fund described in this Memorandum may only be offered and sold (as well as resold) in Iceland in accordance with the Icelandic Act Mp. 116/2021 on Undertakings for Collective Investments in Transferable Securities (UCITS) (the “**UCITS Act**”). Also, any subsequent transfer or resale of interests in the Fund in Iceland will need to comply with the applicable provisions of the UCITS Act. Prospective Icelandic investors should consult with their own tax advisors as to the tax consequences of an investment in the Fund.

NOTICE TO RESIDENTS OF INDIA:

This Memorandum contains general information only, does not contain any personal advice or recommendation and does not take into account any prospective investors' objectives, financial situation or needs. Before acting on this Memorandum prospective investors should assess the appropriateness of the information and consider seeking the advice of a financial adviser before

making an investment decision. Neither the Fund nor the Manager are licensed to provide “investment advisory” activities in India.

Interests in the Fund are not being offered, made available for subscription, or being sold pursuant to any Indian law or regulations. This Memorandum has not been registered with any Indian regulator and no Indian regulator (including the Securities and Exchange Board of India and the Reserve Bank of India) has approved the offering or this Memorandum. Neither the Fund nor the General Partner has authorized any public offer, subscription or sale of any interests in the Fund by or to the public in India. Interests in the Fund may be offered to Indian resident persons strictly on a private placement basis with a limited number of sophisticated and/or private investors, institutional investors and high net worth individuals. An investment in the Fund requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment of this nature. Each Indian resident offeree is required to seek independent legal and regulatory advice to determine its eligibility to subscribe to the interests and compliance requirements under the Indian laws and regulations pertaining to subscription, holding and divestment of its investment in the Fund as well as receipt and reporting of income earned from the Fund. Prospective Indian investors will be responsible to obtain the necessary approvals and make the necessary filings as may be required with respect to their investment in the Fund, including approval and filings, if any, under the Foreign Exchange Management Act, 1999 and extant regulations thereunder.

NOTICE TO RESIDENTS OF INDONESIA:

This numbered Memorandum is for the exclusive use of the person named on the front cover of this Memorandum. If the number on the front cover of this Memorandum does not appear in red, there is a presumption that this Memorandum has been improperly reproduced and circulated, in which case the Fund and its affiliates disclaim any responsibility for its content or use. This Memorandum may not be photocopied, reproduced or distributed, in whole or in part, to any other person at any time. Distribution of this Memorandum to any person other than in compliance with the terms of this Memorandum is unauthorized. If the offeree does not proceed with the transaction or if it is so requested, it will return this Memorandum to the General Partner promptly. Interests will not be offered or sold, directly or indirectly, in the Republic of Indonesia or to Indonesian citizens, nationals or corporations, wherever located, or entities or residents in Indonesia in a manner which constitutes a public offering of the interests under the laws and regulations of Indonesia.

NOTICE TO RESIDENTS OF IRELAND:

This Memorandum is private and confidential and is for the use only of the persons to whom it is addressed who may not otherwise distribute it in Ireland. No person other than the addressee receiving a copy of this Memorandum may treat it as constituting a solicitation or an invitation to them to subscribe for interests in the Fund. This Memorandum does not constitute an offer or solicitation to anyone other than the addressee and accordingly does not constitute an offer to the public in Ireland.

NOTICE TO RESIDENTS OF ISRAEL:

The Interests described in this Memorandum have not been registered and are not expected to be registered under the Israeli Securities Law – 1968 (the “**Securities Law**”) or under the Israeli Joint Investment Trust Law – 1994 due to applicable exemptions. Accordingly, the Interests described herein will only be offered and sold in Israel pursuant to applicable private placement exemptions, to parties that qualify as both (i) Sophisticated Investors described in Section 15A(b)(1) of the Securities

Law and (ii) as “Qualified Customers” for purposes of Section 3(a)(11) of the Law for the Regulation of Provision of Investment Advice, Marketing Investments and Portfolio Management – 1995 (the “**Investment Advisor Law**”). Neither the Fund nor the General Partner is a licensed investment marketer under the Investment Advisor Law and neither the Fund nor the General Partner maintains insurance as required under such law. The Fund and General Partner may be deemed to be providing investment marketing services but are not investment advisors for purposes of Israeli law. Any investment marketing which may be deemed provided under Israeli law in connection with an investment in the Fund is deemed provided on a one time only basis and neither the Fund nor the General Partner will provide any ongoing investment marketing or investment advisory services to the investor. If any recipient in Israel of a copy of this Memorandum is not qualified as described above, such recipient should promptly return this Memorandum to the Fund. By retaining a copy of this Memorandum you are hereby confirming that you qualify as both a Sophisticated Investor and Qualified Customer, fully understand the ramifications thereof and agreed to be treated as such by the Fund.

NOTICE TO RESIDENTS OF ITALY:

The Fund is not a UCITS fund. The offering of interests in the Fund in Italy has not been nor will it be authorized by the Bank of Italy and the *Commissione Nazionale per la Società e la Borsa*. Interests in the Fund are offered upon the express and unsolicited request of the investor, who has directly contacted the Fund, the General Partner, the Manager or an affiliate thereof on the investor’s own initiative. No active marketing of the Fund has been made nor will it be made in Italy, and this Memorandum has been sent to the investor at the investor’s unsolicited request. The investor acknowledges and confirms the above and hereby agrees not to sell or otherwise transfer any interests in the Fund or to circulate this Memorandum in Italy unless expressly permitted by, and in compliance with, applicable law.

NOTICE TO RESIDENTS OF JAPAN:

The Interests are a security set forth in Article 2, Paragraph 2, Item 6 of the Financial Instruments and Exchange Act of Japan (the “**FIEA**”). No public offering of the Interests is being made to investors resident in Japan and in accordance with Article 2, paragraph 3, Item 3, of the FIEA, no securities registration statement pursuant to Article 4, paragraph 1, of the FIEA has been made or will be made in respect to the offering of the Interests in Japan. Neither the Fund nor any of its affiliates is or will be registered as a “financial instruments business operator” pursuant to the FIEA. Neither the Financial Services Agency of Japan nor the Kanto Local Finance Bureau has passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the Interests to investors resident in Japan.

NOTICE TO RESIDENTS OF JERSEY:

No public offering of Interests is being made to investors resident in Jersey. Interests are being offered only to a limited number of institutional and sophisticated individual investors in Jersey.

NOTICE TO RESIDENTS OF KUWAIT:

This Memorandum is not for general circulation to the public in Kuwait. The Interests have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti governmental agency. The offering of the Interests in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 (as amended) and the bylaws thereto (as amended). No private or public offering of the Interests is being

made in Kuwait, and no agreement relating to the sale of the Interests will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Interests in Kuwait.

NOTICE TO RESIDENTS OF LEBANON:

Neither this Memorandum nor the Interests have been approved, disapproved or passed on in any way by the Lebanese Capital Market Authority (the “**CMA**”) or any other governmental authority in Lebanon, nor has the Fund received authorization or licensing from the CMA or any other governmental authority in Lebanon to market or sell the Interests within Lebanon. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the Interests, including the receipt of applications and the allotment or redemption of such Interests, may be rendered by the Fund within Lebanon.

NOTICE TO RESIDENTS OF LIBYA:

This Memorandum has not been approved by the Libyan Ministry of Economy nor by any other Libyan governmental authority, nor has the Fund received authorization or licensing from the Libyan Ministry of Economy nor by any other Libyan authority to market or sell the Interests within Libya. Therefore, no services relating to the offering, including the receipt of subscriptions or the allotment of the Interests, may be rendered within Libya by the Fund or persons representing the Fund.

NOTICE TO RESIDENTS OF LIECHTENSTEIN:

The contents of this Memorandum have not been prepared in accordance with the provisions of the Liechtenstein Alternative Investment Fund Management Act (the “**AIFMG**”) or the European Prospectus Regulation (Regulation (EU) 2017/1129) and have not been reviewed or approved by the Financial Markets Authority (the “**FMA**”) in Liechtenstein. Accordingly, this Memorandum may not be distributed, offered or otherwise made available to any person in Liechtenstein other than prospective investors in Liechtenstein eligible to subscribe for or purchase interests in the Fund in accordance with the terms of this Memorandum and the AIFMG.

None of the Fund, the General Partner, the Manager or any of their affiliates has been licensed, and interests in the Fund are not registered or otherwise authorized for marketing to investors in Liechtenstein by the FMA. Accordingly, interests in the Fund are not intended to be marketed and may not be marketed (within the meaning given to the term “marketing” in Article 4 (1)(23) AIFMG) to investors in Liechtenstein. Notwithstanding, interests in the Fund may be offered to and subscribed by investors in Liechtenstein on the basis of a private placement pursuant to Art. 150 (3a) AIFMG. In addition, the Fund may accept subscriptions from existing investors in Liechtenstein and from investors in Liechtenstein to whom interests in the Fund have not been marketed (within the meaning given to the term “marketing” in the AIFMG) but where communication has been initiated by the prospective investor or their agent.

This Memorandum may not be forwarded or made available to any persons other than the recipient to whom this Memorandum is personally addressed.

NOTICE TO RESIDENTS OF LUXEMBOURG:

No public offering of interests in the Fund is being made to investors resident in Luxembourg. Interests in the Fund are only being made available to a limited number of sophisticated and professional investors in Luxembourg and not by way of a general solicitation. The *Commission de*

Surveillance du Secteur Financier of Luxembourg has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorised the offering of interests in the Fund to investors resident in Luxembourg. Material information provided to investors, including information disclosed in the context of meetings relating to offers of securities, shall be disclosed to all investors to whom the offer is exclusively addressed.

NOTICE TO RESIDENTS OF MALAYSIA:

The offering made under this Memorandum does not constitute, and should not be construed as constituting an offer or invitation to subscribe for or purchase any securities in Malaysia. The General Partner, by the dispatch of this Memorandum, has not made available any securities for subscription or purchase in Malaysia. This Memorandum is distributed in Malaysia for information purposes only. This Memorandum does not constitute, and should not be construed as offering or making available any Interest for purchase in Malaysia.

NOTICE TO RESIDENTS OF MARSHALL ISLANDS:

In the Republic of the Marshall Islands, the Interests will be offered exclusively to non-resident domestic business entities and will not be offered to resident domestic business entities or individuals resident in the Republic of the Marshall Islands. Neither the Fund nor any other person is offering hereby to sell Interests to, or soliciting any offer to purchase Interests from, investors in the Republic of the Marshall Islands except as may otherwise be permitted under applicable law.

NOTICE TO RESIDENTS OF MEXICO:

The offering made pursuant to this Memorandum does not constitute a public offering of securities under Mexican law and therefore is not subject to obtaining the prior authorization of the Mexican National Banking and Securities Commission or the registration of the Interests with the Mexican National Registry of Securities.

NOTICE TO RESIDENTS OF MONACO:

No offering of interests in the Fund is being made to investors resident in Monaco. Interests in the Fund are being offered only to companies licensed by the *Commission de Contrôle des Activités Financières* (the “CCAF”). These CCAF licensed entities may in turn offer interests in the Fund to their clients, under their responsibility. The CCAF has not reviewed the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of interests in the Fund to investors resident in Monaco.

The addressees hereof are perfectly fluent in English and expressly waive the possibility of a French translation of the present document. Les destinataires du présent document reconnaissent être à même d'en prendre connaissance en langue anglaise et renoncent expressément à une traduction française.

NOTICE TO RESIDENTS OF MOROCCO:

No public offering of the Interests is being made to investors resident in Morocco. The Interests are being offered only to a limited number of institutional investors capable of understanding the risks of their investment. Neither the Conseil Déontologique des Valeurs Mobilières nor the Ministry of Finance has passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the Interests to investors resident in Morocco.

NOTICE TO RESIDENTS OF THE NETHERLANDS:

In the Netherlands, interests in the Fund may only be offered, sold, transferred or assigned, as part of their initial distribution or at any time thereafter, to natural persons who or legal entities which are Qualified Investors as defined in Section 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht* (the “FSA”)) and the Prospectus Regulation (EU) 2017/1129. Interests in the Fund may not otherwise be offered, indirectly or directly, in the Netherlands.

Where an offer is made exclusively to Qualified Investors within the meaning of section 1:1 of the FSA and the Prospectus Regulation, neither the Manager nor the General Partner is under an obligation to have the offering Memorandum approved by the Dutch Authority for the Financial Markets or by a competent authority of another Member State of the European Economic Area in accordance with the Prospectus Regulation.

NOTICE TO RESIDENTS OF NEW ZEALAND:

No retail offering of Interests is being made to investors in New Zealand. Interests are being offered to wholesale investors in New Zealand pursuant to an exclusion from disclosure requirements under the Financial Markets Conduct Act 2013. The New Zealand Financial Markets Authority has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Interests to investors resident in New Zealand.

NOTICE TO RESIDENTS OF NORWAY:

This Memorandum does not constitute an invitation or a public offer of securities in Norway. It is intended only for the original recipient and is not for general circulation in Norway. The offer herein is not subject to the prospectus requirements for the purposes of applicable measures implementing the EU Prospectus Regulation. This Memorandum has not been nor will it be registered with or authorized by any governmental body in Norway.

NOTICE TO RESIDENTS OF OMAN:

This Memorandum, and the Interests to which it relates, may not be advertised, marketed, distributed or otherwise made available to the general public in Oman. In connection with the offering of the interests, no prospectus has been registered with or approved by the Central Bank of Oman, the Oman Ministry of Commerce and Industry, the Oman Capital Market Authority or any other regulatory body in the Sultanate of Oman. The offering and sale of Interests described in this Memorandum will not take place inside Oman. The Interests are being offered on a limited private basis, and do not constitute marketing, offering or sales to the general public in Oman. Therefore, this Memorandum is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

NOTICE TO RESIDENTS OF PANAMA:

No public offering of the Interests is being made to investors resident in Panama. The Interests are being offered only to institutional investors and a limited number of other investors in Panama. The Superintendencia del Mercado de Valores has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the Interests to investors domiciled in Panama.

NOTICE TO RESIDENTS OF PERU:

The Interests have not been and will not be approved by the Peruvian Superintendencia del Mercado de Valores (the “**SMV**”) or any other regulatory agency in Peru, nor have they been registered under the Securities Market Law (Ley del Mercado de Valores), or any SMV regulations. The Interests may not be offered or sold within Peru except in private placement transactions.

NOTICE TO RESIDENTS OF PHILIPPINES:

The securities (i.e., the Interests) being offered or sold hereunder have not been registered with the Securities and Exchange Commission of the Philippines under the Philippines Securities Regulation Code. Any future offer or sale of the Interests is subject to the registration requirements of the Philippines Securities Regulation Code unless such offer or sale qualifies as an exempt transaction thereunder.

NOTICE TO RESIDENTS OF POLAND:

This Memorandum (including any amendment, supplement or replacement thereto) is not being distributed in the context of a public offering in Poland within the meaning of Article 3.1 Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies dated July 29, 2005. Interests in the Fund are being offered only to a limited number of investors in Poland pursuant to exemptions from the registration requirements of the Act of Public Offering. This Memorandum has not been and will not be submitted to the Polish Financial Supervisory Authority (*Komisja Nadzoru Finansowego*) for approval in Poland and accordingly may not and will not be distributed to the public in Poland.

For the avoidance of doubt please be also advised that this Memorandum does not and will not constitute (i) an offering (in particular a public offering) of any securities, (ii) an invitation to negotiate the sale of securities, (iii) an invitation to place offers to buy securities, (iv) an invitation to subscribe for securities, or (v) legal grounds entitling the Fund to conclude any other agreement, dispose of a right, or contract any other obligation.

No entity (in particular the Fund, General Partner, Manager or other persons acting on behalf or on the order placed by the Fund) makes any representations or warranties about the exactitude, completeness or accuracy of the information or opinions included in this Memorandum. Therefore, the persons reviewing this Memorandum should not assume that the information included in this Memorandum is exact, complete or accurate. All such assumptions are made at the sole risk of the person reviewing this Memorandum.

In view of the above this Memorandum should not be relied upon as a source of information when making any investment decisions, or other decisions, including for example a decision to conclude a contract or dispose of a right or contract an obligation.

The forecasts, information or statements concerning future events, results or phenomena that are included in this Memorandum, should not be treated as binding; this applies in particular to forecasts of revenues to be earned from certain markets or projected growth of the Fund. None of the Fund, the General Partner, the Manager or other persons acting on behalf or on the order of the Fund, nor any other entities warrant that such information, statements and projections will materialize. In particular, there is no guarantee that future events, results or phenomena will be consistent with the information, statements, predictions or projections about the future included in this Memorandum.

It is not the intention of the Fund or any other persons acting on behalf or on the order of the Fund, or any other entities to (i) update the wording of this Memorandum, (ii) verify the wording of this Memorandum or (iii) inform about inaccuracies in or changes of this Memorandum, if any. All the opinions and conclusions contained in this Memorandum may be changed without notice.

NOTICE TO RESIDENTS OF PORTUGAL:

This offering is addressed only to “professional investors” as defined under Article 30 and 317-B of the Portuguese Securities Code (Decree-Law 486/99, dated November 13, 2000, as amended).

NOTICE TO RESIDENTS OF QATAR:

This Memorandum is provided on an exclusive basis to the specifically intended recipient hereof, upon that person’s request and initiative and for the recipient’s personal use only. Nothing in this Memorandum constitutes, is intended to constitute, shall be treated as constituting or shall be deemed to constitute any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of an investment fund, or an attempt to do business as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre, other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities.

This Memorandum and the underlying instruments have not been approved, registered or licensed by the Qatar Central Bank, the Qatar Financial Centre Regulatory Authority, the Qatar Financial Markets Authority or any other regulator in the State of Qatar. This Memorandum and any related documents have not been reviewed or approved by the Qatar Financial Centre Regulatory Authority or the Qatar Central Bank.

Recourse against the Fund, and those involved with it, may be limited or difficult and may have to be pursued in a jurisdiction outside Qatar and the Qatar Financial Centre. Any distribution of this Memorandum by the recipient to third parties in Qatar or the Qatar Financial Centre beyond the terms hereof is not authorized and shall be at the liability of the recipient.

NOTICE TO RESIDENTS OF RUSSIA:

This Memorandum does not constitute an offer, or an invitation to make offers, sell, purchase, exchange or transfer any securities in the Russian Federation to or for the benefit of any Russian person or entity, and does not constitute an advertisement of offering of any securities in the Russian Federation within the meaning of Russian securities laws. Information contained in this Memorandum is not intended for any persons in the Russian Federation who are not “qualified investors” within the meaning of Article 51.2 of the Federal Law no. 39-FZ dated 22 April 1996 “On the securities market” (as amended) (“**Russian QIs**”) and must not be distributed or circulated into the Russian Federation or made available in the Russian Federation to any persons who are not Russian QIs, unless and to the extent they are otherwise permitted to access such information under Russian law.

NOTICE TO RESIDENTS OF SAUDI ARABIA:

Neither this Memorandum nor the Interests have been approved, disapproved or passed on in any way by the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia, nor has the Fund received authorization or licensing from the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia to market or sell the Interests within the Kingdom of Saudi Arabia. This Memorandum does not constitute and may not be used for the purpose

of an offer or invitation. No services relating to the Interests, including the receipt of applications and the allotment or redemption of the Interests, may be rendered by the Fund within the Kingdom of Saudi Arabia.

NOTICE TO RESIDENTS OF SINGAPORE:

This Memorandum and any other material in connection with the offer or sale is not a prospectus as defined in the Securities and Futures Act 2001 of Singapore (the “**SFA**”). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

This Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore (the “**MAS**”) and this offering is not regulated by any financial supervisory authority pursuant to any legislation in Singapore and an offering of Interests are not allowed to be made to the retail public. Accordingly, this Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the interests may not be circulated or distributed, nor may the interests be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 4A of the SFA, (ii) to a relevant person under Section 305(1) of the SFA, (iii) to any person pursuant to an offer referred to in Section 305(2) of the SFA, or (iv) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Since this Memorandum is not a prospectus as defined in the SFA, statutory liability under the SFA in relation to the content of prospectuses does not apply, and the offeree should consider carefully whether the investment is suitable for him.

Certain resale restrictions apply to the offer and investors are advised to acquaint themselves with such restrictions.

Where the interests are subscribed or purchased under Section 305 of the SFA by a relevant person which is either:

a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

then, in each case, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the interests pursuant to an offer made under Section 305 except:

- (1) to an institutional investor or to a relevant person defined in Section 305(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 305 of the SFA;

- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 305A(5) of the SFA; or
- (5) as specified in Regulation 36 and 36A of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

This offer is made in reliance on the exemption for restricted schemes under section 305 of the SFA. The scheme has not been entered into the list of restricted schemes maintained by the MAS. The MAS does not regulate the manager in respect of the management of the scheme.

NOTICE TO RESIDENTS OF SOUTH AFRICA:

Neither this Memorandum nor the Interests have been approved, disapproved or passed on in any way by the Financial Services Conduct Authority or any other governmental authority in South Africa, nor has the Fund received authorization or licensing from the Financial Services Conduct Authority or any other governmental authority in South Africa to market or sell the Interests within South Africa. This Memorandum is strictly confidential and may not be reproduced, used for any other purpose or provided to any person other than the intended recipient.

NOTICE TO RESIDENTS OF SOUTH KOREA:

Neither the Fund nor any of its affiliates is making any representation with respect to the eligibility of any recipients of this Memorandum to acquire interests in the Fund under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law and Regulations thereunder. Interests in the Fund are being offered and sold in Korea only to persons prescribed by Article 301, Paragraph 2 of the Enforcement Decree of the Financial Investment Services and Capital Markets Act, and none of the interests in the Fund may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea. Furthermore, interests in the Fund may not be re-sold to Korean residents unless the purchaser of the interests complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the interests in the Fund.

NOTICE TO RESIDENTS OF SPAIN:

Interests in the Fund may not be offered or sold in Spain except in accordance with the requirements of applicable Spanish law and the interpretations thereof by the *Comisión Nacional del Mercado de Valores* (the “**CNMV**”). This Memorandum is neither verified nor registered with the CNMV, and therefore no marketing or advertizing activity, as defined by Act 22/2014, dated 13 November, on private equity institutions, other closed end collective investment institutions and the management companies of the closed end investment institutions, with respect to interests in the Fund has been or will be carried out in Spain.

NOTICE TO RESIDENTS OF SWEDEN:

This Memorandum has not been approved by and will not be submitted for approval to the Swedish Financial Supervisory Authority (*Finansinspektionen*) for purposes of public offering or sale of securities in Sweden. Accordingly, this Memorandum, including the interests in the Fund offered

hereunder, may not be offered or sold to the public in Sweden directly or indirectly, and neither this Memorandum nor any other circular, prospectus, form of application, advertisement or other material may be reproduced, distributed, or otherwise made available in or from, or published in Sweden, except in circumstances which do not constitute a public offer of securities to the public, subject to prospectus requirements, in accordance with the provision of the Regulation (EU) 2017/1129 of the European Parliament and Council of June 14, 2017 relating to the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC and all other applicable legislation and regulation in Sweden.

NOTICE TO INVESTORS OF SWITZERLAND:

This Memorandum and any offering or marketing materials relating to the Fund may exclusively be provided to, and interests in the Fund marketed, offered or sold to: (i) qualified investors, as defined in Art. 10 para. 3 and 3ter of the Swiss Collective Investment Schemes Act ("**CISA**") ("Qualified Investors"), in particular those who are institutional clients pursuant to Art. 4 para. 3 lit. a-d and Art. 4 para. 4 of the Swiss Financial Services Act ("**FinSA**") or professional clients pursuant to Art. 4 para. 3 lit. e-i and Art. 4 para. 5 FinSA at the exclusion of qualified investors with an opting-out pursuant to Art. 5 para. 1 FinSA and without any portfolio management or advisory relationship with a financial intermediary pursuant to Art. 10 para. 3ter CISA ("**Excluded Qualified Investors**"); or (ii) such other investors as have requested the materials at their own initiative and unsolicited by the Manager, the General Partner or any affiliate thereof, pursuant to Art. 3 para. 6 of the Swiss Financial Services Ordinance ("**FinSO**").

Accordingly, the Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority ("**FINMA**") and no representative or paying agent have been appointed in Switzerland. The legal documents of the Fund may be obtained free of charge from the Manager at Tess Sprechman <tsprechman@aeroequity.com>.

The Manager, the General Partner and/or any affiliate thereof and any person appointed by the Manager, the General Partner and/or any affiliate thereof to offer interests in the Fund or carry on activities aimed at the acquisition or disposal of interests in the Fund in Switzerland, will act solely for the Fund. In no circumstances will any such person act for or on behalf of any investor and it will always act in the interests of the Fund.

The Manager, the General Partner and/or any affiliate thereof and people acting on its behalf when offering interests in the Fund or carrying on activities aimed at the acquisition or disposal of interests in the Fund in Switzerland may receive compensation for doing so. Persons in receipt of this Memorandum and any offering materials relating to the Fund agree to relinquish any right to such compensation. The amount of such compensation will be determined in accordance with the constitutional documents of the Fund. The actual amounts shall be disclosed to investors in the Fund in accordance with such constitutional documents.

NOTICE TO RESIDENTS OF TAIWAN:

The Interests have not been registered in the Republic of China (Taiwan), nor is approval by the Financial Supervisory Commission, Executive Yuan, the Republic of China ("**FSC**") compulsory. Subscribers should review the financial information and relevant documents, consult with an independent consultant, and bear the risks of this investment. Subscribers within the territory of the Republic of China are required to meet certain requirements set forth in the Rules Governing Offshore Funds and conditions promulgated by the FSC. Subscribers cannot resell the interests except in

accordance with resale restrictions nor solicit any other purchasers for this offering.

NOTICE TO RESIDENTS OF THAILAND:

This Memorandum is provided to you solely at your request and is not intended to be an offer, sale or invitation for subscription or purchase of securities in Thailand. This Memorandum has not been registered as a prospectus with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this Memorandum and any other documents and material in connection with the offer, sale or invitation for subscription or purchase, of the Interests may not be circulated or distributed, nor may Interests be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any members of the public in Thailand. Neither the Fund, any of its affiliates or any of their respective representatives maintain any license, authorization or registration in Thailand nor is the Fund registered in Thailand. The offer and sale of securities within Thailand and the provision of securities services in Thailand or to Thai persons may not be possible or may be subject to legal restriction or conditions.

NOTICE TO RESIDENTS OF TURKEY:

An issuance certificate relating to the Interests has not been approved by the Turkish Capital Markets Board pursuant to the provisions of the Capital Markets Law. No offering or other sale or solicitation will be made until the issuance certificate relating to the Fund interests has been approved by the Turkish Capital Markets Board pursuant to the provisions of the Capital Markets Law. Fund interests may be offered in Turkey only to qualified investors as this term is provided in Article 30 of the Foreign Securities and Mutual Funds Communiqué and as defined in applicable capital markets regulations. Each investor in the Fund in Turkey will be required to provide documents evidencing that it is a qualified investor pursuant to Article 30 of the Foreign Securities and Mutual Funds Communiqué. Qualified investors are presumed to be aware that the Fund has not made any advertisement or public disclosure, and should request any information necessary to make an informed investment decision directly from the Fund. The approval by the Capital Markets Board of an issuance certificate would not constitute a guarantee by the Capital Markets Board in relation to the Fund interests. This Memorandum is not intended to be an advertisement, promotion or solicitation of the Fund or any Fund interests. The Capital Markets Board or Borsa Istanbul does not have any discretion relating to the determination of the price of the Fund interests.

NOTICE TO RESIDENTS OF UKRAINE:

Under Ukrainian law, the Interests may be regarded as securities of a foreign issuer. The Interests are not eligible for initial offering and public circulation in Ukraine. Neither the issuance of the Interests nor an information memorandum in respect of the Interests has been, or is intended to be, registered with the National Commission for Securities and the Stock Market of Ukraine. The information provided in this Memorandum is not an offer, or an invitation to make an offer, or to sell, exchange or otherwise transfer Interests in Ukraine.

NOTICE TO RESIDENTS OF THE UNITED ARAB EMIRATES (ABU DHABI AND DUBAI):

By receiving this Memorandum, the person to whom it has been issued understands, acknowledges and agrees that neither this Memorandum nor the Interests have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates (“**UAE**”), the UAE Securities and Commodities Authority (the “**SCA**”) or any other authority in the UAE, nor has the person conducting the placement in the UAE received authorization or licensing from the Central Bank of the UAE, the SCA or any other authority in the UAE to market or sell the Interests within the UAE.

The SCA accepts no liability in relation to the Fund and is not making any recommendation with respect to an investment in the Fund. No services relating to the Interests including the receipt of applications and/or the allotment or redemption of such interests have been or will be rendered within the UAE by the Fund. Nothing contained in this Memorandum is intended to constitute UAE investment, legal, tax, accounting or other professional advice. This Memorandum is for the information of prospective investors only and nothing in this Memorandum is intended to endorse or recommend a particular course of action. Prospective investors should consult with an appropriate professional for specific advice rendered on the basis of their situation. No offer or invitation to subscribe for interests or sale of the Interests has been or will be rendered in, or to any persons in, or from, the Dubai International Finance Centre.

NOTICE TO RESIDENTS IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE:

This Memorandum relates to the Fund, which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (the “**DFSA**”). The DFSA has no responsibility for reviewing or verifying this Memorandum or any other documents in connection with the Fund. Accordingly, the DFSA has not approved this Memorandum or any other associated documents nor taken any steps to verify the information set out in this Memorandum, and has no responsibility for it. The Interests may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence with respect to Interests. Interests are not being offered to Retail Clients as defined in the Conduct of Business Module of the DFSA. If you do not understand the contents of this Memorandum you should consult an authorized financial advisor.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM:

In the United Kingdom, this Memorandum is being distributed only to and is directed only at (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) high-net-worth entities falling within Article 49(2) of the Order, and (iii) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as “**relevant persons**”). Persons who are not relevant persons must not act on or rely on this Memorandum or any of its contents. Any investment or investment activity to which this Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Recipients must not distribute, publish, reproduce, or disclose this Memorandum, in whole or in part, to any other person.

NOTICE TO RESIDENTS OF URUGUAY:

The Fund is not established under the system provided by Uruguayan Law 16,774 of September 27, 1996 and has not been registered with the Central Bank of Uruguay. The Interests have not been registered with the Central Bank of Uruguay and will not be offered or sold in Uruguay through public offerings.

NOTICE TO RESIDENTS OF VIETNAM:

Interests will not be offered in the territory of the Socialist Republic of Vietnam (“**Vietnam**”). Interests will not be offered or transferred to any Vietnamese citizen (whether residing in Vietnam or outside Vietnam).

Interests will not be offered or transferred to any Vietnamese entity unless such entity is qualified to purchase and/or hold Interests, and has successfully completed all relevant registrations

with the Vietnamese authorities (the State Bank of Vietnam, the Ministry of Finance, the State Securities Commission and any other relevant authority according to the requirements of Vietnamese law as applicable from time to time) as required by relevant local laws to purchase and/or hold such Interest. The investor will further be deemed to have complied with all requirements under Vietnamese regulations regarding investment methods and/or opening/maintaining an account in Vietnam to manage the investment in the Fund, and will be deemed to represent and warrant that it has successfully completed all such registrations by purchasing or accepting any Interest.

The Fund and its sponsor make no representation, expressed or implied, that Interests are eligible securities that the investor may hold under Vietnamese regulations. The investor will be solely responsible to ascertain the eligibility of any Interest that it plans to purchase or hold.

EXHIBIT A – FUND EXPENSES

The Fund will pay, or reimburse the General Partner or any other person advancing payment for, all other fees, costs, expenses, liabilities and obligations relating to the Fund's and/or its subsidiaries' activities, business or actual or potential portfolio investments as set forth in the Fund Agreement, including with respect to any entity formed to effect the acquisition and/or holding of a portfolio investment (to the extent not borne or reimbursed by a subsidiary or a portfolio investment or potential portfolio investment), including all fees, costs, expenses, liabilities and obligations (referred to collectively in this section as "costs") relating or attributable to: (i) activities with respect to the origination, identification and sourcing of investment opportunities for the Fund, including attending and sponsoring industry conferences and events, meeting with consultants, finders, broker-dealers, investment banks and other sources of investments and developing and maintaining an investment pipeline; (ii) activities with respect to the pursuing, developing (including costs and expenses of tenant and capital improvement) structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to any periodicals, databases and/or research services), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, leasing, servicing, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving, or otherwise disposing of, as applicable, subsidiaries and actual and potential investments (including follow-on investments) or in seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other costs payable to attorneys, accountants, tax professionals, investment bankers, lenders, expert networks, third-party diligence and deal sourcing software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that are offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (iii) indebtedness of, or guarantees made by, the Fund, the Manager, the General Partner or any "affiliated partner" on behalf of the Fund (including any credit facility, letter of credit or similar credit support), including the repayment of principal and interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iv) financing, commitment, origination and similar activities; (v) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (vi) brokerage, sale, custodial, depository, local paying agent, distribution agent, trustee, record keeping, account, registered office and similar services (including any depositary appointed pursuant to the AIFMD or any law, rule or regulation relating to the implementation thereof in any relevant jurisdiction), and any Swiss representative or paying agent appointed pursuant to the Swiss Collective Investment Schemes Act (as amended), including any law, rule or regulation relating to the implementation thereof, trustee, record keeping, account and similar services; (vii) reporting, filings and other ongoing compliance requirements contemplated by the AIFMD or any other similar law, rule or regulation (excluding, for the avoidance of doubt, the initial and/or preliminary registration, filings and compliance obligations related thereto), including secondary legislation, regulations, rules and/or associated guidance, and any related requirements; (viii) developing, structuring, maintaining, operating and winding up administrative structures in Luxembourg, other European countries and other jurisdictions that are put in place to establish required residence and/or operate the investment activities of the Fund (including the salary and benefits of any personnel reasonably necessary for the maintenance of such structures, other overhead, rent and similar costs in connection therewith and the Fund's share of any such costs of any such structure involving other persons managed by, or affiliated with, the General Partner or its affiliates); (ix) legal, accounting, research, auditing,

technology, administration (including costs associated with compliance with any anti-money laundering laws and regulations and any third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, fairness opinions, appraisals or pricing services as well as costs related to the establishment or maintenance of such other services), real estate title, survey, hedging, consulting (including consulting and retainer fees, salary and other compensation paid to, and benefits or personnel costs provided to or on behalf of, the Operations Group or any of its members or consultants performing investment initiatives or providing services related to environmental, social and governance investment considerations and policies and other consultants), tax and other professional services (including costs related to the establishment or maintenance of any such activities or services); (x) reverse breakup, termination and other similar arrangements; (xi) insurance (including directors and officers liability, fidelity bond, portfolio investment management liability, cybersecurity, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory costs, including costs related to any retention or deductibles and broker fees, costs and commissions) and any consultants or other advisors utilized in the procurement, review, maintenance and analysis of insurance; (xii) filing, title, transfer, survey, registration and other similar activities; (xiii) printing, communications, mailing, courier, marketing and publicity; (xiv) the preparation, distribution or filing of financial statements or other reports, tax returns, tax estimates, Schedule K-1s or similar forms or other communications with Partners, any other administrative, compliance or regulatory filings or reports (including Form PF and Bureau of Economic Analysis Reports) or other information, including costs of any third-party service providers and professionals related to the foregoing; (xv) compliance with any tax or financial account reporting regime, including the Foreign Account Tax Compliance Act, the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard and any similar laws, rules and regulations, including any costs of any third-party service providers and professionals related to the foregoing; (xvi) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software (including accounting, investor reporting, ledger systems, financial management and cybersecurity) or other administrative or reporting tools (including subscription-based services); (xvii) any activities with respect to protecting the confidential or non-public nature of any information or data, (including any costs incurred in connection with all applicable legislation and regulation relating to the protection of personal data in force from time to time in the European Union, the European Economic Area or the United Kingdom or the Freedom of Information Act, 5 U.S.C. § 552, any state public records access laws, any state or other jurisdiction's laws similar in intent or effect to the Freedom of Information Act or any other similar statutory or regulatory requirement that might result in the public disclosure of confidential information); (xviii) to the extent provided in Fund Agreement or otherwise approved by the General Partner in its sole discretion, activities or proceedings of the LPAC (including any out-of-pocket costs incurred by representatives of the General Partner, the LPAC members, permitted observers and other persons in attending or otherwise participating in meetings of the LPAC); (xix) indemnification (including legal and any other costs incurred in connection with indemnifying any Partner or other person pursuant to the Fund Agreement or otherwise and advancing costs incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the Fund Agreement), except as otherwise set forth in the Fund Agreement; (xx) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs of discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xxi) any annual, periodic or special meeting of the Partners and any other conference, meeting or webcast or other video conference with any Partner(s), and any periodic executive forum

of portfolio investment management and other persons, in each case, including any costs associated with venue, set-up, room and board, dining, entertainment, gifts and mementos, honorarium, events or speakers and other meeting or conference-related costs, in each case to the extent incurred by the Fund or the General Partner; (xxii) the Fund Management Fee; (xxiii) except as otherwise determined by the General Partner in its sole discretion, any cost relating to any alternative investment vehicle or its activities, business, subsidiaries or actual or potential investments (to the extent not borne or reimbursed by a portfolio investment of such alternative investment vehicle) that would be a Fund Expense if it were incurred in connection with the Fund, any costs incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to the Funds to the extent not paid by the investors investing in such entities and any other costs related to any structuring or restructuring of the Fund and/or its affiliated entities; (xxiv) the termination, liquidation, winding up or dissolution of the Fund and any persons owned directly or indirectly by the Fund, including portfolio investments and related entities; (xxv) defaults by Partners in the payment of any capital contributions; (xxvi) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Fund, the General Partner and related entities, any entities owned directly or indirectly by the Fund (including portfolio investments) and any alternative investment vehicle, including the preparation, distribution and implementation thereof; (xxvii) (A) compliance with any law, rule, regulation, policy, directive or special measure (including in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions or anti-terrorism considerations), including any legal, administrator, consulting or other third-party service provider costs related thereto, any regulatory costs of the General Partner or any of its affiliates incurred in connection with the operation of the Fund and any costs related to compliance with any environmental, social or governance or other investment considerations and policies applicable to the Fund, the General Partner and/or any of their respective affiliates and/or (B) the validation or other confirmation of any payments made to the Fund or the General Partner (including as a result of any anti-money laundering laws, rules or regulations); (xxviii) any litigation or governmental inquiry, investigation or proceeding, including any costs of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such costs or amounts have been determined to be excluded from the indemnification provided for in the Fund Agreement; (xxix) any consultants, experts or advisors engaged, including independent appraisers engaged in connection with the Fund considering, making, holding or disposing of, directly or indirectly, an investment in the same person as, or transferring an investment from or to, one or more investment vehicles (other than the Fund) managed or controlled by the General Partner or any of its affiliates; (xxx) unreimbursed costs incurred in connection with any transfer or proposed transfer or any Limited Partner's name change, internal restructuring or change in trust, registered agent or custodian; (xxxi) any taxes, fees and other governmental charges levied against the Fund and/or any alternative investment vehicle and all costs incurred in connection with any tax audit, inquiry, investigation settlement or review of the Fund and/or any alternative investment vehicle (except to the extent that the Fund is reimbursed therefor by a Partner) and any costs of or related to the "partnership representative" of the Fund; (xxxii) distributions to the Partners and other costs associated with the acquisition, holding and disposition of investments, including extraordinary expenses; (xxxiii) unreimbursed and unpaid costs of the Operations Group or its members, employees or other persons engaged by the Operations Group; (xxxiv) compliance or regulatory matters, except as otherwise set forth in the Fund Agreement, including compliance with the Fund Agreement and/or any side letter or similar agreement (including any amendments, restatements, supplements and waivers, consents or approvals pursuant thereto); (xxxv) attendance of any member, manager, shareholder, partner,

director, officer, employee or affiliate of the General Partner or any of its affiliates at any trade conference, including any applicable registration costs and exhibition, sponsorship or other presentation costs; (xxxvi) any travel (including air travel, rail, car or ride sharing services, other modes of transportation, meals, lodging and entertainment and other meals and entertainment) relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxvii) all costs and expenses associated with operating a Feeder Fund which invests all or substantially all of its assets in the Fund to the extent not paid by investors in such Feeder Fund, including all expenses associated with its formation, management, operation, winding-up, liquidation and dissolution and with preparing and distributing such Feeder Fund's financial statements, tax returns and Feeder Fund limited partner reports, but not including any income based or similar taxes, fees or other governmental charges levied against such Feeder Fund; (xxxviii) any of the items listed in clauses (i) - (xxxvii) above relating to any investment, restructuring, taking public or private, disposition, transaction, project or other opportunity not consummated or otherwise not successful and/or that may have been offered to co-investors or joint venture partners (including co-investors' or joint venture partners' proportionate share of any expenses related to an investment or other opportunity not consummated); (xxxix) any organizational expenses; (xl) any placement fees; and (xli) any other costs approved by the LPAC.