PROPRIETARY AND CONFIDENTIAL

STAPLE EVERGREEN FUND I, LP
(a Delaware limited partnership)

PRIVATE PLACEMENT MEMORANDUM

Offering of Limited Partnership Interests

GENERAL PARTNER:
STAPLE Evergreen Fund I GP, LLC

INVESTMENT ADVISER:
STAPLE Investments LLC

NO SECURITIES OF STAPLE EVERGREEN FUND I, LP HAVE BEEN RECOMMENDED, APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OF ANY OTHER JURISDICTION, NOR HAS THE SEC OR ANY SUCH SECURITIES REGULATORY AUTHORITY PASSED ON THE ADEQUACY OR ACCURACY OF THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

November 8, 2024

NOTICES

This confidential private placement memorandum (this "Memorandum") is intended solely for the use by those persons to whom it has been delivered ("Investors") by STAPLE Evergreen Fund I GP, LLC (the "General Partner") for evaluating a potential investment in the limited partnership interests (the "Interests") of STAPLE Evergreen Fund I, LP (the "Partnership").

The information contained in this Memorandum is confidential and proprietary to the Partnership and is being submitted to prospective Investors in the Partnership solely for such Investors' confidential use with the understanding that, without the prior written permission of the Partnership, such persons will not disclose the information contained herein or make reproductions of or use this Memorandum for any purpose other than the evaluation of a potential investment in the Partnership offered hereby.

A prospective Investor, by accepting delivery of this Memorandum, agrees promptly to return to the Partnership this Memorandum and any other documents or information furnished to the prospective Investor by the Partnership if the prospective Investor elects not to invest in the Partnership, or if the offering is terminated or withdrawn.

The investment in the Partnership is being offered to a limited number of Investors who are "accredited investors," as defined in Regulation D promulgated under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and "qualified clients," as defined under the Investment Advisers Act of 1940, as amended (the "Investment Advisers Act"). Prior to their purchase of an Interest in the Partnership, each Investor must deliver a complete and duly executed subscription agreement containing certain representations, warranties, and agreements (a "Subscription Agreement") to the Partnership. If any recipient of a copy of this Memorandum is not an accredited investor and a qualified client, such recipient must promptly return this Memorandum to the Partnership.

No public or other market is expected to develop for the Interests. An investment in the Partnership involves a high degree of risk and is suitable only for Investors who fully understand and who can bear the risks of such an investment for an indefinite period. Each Investor must be able to, and must represent that, such Investor can bear the economic risk of losing its entire investment in the Partnership and has such knowledge and experience in financial matters that such Investor is capable of evaluating the relative risk and merits of this investment.

This Memorandum does not constitute an offer to sell, or solicitation of an offer to buy, Interests in any jurisdiction where, or to any person to whom, it is unlawful to make such an offer or solicitation. This Memorandum does not purport to be all-inclusive or to contain all the information that a prospective Investor may desire in investigating the Partnership. Each Investor must conduct and rely on the Investor's own evaluation of the Partnership and the terms of the offering, including the merits and risks involved in making an investment decision with respect to investing in the Partnership. Investors should review the section titled "*Risk Factors*" for a discussion of certain factors that should be considered in connection with an investment in the Partnership.

Except as otherwise indicated, this Memorandum is current as of the date hereof. Neither the delivery of this Memorandum nor any sale of Interests in the Partnership will, under any circumstances, create any implication that there has been no change in the affairs of the Partnership after the date hereof.

The Interests have not been registered with or approved by any regulatory authority nor has any such regulatory authority passed on the accuracy or adequacy of this Memorandum. Any representation to the contrary is unlawful.

The Interests may not be sold, transferred, assigned, hypothecated, or otherwise disposed of, in whole or in part, except as provided in the Amended and Restated Limited Partnership Agreement of the

Partnership, as amended, or supplemented from time to time (the "Partnership Agreement"), and in compliance with applicable securities laws. Investors do not have the right to redeem or withdraw their Interests, except as provided in the Partnership Agreement.

While the Partnership believes that the information contained herein is accurate, the Partnership disclaims liability for such information or for omissions from this Memorandum or any other written or oral communication transmitted or made available, except for such representations and warranties as are included in the final Subscription Agreement relating to an investment in the Partnership. Nothing contained herein is, or should be relied on as, a promise or representation as to the future performance of the Partnership.

The offering of Interests may be modified, amended, or withdrawn and any offer to purchase Interests may be accepted or rejected, in whole or in part, in the sole discretion of the Partnership.

No offering materials will or may be employed in the offering of Interests except for this Memorandum. No person has been authorized to make representations or give any information with respect to the Partnership or the Interests, except for the information contained in this Memorandum.

In making an investment decision, Investors must rely on their own examination of the Partnership and the terms of the offering, including the merits and risks involved. Investors are not to construe the contents of this Memorandum as legal, business or tax advice. Each prospective Investor should consult such Investor's own attorney, business adviser and tax adviser as to legal, business, tax and related matters concerning this offering.

The Interests are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under the Securities Act, applicable state securities laws and the Partnership Agreement.

It is the responsibility of each person investing in the Partnership to fully observe the laws of any relevant state, territory, or jurisdiction within or outside the United States applicable to such person in connection with any purchase of Interests, including obtaining any required governmental or other consents or observing any other required legal or other formalities.

Certain provisions of documents, including the Partnership Agreement, are summarized in this Memorandum, but prospective Investors should not assume such summaries are complete. Such summaries are qualified in their entirety by reference to the texts of the complete documents, each of which have been or will be made available for review by prospective Investors upon request.

This Memorandum is subject to and qualified in its entirety by reference to the Partnership Agreement and the Subscription Agreement, which should be reviewed for complete information concerning the rights, privileges, and obligations of Investors in the Partnership. In the event that the descriptions or terms in this Memorandum are inconsistent with or contrary to the descriptions in or terms of the Partnership Agreement or the Subscription Agreement, the Partnership Agreement and the Subscription Agreement will prevail.

Certain statements in this Memorandum are forward-looking statements. In some cases, they may be identified by terms such as "anticipate," "desire," "believe," "continue," "could," "estimate," "expect," "target," "plan," "predict," "project," "should," "intend," "may," or "will," or the negative of those terms or other comparable or similar terms or expressions. In particular, the Partnership's target return, its expectation as to whether and when investments will be realized and its expectation with respect to the performance of its proposed investments are all forward-looking statements.

Forward-looking statements are based on the Partnership's present beliefs, expectations, intentions and projections regarding the Partnership's future performance, anticipated events or trends, and other matters that are not historical facts. These statements are not guarantees of future

performance and are subject to known and unknown risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including, without limitation, the risks described under the heading "*Risk Factors*" below.

Given the risks and uncertainties, prospective Investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of this Memorandum. Except as required by applicable law, the Partnership does not undertake, and disclaims any obligation to, update or revise any forward-looking statement in this Memorandum, whether as a result of new information, future events or otherwise.

The projections contained in this Memorandum are based on a number of estimates and assumptions that are inherently subject to significant uncertainties and contingencies. These projections were not prepared with a view toward compliance with U.S. generally accepted accounting principles. No independent accountants have expressed an opinion or any other form of assurance regarding these projections. Projections are necessarily speculative in nature, and it can be expected that one or more of the estimates on which the projections are based will not materialize or will vary significantly from actual results, and such variances will likely increase over time. Accordingly, actual results during the periods covered will vary from the financial projections, and those variations may be material and adverse.

INVESTOR INFORMATION REQUESTS

Each prospective Investor will be afforded the opportunity to ask questions of, and receive answers from, the General Partner concerning the terms and conditions of the offering, the investment and the information set forth herein, and to obtain any additional information or related documents. Inquiries should be directed to:

Timothy Reichert, PhD
Managing Partner
Timothy.Reichert@stapleinvestments.com
17430 W 54th Pl.
Golden, CO 80403
(303) 945-1179

The date of this Memorandum is November 8, 2024.

I. EXECUTIVE SUMMARY

STAPLE Evergreen Fund I, LP (the "Partnership") is seeking capital contributions from qualified investors ("Investors"). STAPLE Investments LLC, a Delaware limited liability company, whose namesake is derived from "St. Thomas Aquinas Private Long-Term Equity" (the "Investment Manager" or "STAPLE") formed the Partnership, with STAPLE Evergreen Fund I GP, LLC (the "General Partner") serving as the Partnership's general partner. The Advisor has its office located in 17430 W 54th Pl., Golden, Colorado, 80403.

Partnership Vision

The Investment Manager seeks to provide Investors with the opportunity to (1) realize long-term capital appreciation from high quality investment opportunities with excellent risk-adjusted compounded returns and (2) to preserve and expand long-term Christian Ownership of business and economic assets. As such, it is necessary to understand the Investment Manager's vision from both an economic as well as spiritual perspective.

The Partnership's strategy is an answer to a challenge posed by Saint John Paul II ("JPII") in the encyclical letter *Centesimus Annus.* In it, he states that a crucial role of the laity is to identify integrated economic, political, and cultural "models," wherein the Catholic laity: (1) instantiates uniquely Christian modes of ownership and value creation; and (2) unites ownership with Christian cultural and political activity.

JPII's call for models that integrate economic and cultural purposes stemmed from a recognition that ownership of the means of production is a form of power. More accurately, ownership confers *authority* over created things, and such authority is always a participation in the authority of God the Father. Therefore, ownership of the means of production is not a neutral economic matter; it is a calling to exercise authority in a uniquely Christian way, furthering the dominion of Jesus Christ.

This call is made more urgent by the fact that Christians are ceding economic power to secular business entities. The rise of private equity as the primary means by which small and mid-sized business owners exit has created a powerful and efficient channel by which Christian-owned businesses are transferred into the hands of owners with differing – and at times, opposing – values. In most cases this means that the Christian ownership, and character, of an acquired Christian business is lost. Christian influence and guidance over the asset is ceded.[1]

STAPLE is a response to JP II's challenge of preserving and expanding Christian ownership of the economy by effecting Jesus Christ's dominion over the best assets in the world.

See "*Section 3—Investment Strategy*" for a detailed discussion of the Partnership's investment strategy, process, and philosophy.

[1] We recognize that such transactions entail an equivalent exchange of dollars or other financial instruments for the assets of the business, and therefore it could be argued that Christian sellers have as much economic power after the transaction as before. We disagree with this. Strangely, it was Marx rather than the classical or neoclassical economists who first saw that control of means of production, by which he meant control of productive assets themselves, is the source of economic power. As Marx noted, as a medium of exchange money can be used to purchase the means of production, but it is not itself the means of production. Money is once removed from economic power.

II. SUMMARY OF OFFERING TERMS

The following information is presented as a summary of certain of the Partnership's key terms and is qualified in its entirety by reference to the "*Summary of Principal Terms*" in Section VII of this Memorandum, the Partnership Agreement, and the Subscription Agreement. Unless otherwise defined in this Memorandum, all capitalized terms used herein have the meaning ascribed thereto in the Partnership Agreement.

The Partnership	STAPLE Evergreen Fund I, LP, a Delaware limited partnership
The General Partner	STAPLE Evergreen Fund I GP, LLC, a Delaware limited liability company, serves as the General Partner of the Partnership.
The Investment Manager	STAPLE Investments LLC, a Delaware limited liability company, will serve as the Investment Manager to the Partnership, and will be responsible for all Partnership investment decisions, pursuant to the terms of an investment advisory agreement.
Purpose	The primary purpose of the Partnership is to provide a limited number of select investors with the opportunity to realize (a) long-term appreciation primarily (but not exclusively) from investments in compounders (i.e., companies with the potential to deliver long-term and sustainable growth), (b) investing in, holding, selling, and otherwise dealing in Securities for its own account, (c) invest in Temporary Investments, and (d) engaging in all activities and transactions as the General Partner may deem necessary or advisable in connection with the foregoing and with the maintenance and administration of the Partnership.
Principals	Tim Reichert, Michael Madden and James Phillips, or such other person or persons designated by the General Partner as a "Principal" and approved by a Majority in Interest of the Limited Partners (a "Majority in Interest") or the Advisory Committee.
Limited Partners	Limited partners interests in the Partnership (the "Interests") are being offered only to prospective Investors who are "accredited investors," as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act") ("Regulation D"), "qualified clients," as such term is defined under Rule 205-3 of the Investment Advisers Act, and who meet other suitability requirements established by the General Partner in its sole discretion. The General Partner reserves the right, in its sole discretion, for any reason or for no reason, to reject, either in whole or in part, any Investor's subscription for an Interest. Each Investor whose subscription for an Interest is accepted by the General Partner will be admitted to the Partnership as a Limited Partner.
Partnership Size and Closings	General Partner expects to hold an initial closing of the Partnership in November 2024; *provided* that the initial closing will occur on such date as the General Partner determines in its discretion. With the consent of the General Partner, additional Limited Partners may be

admitted to the Partnership at such times as the General Partner may permit in its sole discretion.

Term

The Partnership's term will continue in perpetuity until the Partnership is terminated in accordance with the terms of the Partnership Agreement. See "*Summary of Principal Terms—Term."*

Incentive Allocation

The performance of each Limited Partner's capital account will be separately tracked. At the end of each Incentive Allocation Period of the Partnership, an incentive allocation (the "Incentive Allocation") will be credited to the Incentive Capital Account of the General Partner with respect to each Limited Partner's capital account (and debited from such Limited Partner's capital account and the tentative allocation described above). The Incentive Allocation with respect to a Limited Partner during an Incentive Allocation Period will equal: (i) first, if the Net Increase with respect to such Limited Partner's capital account for the applicable Incentive Allocation Period exceeds (such excess, "Excess Profits") the sum of (A) the amount of any then-remaining balance in the applicable Loss Recovery Account *plus* (B) the Hurdle Amount, 100% of such Limited Partner's Excess Profits, up to the Catch-Up Amount; and (ii) second, to the extent there are remaining Excess Profits, 20% of such Limited Partner's remaining Excess Profits. See "*Summary of Principal Terms—Incentive Allocation.*"

Management Fee

The Partnership or one or more Holding Entities will pay to the Investment Manager, in advance, calculated and payable in advance each Fiscal Quarter, a management fee with respect to each Limited Partner, which shall be equal to (i) the Management Fee Rate *multiplied by* (ii) the amount of such Limited Partner's total Capital Commitments to the Partnership, determined as of the first day of the Fiscal Quarter; *provided* that, with respect to the Fiscal Quarter during which the Initial Closing Date occurred, clause (ii) shall be such Limited Partner's total Capital Commitments as of the Initial Closing Date and the Management Fee with respect to such Fiscal Quarter shall be calculated on a pro rata basis to reflect the actual number of days elapsed from the Initial Closing Date through the end of such Fiscal Quarter relative to the total number of days in such Fiscal Quarter.

"Management Fee Rate" means a rate of 2% per annum; *provided* that commencing on the first day of the Fiscal Quarter immediately following the Fiscal Quarter during which the Net Asset Value of the Partnership is equal to or greater than $500 million, the Management Fee Rate shall equal to 1.5% per annum.

See "*Summary of Principal Terms—Management Fee.*"

Transfers

Without the consent of the General Partner, a Partner may not pledge, transfer, or assign its Interest except by operation of law. In no event will any transferee or assignee be admitted as a Partner without the

consent of the General Partner, which may be withheld in its sole discretion.

Distributions; Withdrawals

No Partner shall be entitled (a) to receive distributions from the Partnership or (b) to withdraw any amount from its Capital Accounts, except as set forth in the Partnership Agreement or upon the consent of, and upon such terms as may be determined by, the General Partner in its sole discretion. See "*Summary of Principal Terms—Discretionary Distributions* and "*Summary of Principal Terms—Withdrawals*.

Risk Factors

An investment in the Partnership entails significant risks and is suitable only for those persons able bear the economic risk of the loss of their investment and who have limited to no need for liquidity in their investment. There can be no assurance that the Partnership will achieve its investment objective. An investment in the Partnership carries with it the inherent risks associated with investments in various securities and other instruments

Each prospective Investor should carefully review this Memorandum, including under the heading "*Risk Factors*" in Section VI, and the documents referred to herein before deciding to invest in the Partnership.

Certain Regulatory Matters

The Partnership intends to rely on the exemption from registration as an investment company provided in Sections 3(c)(1) and 3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company Act"). Accordingly, it does not intend to adopt certain investment policies which a registered investment company is required to adopt.

The General Partner is not registered and does not currently plan to register as an investment adviser with the SEC under the Investment Advisers Act, or the securities laws of any state in reliance on available exceptions from registration.

Exculpation and Indemnification

A Principal and the General Partner, the Investment Manager and its managers, members, partners, principals, officers, employees, affiliates, representatives or agents ("indemnified parties") (i) will not be liable for any act or omission concerning the Partnership taken in good faith and in the belief that such act or omission is in or is not contrary to the best interest of the Partnership; (ii) will be indemnified from and against (a) any reasonable fees, costs, and expenses, including reasonable legal fees paid in connection with or resulting from any claim, action, or demand against such indemnified party that arise out of or in any way relate to the Partnership, its properties, business, or affairs (but excluding internal disputes) and (b) such claims, actions, or demands and any losses or damages resulting from such claims, actions, or demands, including amounts paid in settlement or compromise (if recommended by attorneys for the Partnership) of any such claim, action or demand; except that the exculpation and indemnity described above in clauses (i) and (ii) will not extend to any conduct found by a

court of competent jurisdiction (no longer subject to appeal) to constitute (x) a material breach of the Partnership Agreement that has not been cured following reasonable notice to such indemnified party and which breach has a material adverse effect on the Partnership, (y) a conviction or plea of nolo contendere to a felony that has a material adverse effect on the Partnership, or (z) fraud, willful misconduct, or gross negligence that has a material adverse effect on the Partnership.

See "*Summary of Principal Terms—Exculpation and Indemnification.*"

ERISA and Other Tax-Exempt Entities

Entities subject to the Title I of Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and other tax-exempt entities may purchase Interests. The Partnership does not intend to permit investments by "benefit plan investors" (within the meaning of Section 3(42) of ERISA) to equal or exceed 25% of the value of Interests, so that the underlying assets of the Partnership should not constitute "plan assets" subject to ERISA. Investment in the Partnership by entities subject to ERISA and other tax-exempt entities requires special consideration. See "*Summary of Principal Terms—ERISA and Other Tax-Exempt Entities*."

Administrator

SGGG Fund Services (U.S.) Inc. has been appointed as the Partnership's administrator. See "*Summary of Principal Terms—Administrator*."

Legal Counsel

Holland & Hart LLP ("Holland & Hart") serves as outside legal counsel to the General Partner and the Investment Manager. In such capacity, Holland & Hart does not represent or provide advice to prospective Investors in the Partnership, nor has Holland & Hart independently verified any information presented in this Memorandum. No independent counsel has been retained to represent the Investors.

Subscription for Interests; Minimum Investment

Persons interested in subscribing for Interests will be furnished the Subscription Agreement and must complete and return a duly executed Subscription Agreement to the General Partner. In its sole discretion, the General Partner may reject, for any or no reason, in whole or in part, any subscription for an interest.

A minimum investment of $500,000 is required for each investor, subject to the sole and absolute discretion of the General Partner to accept subscriptions for lesser amounts.

Side Letters

The Partnership may enter into one or more "side letters" or similar agreements with certain investors pursuant to which the Partnership grants to such investor specific rights, benefits, or privileges that are not made available to Limited Partners generally.

III. INVESTMENT STRATEGY

Introduction

STAPLE seeks to provide Investors with the opportunity to (1) realize compounded returns from the long-term capital appreciation of high-quality investment opportunities and (2) to preserve and expand long-term Christian ownership of business and economic assets. As such, it is necessary to understand STAPLE's vision from both an economic as well as spiritual perspective.

STAPLE's strategy is an answer to a challenge posed by Saint John Paul II ("JPII") in the encyclical letter Centesimus Annus. In it, he states that a crucial role of the laity is to identify integrated economic, political, and cultural "models," wherein the Catholic laity: (1) instantiates uniquely Christian modes of ownership and value creation; and (2) unites ownership with Christian cultural and political activity.

JPII's call for models that integrate economic and cultural purposes stemmed from a recognition that ownership of the means of production is a form of power. More accurately, ownership confers authority over created things, and such authority is always a participation in the authority of God the Father. Therefore, ownership of the means of production is not a neutral economic matter; it is a calling to exercise authority in a uniquely Christian way, furthering the dominion of Jesus Christ.

The rise of private equity has made this calling particularly timely. Private equity has created a powerful and efficient channel by which small and medium sized business – businesses that are more likely to be values or faith-driven – are transferred into the hands of large corporate entities with potentially differing, and at times, opposing values. Whether it is this transfer of ownership from a values-driven seller to a secular firm, or the missed opportunity of the Christian community to organize a compelling private equity alternative to acquire high-quality businesses, Christian economic and cultural influence is ultimately diminished.

STAPLE is a response to JP II's challenge of preserving and expanding Christian ownership of the economy by effecting Jesus Christ's dominion over high quality businesses that generate persistent shareholder value.

Why Permanent Capital

For our purposes, permanent capital appeals to both financial and strategic objectives. Financially, permanent capital removes the structural need to dispose of investments and allows for the indefinite ownership and shepherding of the highest quality businesses. Long-duration ownership of high-quality businesses can generate differentiated returns for investors, especially and particularly when viewed from the perspective of STAPLE's investment philosophy.

From a strategic and mission perspective, a permanent capital vehicle will support the preservation and expansion of Christian wealth. There are very few values-driven private equity- focused sponsors. There are a small number of emerging managers with explicit Christian intent, but many are structured as traditional closed-ended funds. STAPLE's view is that such funds present a partial solution to the preservation of Christian ownership of high-quality businesses. In the case of a closed-ended fund, a Christian-owned and managed company would likely eventually be sold to a secular private equity firm or strategic acquirer (i.e., after 5-7 years), which would ultimately only defer the loss of Christian ownership over the business. It follows that there is an urgent need for Christians, and Catholics in particular, to devise a new, enduring solution to steward and expand their wealth and to combine these economic gifts with means of cultural and spiritual transformation and renewal.

This last point is important when considering the launch of a sister foundation dedicated to re-evangelization. A permanent capital vehicle comprised of high-quality businesses can create a stream of cash flows that can fund necessary long-horizon projects through such a foundation to advance the Church's mission.

Investment Philosophy

STAPLE's investment philosophy is founded on the idea that by taking a long run view, patient capital can invest in an intentional portfolio of high-quality companies that generate persistent shareholder value and compound wealth over long periods of time. This philosophy is influenced by the experience of its founders, the academic work of several key figures in the fields of economics and finance, and the example of other funds and holding companies.

The work of Hendrik Bessembinder demonstrates that nearly all the wealth created for shareholders of publicly traded firms over nearly a century is generated by a very small percentage of stocks, and the high returns generated by these "wealth compounders" persist over long periods of time. This finding has challenged capital allocators to identify the economic and non-economic characteristics associated with these types of firms.

The main characteristic of wealth compounders is that they score very high on the "quality" dimension, possessing – amongst other things – demonstrable financial returns, strong leadership teams, healthy corporate cultures, durable strategic or operational competitive advantages, and opportunities for continued growth. The implication of Bessembinder's work is clear – equity investors should invest in high quality companies with a proven ability to generate persistent excess returns. Moreover, investors should be patient in purchasing them and hold such companies for long periods of time.

Investment Strategy

STAPLE expects to pursue this investment philosophy using a three-pronged strategy, which is summarized here and discussed in greater detail below.

1. *Deal Generation* – STAPLE plans to appeal to values-aligned sellers to achieve predominantly proprietary deal flow. This approach is outlined in greater detail below but ultimately builds upon the premise that there is a demand for a values-aligned capital partner who is committed to long-duration holds, both in their disposition as investors as well as structure as a permanent capital vehicle.

2. *Investment Thesis* – STAPLE plans to thoughtfully select investment opportunities based on a comprehensive investment thesis that builds upon the team's collective experiences, and Dr. Reichert's specialized experience in measuring value creation. This comprehensive approach will be geared towards identifying and measuring quality to support the investment philosophy outlined above.

3. *Portfolio Management* – STAPLE's goal is to support portfolio companies in preserving their quality and extending their competitive advantage periods. STAPLE will support its portfolio companies primarily in three ways: first, through the recruitment of seasoned advisors who will support existing leadership; second, through the adoption of operational best practices that are intended to create consistency, rigor, and longevity among STAPLE's portfolio companies, especially when there is a need to cultivate next generation leadership; and third, by supporting tuck-in acquisitions, where appropriate.

Deal Generation

STAPLE believes there is an opportunity to partner with affinity business owners that desire a liquidity event but prefer not to sell to traditional private equity. STAPLE's principals have had numerous conversations with a variety of affinity business owners, each of which feel trapped because they need an eventual liquidity event but recognize that the company cultures that they have built over decades are likely to erode or worse, be destroyed, under the traditional private equity model.

This has informed STAPLE's belief that there is in fact a large and growing population of underserved, values-driven business owners who would prefer a long-term, relational partner over a traditional private equity transaction. The rising rates of membership in affinity business groups like those listed below supports this view. Business owners who were once un-identified from a values and faith perspective are now self-identifying through these groups, making it easier for STAPLE to source aligned investment opportunities.

STAPLE has and continues to establish a pipeline of prospective investments and has begun systemizing its deal generation capabilities along six different channels:

1. ***Database***: STAPLE has launched and is developing an in-house database of privately-owned affinity businesses. This database is populated in part leveraging STAPLE's personal relationships, connections to mission-aligned organizations and business associations, and by working with third parties that use internet scraping techniques as well as other industry standard list development methods

2. ***Affinity Business Organizations***: STAPLE is a member of several Christian business organizations through which it has cultivated relationships with affinity networks and members. STAPLE is and will in the future sponsor a variety of conferences to increase awareness of STAPLE's mission and to attract potential sellers.

3. ***Private Equity Funds in the Christian Ecosystem***: STAPLE is cultivating has cultivated relationships with other private equity fund managers that either operate with explicit Christian values, have a permanent capital approach, and/or possess significant experience. The purpose of these relationships is to support mission-aligned work broadly, but to develop channels to share investment opportunities, identify opportunities for co-investments, collaborate on talent recruitment, etc.

4. ***Consultants and Investment Banks***: STAPLE has cultivated relationships with consultants and professional service providers who would have access to and close relationships with prospective sellers. Furthermore, STAPLE has begun networking with investment banks that may provide access to interested affinity sellers as well as helpful information on relevant market transactions.

5. ***Accelerated Search Fund Concept***: STAPLE may partner with search funds on both a funded and unfunded basis. STAPLE understands that the lower middle market is increasingly crowded with search funders who are driving competition for potential target acquisitions. STAPLE may serve as a platform for search funders who would be interested in partnering with an established platform that includes deal generation capabilities. STAPLE has begun working with top tier business schools to explore such a partnership with upcoming MBA graduates interested in search funds.

6. ***Team Network***: The General Partner, Investment Manager and their principals are well-positioned and active in the Catholic, Christian, and conservative ecosystems. These existing relationships may give rise to attractive investment opportunities. Any potential opportunities are added to the database mentioned above and added to STAPLE's daily and weekly operational cadence.

Investment Thesis

STAPLE's investment thesis centers around the concept of finding, measuring, acquiring, preserving, and extending shareholder value. The STAPLE team possesses a relative strength in its ability to identify and measure financial quality, as will be discussed below, but actively broadens to the definition of quality to incorporate other business characteristics as well as whether STAPLE can complement existing strengths to promote continued quality. Other considerations include the strength of leadership and management teams; culture and receptivity to intentional Christian ownership; business model attributes that produce competitive advantages; the risk profile of a prospective investment opportunity, both as a standalone as how it affects the balance of a future portfolio; larger qualitative and quantitative trends in that industry, how accessible industry expertise is to the STAPLE team, and whether STAPLE principals can recruit and deploy senior industry experts and mentors to support the management team; and whether STAPLE can help shepherd future growth, either by supporting future acquisitions or by support further operational efficiency.

Each of these areas requires focused, detailed analysis and the STAPLE team hopes to continually contribute various models and approaches to enrich each part of this analysis. Taken in tandem, these various attributes provide a robust assessment of a potential investment opportunity's strengths and weaknesses, both on a stand-alone basis and in the context of a future portfolio.

To organize these various analytical branches into one accessible and cohesive framework, the STAPLE team proposes the mnemonic device *CLEAR PATH* to structure and codify its investment thesis. The device stands for the following:

Clear Value Creation

Leadership

Ethical Culture

Advantage

Risk Profile

Portfolio Fit

Attractive Industry

Team Support

Healthy Expansion

As will be shown below, this mnemonic device incorporates the necessary financial, leadership, strategic, and operational elements of evaluating individual investment opportunities while incorporating risk management, portfolio level analysis, and STAPLE's ability to provide value to a prospective portfolio

company in the long run. It is also flexible enough to accommodate various mental models under each category and serves as the foundation for a detailed STAPLE investment playbook. In that spirit, below we explore each part of *CLEAR PATH*.

Clear Value Creation

STAPLE believes that a key consideration when determining whether to pursue an investment opportunity is whether a target company generates or destroys shareholder value. The standard answer is that if return on invested capital ("ROIC") is greater than the company's weighted average cost of capital ("WACC"), then the company creates shareholder value, and vice versa. STAPLE believes that such an answer is only correct if "invested capital" is correctly measured. However, traditional accounting measures of capital are often unreliable and produce a wide variance when measuring invested capital. This means that standard assessments of value creation are lacking when it comes to identifying and measuring value.

STAPLE has access to a value measurement framework that builds upon the career work of STAPLE's founder and managing partner, Dr. Timothy Reichert, that resolves this problem by solving the approach to capital measurement. This framework, dubbed the Value Vintage Model ("VVM") framework, allows for a more comprehensive measurement of intangible and physical capital as well as the returns associated with these investments. This makes for a more comprehensive assessment of a company's value creation or destruction and positions STAPLE to identify the sources of positive or negative shareholder value creation.

This framework has three primary benefits, each of which are explained in greater detail below: (1) it serves as an important filter to reduce the likelihood that STAPLE would acquire companies that seem valuable but in fact do not generate returns on invested capital in excess of their weighted cost of capital; (2) it identifies and measures a company's "goodwill," which enables STAPLE to better understand the risk/reward profile of a potential acquisition, and positions STAPLE to pursue investment opportunities with a well-informed view regarding price and value, and (3) it maps how each element of a company's capital outlays contributes to its true IRR and which forms of capital are driving value creation.

Use Case 1: Supporting Investment Selection

With regard to the first point, consider, for example, a company that appears to be "capital light" in that it has little in the way of physical capital on its balance sheet. Consequently, its measured ROIC is consistently around 35% — seemingly implying that it consistently generates shareholder value. However, it has a large senior staff base dedicated to R&D and to developing client relationships. Properly capitalizing and economically depreciating these outlays triples the company's invested capital, reducing its ROIC to 11.7%. Assuming the cost of capital for this company is around 14%, this analysis determined that in fact it destroys shareholder value rather than creates it. The VVM framework supports an economically comprehensive measurement of value creation and informs effective investment selection.

Use Case 2: Understanding Goodwill and Risk/Reward Profiles

STAPLE believes that one of the most useful characteristics of this framework is that it allows for the identification and measurement of a company's "goodwill" in relation to existing capital investments. As Miller and Modigliani show, goodwill is the present value of all future positive NPV investment opportunities. The relevant aspect of this is that goodwill is the portion of a company's value that is entirely in the future and attributable to future investment opportunities. As such, it is the most speculative component of an asset's value. STAPLE's VVM framework aims to quantify a company's implied goodwill. STAPLE believes such an analysis will better allow it to understand the risk / reward profile of a target company by understanding how much of the bet that it is placing is due to future opportunities versus already in-place capital. Companies with no goodwill are risky because they expect to only earn their cost

of capital in the future (perfectly competitive). Correspondingly, companies with high goodwill are risky because they are speculative in nature (they are a bet on the future). Finally, companies with moderate levels of goodwill are the likeliest candidates for wealth compounding over the long run because they have highly valuable existing capital as well as valuable future investment opportunities.

Use Case 3: Understanding Value Creation Drivers

As part of his development of the VVM framework, Dr. Reichert developed techniques and a database to measure the physical and intangible capital stock and the internal rate of return ("IRR") on every vintage (i.e., every quarter) of that physical and intangible capital investment for every company traded on major US stock exchanges over the past 25 years. Dr. Reichert's research revealed that (1) IRR is a better predictor of wealth compounder status than any other measure of profit; (2) firms with consistently high IRR tend to outperform in long run holding periods; (3) firms with consistently increasing IRR on their last (marginal) vintage of capital tend to outperform in both the short and long runs; (4) firms with smoothly rising capital stocks coupled with high or rising IRR tend to outperform in the short and long runs; and (5) certain kinds of intangible capital—particularly organizational capital, as measured by capitalized G&A investment—above a certain threshold is associated with low or negative long run returns, even if other financial indicia are consistent with wealth compounding.

Said differently, Dr. Reichert's research correlates wealth compounders with indicators of how well such companies use and grow their capital stocks. STAPLE believes this is particularly relevant for investment selection because it goes beyond simply measuring value creation by comparing ROIC to WACC; rather, it provides an additional assessment of labor and capital efficiency within a company and offers a perspective on which forms of capital investments are most accretive to a company's economic profit.

Leadership

STAPLE seeks to invest in companies with strong leadership teams. Strong leaders set compelling visions, combine labor and capital effectively, and successfully cultivate next generation leaders. STAPLE envisions assessing leadership using two broad approaches: (1) using advisors to provide qualitative assessments based on their own experience and (2) adopting well-researched, data-driven surveys and approach to management quality leadership. In the case of qualitative assessments, STAPLE will rely on experienced business leaders during the due diligence process to interview leaders and next generation leaders and to provide subjective summaries of the perceived strengths and weaknesses of the prospective portfolio company's leadership team

STAPLE will also couple this analysis with survey-based assessments and framework as it deems appropriate.

Ethical Culture

STAPLE will own and manage all its portfolio companies according to the principles of Intentional Christian Ownership (defined below), which is covered in detail in "Intentional Christian Ownership and Human Flourishing". As such, the onus to cultivate a culture of Intentional Christian Ownership in each of its portfolio companies lies on STAPLE. However, even prior to acquisition and the inculcation of Intentional Christian Ownership, STAPLE only plans to invest in a company that has exhibited an "ethical culture", which is described below.

STAPLE believes that an ethical culture is ultimately one that recognizes that, "Man is the source, focus and the aim of all economic and social life."[2] Companies with an ethical culture care for their employees on an individual level in an intentional way. Their compensation is fair. They emphasize professional development and the cultivation of personal gifts. They provide meaningful benefits that support their health as well as the health and well-being of their families. They participate in their communities and elevate those around them. Indications of such a culture are high retention rates and productive employees. Further indication can be culled from psychological and social surveys that would indicate whether employees have a sense of autonomy, self-direction, hope, optimism, and meaningful community. STAPLE will constantly study the literature to identify the most promising surveys for use in assessing culture.[3]

Advantage

Advantage refers to a prospective portfolio company's attributes that produce durable competitive advantages that support long-term value creation. In addition to demonstrable shareholder value creation, STAPLE will evaluate companies on the existing or prospective strategic or operational attributes that may contribute to enduring value creation. There are numerous frameworks that have been presented as potential sources and features of enduring competitive advantage. STAPLE's principals have been influenced by several notable frameworks, including Marshall's Laws of Derived Demand, McKinsey's Sources of Competitive Advantage, and Helmer's 7 Powers, amongst others. These frameworks ultimately aim to identify a strategic or operational source of shareholder value creation. These range from various explanations for price and cost advantages to how network effects produce a combination of both. Regardless of framework, STAPLE will seek to understand whether a prospective portfolio company possesses features that may provide longevity to shareholder value creation.

Risk Profile

STAPLE will also analyze the risks of each investment along a series of qualitative and quantitative dimensions. More information on these approaches to identifying and managing risk is included below. However, at a high level, these include the use of the VVM framework outlined above, which aims to measure historical value creation while also providing a sense of how much goodwill is being purchased; studying whether a prospective acquisition has an excessive amount of customer concentration studying earnings volatility; as well as exploring any potential investment asymmetry that exists with a particular opportunity, broadly speaking, which emphasizes an understanding of the market and industry scenarios (underlying causes of risk) that affect future revenue and profits, modeled by probability distributions and subsequent simulations.

Portfolio Fit

STAPLE anticipates a moderately diversified approach to its investments, with the degree of diversification being determined primarily by two considerations. First, STAPLE does not expect to pursue an industry-exclusive approach. STAPLE's team is not structured to accommodate such an approach, nor would such an approach serve our broader mission of preserving and expanding Christian wealth. The second consideration contributing to a moderately diversified approach relates to STAPLE's desire to cultivate a

[2] Pope Benedict XVI, *Charity in Truth* [Caritas in Veritate], no. 25, quoting Second Vatican Council, *The Church in the Modern World* [Gaudium et Spes], no. 63

[3] STAPLE is grateful for the academic work by scholars at Divine Mercy University, who have compiled high quality orthodox and secular works that align with tenets of Catholic Social Teaching. Scholars of note that assess corporate culture include Seligman, Luthans & Youssef, Homan, Eldridge, and Terranova, to name a few. The Human Flourishing Program at Harvard has also developed a measure of flourishing that studies the following domains: happiness and life satisfaction, physical and mental health, meaning and purpose, character and virtue, and close social relationships.

relative level of expertise in the industries in which it invests. This may be in the form of existing team expertise, expertise that arises from experience in adjacent industries, the presence of advisors of partners who have relevant expertise, expertise that is cultivated over time, etc. Naturally, STAPLE's investment in an industry will also be subject to the availability of attractive opportunities, which further acts as a key consideration regarding diversification.

Relatedly, STAPLE also envisions a preference for fragmented industries that have opportunities for further acquisitions. STAPLE also anticipates taking majority and minority positions in its portfolio companies. Where a minority investment emerges, STAPLE will work to structure these investments in such a way that provides downside protection to investors. STAPLE will study all these issues when addressing an individual investment opportunity.

Attractive Industry

STAPLE is industry ecumenical; however that being said, its approach to industry includes some important filters. Certain industries have exhibited greater historical returns on invested capital (ROIC) than others. Such historical trends will inform STAPLE's industry analysis. Furthermore, STAPLE's evaluation of an industry's attractiveness will also be a function of its own internal expertise as well as the expertise of prospective advisors and teammates. Given these considerations, STAPLE has identified the following industries as likely candidates for possible investment: information services and software, commercial and professional services, aerospace and defense, machinery and equipment, chemicals, and distributing and trading, among others.

Team Support

STAPLE believes that it is important to invest in companies where it can meaningfully contribute to value creation. Relatedly, STAPLE believes that its greatest contribution to value creation at a portfolio company will be the contribution of a community committed to its success. This may entail (1) the recruitment of key advisors and board members to support continued growth and to ensure sustained quality, (2) the provision of membership in key networks and societies that support both business and spiritual growth, (3) access to a talent pool through partnership with top Catholic universities and faith-driven business networks, and (4) secondment of a STAPLE team member to support operational efficiency, the establishment of new processes, etc.

Healthy Expansion

Finally, STAPLE will study a prospective portfolio company's ability to expand. This analysis is closely linked to several previous points related to STAPLE's investment thesis as well as STAPLE's assessment of whether it can provide meaningful support in value creation. STAPLE will seek to answer whether the prospective company can scale through acquisitions, achieve growth through greater operational efficiencies, partner in some meaningful way with existing portfolio companies, or generate greater revenue through referrals from existing partners.

Portfolio Management

Once acquired, STAPLE's objective will be to form a close relationship with the existing leadership team as well as next generation managers and leaders to ensure that a portfolio company can maintain and extend its quality and orient its culture towards human flourishing. Broadly speaking, this support can be thought

of along three dimensions: operational excellence; expansion through acquisition, if appropriate; and strategic support through a curated community of seasoned business leaders, advisors, and board members.

Operational Excellence

From an operational perspective, STAPLE envisions the adoption of specific best practices to ensure consistent performance across its portfolio company. These best practices may be drawn from models such as the Entrepreneurial Operating System (EOS), Kaizen, Agile, or others. STAPLE is adapting these best practices into a model that works best for the continued management and support of its portfolio companies. Key attributes of these systems encourage the publication of a clear and meaningful organization vision; transparent, inspectable, and adaptable business processes; continuous improvement frameworks; approaches to people management; and the constructive use of data and process codification to drive growth and resolve business issues.

Expansion through Acquisition

STAPLE hopes to develop a strong acquisition engine that can support future portfolio companies in their efforts to grow by acquisition, if appropriate. STAPLE intends to assemble a team of professionals that can bring strong experience and capability to potential acquisition activity.

Mentorship, Advice, and Guidance through Community

STAPLE expects to recruit experienced leaders to serve as advisors and mentors for the leaders of its portfolio companies. This can come in the form of formal support, such as board members, or through more informal avenues such as mentorship and general support. In either case, STAPLE hopes to cultivate a community of business leaders that are committed to maintaining the quality of STAPLE's businesses and to the principles of Intentional Christian Ownership.

Intentional Christian Ownership and Human Flourishing

"Intentional Christian Ownership" is a living concept that will evolve as STAPLE acquires and shepherds its future portfolio companies. However, there are certain fundamental truths that will allow for a helpful definition now and will offer guidance into the future. At the core of this question is how to understand work in the context of broader human flourishing and happiness. Relatedly, we must ask what role an employer can play in advancing happiness, flourishing, and holiness at work.

Work, Purpose, and Vocation

The Christian understanding of vocation and work necessitates a broader view than presented by contemporary, secular thinkers. Rather, understanding work, flourishing, and ownership requires a broad understanding of the human person, and, as presented by the authors of "A Catholic Christian Meta-Model of the Person: Integration with Psychology & Mental Health Practice," specifically requires a connection to the "foundational call to goodness or holiness and different vocational states."[4] The authors go on to state:

> In short, work and service are not simply something we do but are part of being a person and are closely related to both our vocational call to holiness and our particular vocational state. Work is meant to be transformative. It is meant to be meaningful and perfecting. When it does not have

[4] "A Catholic Christian Meta-Model of the Person: Integration with Psychology & Mental Health Practice" Edited by Paul C. Vitz, William J. Nordling, and Craig Steven Titus. Pg. 235

> these qualities, it may be either that the person is suffering from a biopsychosocial or spiritual disorder (for example, inordinately pursuing power, prestige, and pleasure), or that the work itself and the work environment are not respective of the proper dignity of the person (John Pual II, 1981b; 1991).[5]

As such, Intentional Christian Ownership should aim to love and strengthen the individual person while also cultivating the dignity of the work itself as well as the work environment. Relatedly, work is appropriately understood when it is seen as "self-transcending (more than self-serving), teleological (aimed at a future goal), intentional (conscious of the good pursued), and free (willingly chosen in pursuit of a good)."[6]

John Paul II states that "through work man *not only transforms nature*, adapting it to his own ends, but also *achieves fulfilment* as a human being and indeed, in a sense, becomes 'more a human being."[7] Vitz et. al. add the following:

> Such fulfillment through the call to work is found in the development of industriousness or initiative (Aquinas, 1273/1981, II-II, 129.3), courage, justice, and the other virtues that support person, family, and society. Work by its nature is a difficult good that requires cognitive and emotional formation, initiative to plan and realize worthwhile ambitions, patience in the face of setbacks, and perseverance in the prolonged process of bringing projects to fruition.[8]

Regarding the origin and nature of work, Vitz et al. note:

> People encounter other people in the context of service received and service rendered, from the earliest moments of life. People naturally feel gratitude. They imitate the work of others. Such natural gratefulness for the work of others inclines people to work and give of themselves in turn. The call to work involves a nuanced response: pay is due the worker, recognition is due the benefactor, and gratitude is due all around (Aquinas, 1273/1981, II-II, qq. 106 & 107)… Gratitude is activated through the experience either of receiving just payment and recognition or of receiving gracious gifts. And in particular, dispositions to work and serve others are built up through acts of self-giving work that have meaning and that benefit the worker, his family, and his community."[9]

This background has clear implications for how STAPLE views work and the role of Intentional Christian Ownership. STAPLE sees work as more than simply a means of generating income or an economic endeavor oriented towards maximizing shareholder value. Rather, work is God-given and transformative in nature. It involves understanding our gifts, cultivating them, and bringing them into contact with others. We cultivate virtue in the process and, as stated above, are called to advance in our vocational call to holiness and our particular vocational state.

Individual-Centric

Starting from the individual worker as our starting point, Intentional Christian Ownership means developing a sensitivity for the wellbeing and health of each teammate. It will also entail developing a sense of their gifts and goals. STAPLE's portfolio companies will be encouraged to use the leading open source and commercial surveys to assess their workforce's wellbeing. The Human Flourishing Program at Harvard has an open-source survey that will provide a helpful understanding of a workforce's level of flourishing. There

[5] Ibid.
[6] Ibid.
[7] Ibid., 236.
[8] Ibid.
[9] Ibid., 238.

are other developed surveys as well as psychological markers that provide an indication of how effectively companies are making progress towards specific flourishing goals.

These surveys will provide a perspective on what dimensions of human flourishing require the most support at specific companies. For example, some companies may have workers that require more physical or emotional support whereas others may benefit from incorporating more professional development programs to help workers cultivate a greater sense of purpose.

In any event, STAPLE will endeavor to find and use the best approaches to understanding, measuring, and advancing human flourishing at the individual level, as appropriate and as possible at each unique portfolio company.

Team and Company

Individuals exist in relation to one another. This is especially true in corporate settings, where companies can serve as mini societies. Societies are healthiest when they are oriented towards the common good and empower their citizens – or, in our case, workers – to contribute to this good in accordance with principles of subsidiarity and solidarity. Where applicable, STAPLE will encourage its portfolio companies to assess how effectively they are empowering their workforces to take initiative and ownership. This will be partially accomplished using principles drawn from EOS but may also be further assessed through flourishing or orthodox psychosocial surveys that measure engagement amongst workers and teammates.

In addition to principles of subsidiarity, STAPLE will encourage its portfolio company leaders to assess the degree to which they've cultivated solidarity amongst their workers and their community. This may take several forms: the simplest form would be the creation and support of Employee Assistance Programs as well as employee-supported emergency funds and the more far-reaching form would include new compensation structures that enable workers to participate directly in the ownership of the company. STAPLE leadership will work with company leadership to craft an appropriate strategy.

Leadership Formation

To advance such a mission, STAPLE will cultivate a shared understanding of Intentional Christian Ownership amongst its portfolio company leadership teams, investors, advisors, and partners. It is ultimately the leaders that will be able to effect change on a human flourishing level and their formation is essential to enabling both ownership of such initiatives as well as the creativity and entrepreneurial spirit required to instantiate human flourishing within their own unique circumstances. STAPLE will determine the most effective path to cultivate this formation amongst its leadership teams.

Co-Investment

STAPLE anticipates co-investment opportunities for larger potential investments and where there are opportunities to strength relationships with prospective co-investors. This may involve making such opportunities available to existing investors, partner firms, and other third parties as the STAPLE team sees most advantageous for the Partnership.

Risk Management

STAPLE's approach to risk management has been partially addressed in the articulation of CLEAR PATH, outlined above. Again, at a high level, these include the use of the VVM framework outlined above, which aims to measure historical value creation while also providing a sense of how much goodwill is being purchased; studying whether a prospective acquisition has an excessive amount of customer concentration;

studying earnings volatility; as well as exploring any potential investment asymmetry that exists with a particular opportunity, broadly speaking, which emphasizes an understanding of the market and industry scenarios (underlying causes of risk) that affect future revenue and profits, modeled by probability distributions and subsequent simulations.

STAPLE will also emphasize risk management in its ongoing portfolio management efforts. These efforts may include the analytical strategies listed above and may expand to reflect the more intimate knowledge of a portfolio company's business. Ultimately, STAPLE will closely monitor its investments for continued quality and shareholder value creation.

STAPLE Foundation

STAPLE anticipates launching a sister foundation dedicated to strategic, long-term re-evangelization efforts. STAPLE is assessing the timeline for the establishment and launch of such foundation and is analyzing the most appropriate mechanism for funding the STAPLE Foundation, including participation, if any, in the Incentive Allocation.

IV. MANAGEMENT

General Partner

The General Partner's management team includes:

Dr. Tim Reichert, Member, Manager, and Managing Partner of the General Partner.

Dr. Tim Reichert is STAPLE's CEO. He is an economist who brings over 30 years of applied economic consulting to STAPLE. He is the founder and former CEO of Economics Partners (EP), a firm of over 50 economists that catered to the complex valuation and measurement needs of the Fortune100. He is also the founder of STAQ Capital, a quantitative hedge fund, and a former Ernst & Young and Kroll Partner.

Dr. Reichert is the main developer of a novel valuation and value creation measurement framework that STAPLE uses to assess value and quality of its targets and portfolio companies. Tim is a frequent speaker on economic topics and was a US Congressional candidate in Colorado's 7th District. Tim holds a Ph.D. in economics from George Mason University. He and his wife Martha have four children.

Mike Madden, Member and Deal Generation Lead of the General Partner.

Mike Madden leads STAPLE's Deal Generation function. Mike spent 25 years on Wall Street as a Director at Nomura's US Equity business, and as an MD and International Head of Equities at Mitsubishi Securities, USA (now MUFG) where he ran Equity Derivatives, Convertible Bonds as well as Cash Equities for both US and Japan.

He is the co-founder of Sanzo Management, an M&A Advisory firm serving both US and Japanese companies, as well as the Founder and CEO of Precision Logistics. He and his wife Liz have two children. Mike holds an MBA from Fordham University.

James Phillips, Member and Managing Director for Investments.

James Phillips leads STAPLE's Investments function. He has built his career in lower middle market transactions, having held senior positions XMI Holdings, Inc., XMI Acquisition, LLC, and XMI High Growth & Development Fund. Most recently, he was the President of M.W. Incarnate Capital, Inc.

Investment Manager; Investment Management Agreement

The General Partner has appointed STAPLE as the Investment Manager to the Partnership pursuant to an investment management and services agreement (the "Investment Management Agreement") with the Partnership, subject to the control and review by the General Partner, *inter alia*, to invest the assets of the Partnership in a manner consistent with the investment objective, approach and restrictions described in this Memorandum.

The Investment Management Agreement automatically renews from year to year, except that it may be terminated by any party (with respect to itself only) upon at least 90 days' prior written notice by such terminating party to the other parties to the Investment Management Agreement.

The Partnership will exculpate and indemnify each Indemnified Party in accordance with the exculpation and indemnification provisions of the Partnership Agreement.

The Investment Manager does not currently intend to register as an investment adviser with the SEC.

Investment Committee

STAPLE will establish an Investment Committee ("IC") comprised of STAPLE principals and outside advisors to provide governance and oversight of the investment activities of the fund, ensuring alignment with the fund's strategic objectives, adherence to investment guidelines, and maintenance of the highest ethical and fiduciary standards. STAPLE anticipates that the IC will be comprised of at least three STAPLE principals and at least two outside advisors with relevant experience.

STAPLE anticipates that the responsibilities of the IC will include the following:

1. ***Review and Approval of Investments***: The IC will evaluate potential investment opportunities against the fund's strategic objectives and the investment thesis. Relatedly, the IC will approve or reject proposed investments prior to submission of Indications of Interest (IOIs) or Letters of Intent (LOIs) and will provide final approval prior to closing any transaction.

2. ***Oversight of Portfolio Performance***: The IC will monitor the performance of existing portfolio companies to ensure they continue to meet the investment criteria and contribute to the fund's overall goals. This will include a review of quarterly and annual performance reports, financial statements, and operational updates from portfolio companies. The IC will also evaluate the risk profile of each investment and its potential impact on the overall portfolio. It will ensure that risks related to market conditions, regulatory changes, technological disruptions, and other macroeconomic factors are reviewed and addressed.

3. ***Governance and Ethical Standards***: The IC will ensure that all investment activities are conducted in accordance with the fund's ethical guidelines, including adherence to STAPLE's views of Intentional Christian Ownership and Human Flourishing.

4. ***Documentation and Reporting***: The IC will maintain comprehensive records of all investment decisions, including the rationale behind approvals or rejections. This will ensure that all investment activities are well-documented and accessible for audit and review.

STAPLE Foundation

STAPLE anticipates launching a sister foundation dedicated to strategic, long-term re-evangelization efforts. STAPLE is assessing the timeline for the establishment and launch of such foundation and is analyzing the most appropriate mechanism for funding the STAPLE Foundation, including participation, if any, in the Incentive Allocation.

V. RELATED PARTY TRANSACTIONS AND CONFLICTS

The following are potential conflicts of interest that may arise between the General Partner and affiliates of the General Partner that may be involved in various aspects of the operations and management of the Partnership. In each case, affiliates of the General Partner may receive fees or benefits pursuant to agreements or arrangements that have not been negotiated at arm's length.

Terms of the Offering. The General Partner, which has the sole authority to manage the business and affairs of the Partnership, has established the terms and conditions of this offering. The purchase price for the Interests has been set arbitrarily by the General Partner and is no guarantee of actual value.

Lack of Separate Representation. The General Partner has received legal and other advice for itself. The Investors, as a group, have not been represented by separate counsel and counsel to the General Partner does not purport to have acted for the Investors or to have conducted any investigation or review on their behalf.

Allocation of Time. Officers, managers and members of the General Partner and the Investment Manager are engaged by affiliates of the General Partner and do not devote all of their time to the management of the Partnership. The General Partner and its affiliates will devote such time and services as will be necessary, in the judgment of the General Partner, to efficiently conduct the Partnership's business affairs, and not all members of the General Partner or the Investment Manager will be required to devote time to the management of the Partnership if it is not necessary, in the judgment of the General Partner. Certain personnel may in the future devote substantially all of their business time not only to Partnership activities but also to the activities of other investment vehicles (and their respective investments) sponsored by STAPLE and affiliated entities. In connection with the formation of other investment vehicles by STAPLE or its affiliates, conflicts could arise when allocating personnel among such vehicles, and the Partnership may not receive the level of support and assistance necessarily required to achieve its objectives. The General Partner, the Investment Manager, and their respective members and affiliates are not restricted from entering into other business relationships or from engaging in other business activities except as expressly set forth in the Partnership Agreement.

Participation in Investment Opportunities. The General Partner may offer the right to participate in investment opportunities of the Partnership to other private investors, groups, partnerships, companies or corporations, including any Limited Partner and any Successor Funds (as defined in the Partnership Agreement) managed by a Principal or its affiliates, whenever the General Partner, in its discretion, so determines; *provided, however*, that none of the General Partner, the Investment Manager, or a Principal or their respective affiliates will invest in securities meeting the Partnership's investment criteria, except through the Partnership, a Parallel Fund (as defined in the Partnership Agreement) or a Successor Fund (or alternative investment vehicles formed to facilitate investments by the Partnership, a Parallel Fund or a Successor Fund), unless approved by a Majority in Interest or as permitted by the Partnership Agreement.

Investment Opportunities. During the period beginning on the Initial Closing Date and ending on the date on which the General Partner ceases to be the general partner of the Partnership, the General Partner and its Affiliates will offer to the Partnership the opportunity to invest in each investment opportunity of which they become aware that meets the investment criteria of the Partnership; *provided* that the restrictions in this paragraph shall not apply to: (A) investments or other transactions in which the Partnership declines to participate; (B) investments which are deemed inappropriate for the Partnership because of size or other characteristics that are inconsistent with their investment strategy or purpose, including because of the stage of the investment opportunity, because of investment restrictions or other similar limitations applicable to the Partnership, or because of the remaining available and unreserved Capital Commitments, in each case, as determined in good faith by the Person to whom such opportunity is presented; (C) investment

opportunities made available to the Partnership (including any successor fund) or an entity formed to co-invest with the Partnership (including investments temporarily "warehoused" by the General Partner, the Investment Manager, or an Affiliate of either for the benefit of any of the entities described in this clause (C)); (D) purchases of Securities that are traded on a public securities market (other than in connection with a take-private transaction); (E) investments in entities (or successors to such entities) in which any Principal, or an entity in which any Principal is or was affiliated, has an existing investment as of the Initial Closing Date, (F) any award of restricted stock or other grant or purchase of securities pursuant to options, warrants or similar arrangements received in connection with the performance of services and (G) purchases of securities that are approved by the Advisory Committee. For clarity, neither the General Partner nor its Affiliates shall be required to offer any opportunities to the Partnership to (1) provide follow-on funding in support of any existing investment of the Principal or their affiliates held at the time of the Initial Closing Date ("Existing Investments"), or (2) make investments that are, in the General Partner's reasonable discretion, substantially related to Existing Investments, where the opportunity to invest in any such investments is first offered to investors that participated in or own a portion of the applicable related Existing Investment.

Arrangements with Affiliates. The General Partner may cause the Partnership to retain or reimburse Affiliates of the General Partner or the Investment Manager for necessary services relating to the Investments, for compensation and on other terms, in each case, generally available in arm's length transactions with qualified independent third parties for similar services; *provided* that: (i) all such services are for the benefit of the Partnership, are not for the general operation of the General Partner, the Investment Manager, or any of their respective Affiliates' businesses and would have been performed by qualified independent third parties if the General Partner, the Investment Manager, or any of their respective Affiliates did not have the capability to perform such services; (ii) the General Partner reasonably believes that obtaining such services, as opposed to from a qualified independent third party, is not contrary to the Partnership's best interest; and (iii) each such agreement, taken as a whole, is no less favorable to the Partnership than could be obtained in arm's length negotiations with unaffiliated third persons.

Purchases from Affiliates. Without the prior approval of the Advisory Committee or a Majority in Interest of the Limited Partners, excluding for such calculation any Limited Partner that is an Affiliate of the General Partner (including the Principals), the Partnership may not purchase Securities in current or prospective portfolio companies from, sell such Securities to, or borrow money from the General Partner, the Principals, the Investment Manager, or any of their managers or members, or their respective Affiliates; *provided* that the Partnership may purchase Securities in current or prospective portfolio companies from or sell such Securities to a Parallel Fund at cost for the purpose of allocating then existing Securities between such entities in proportion to their respective available capital; *provided*, *further*, that this paragraph shall not apply to warehoused securities permitted in the Partnership Agreement.

VI. RISK FACTORS

An investment in the Partnership involves a high degree of risk and should be undertaken only by qualified investors whose financial and other resources are sufficient to enable them to assume these risks and to bear the potential loss of all or part of their investment. The following risk factors (together with other factors set forth in this Memorandum) should be considered carefully, but are not meant to be an exhaustive listing of all potential risks associated with an investment in the Partnership. Prospective Investors should consult with their own financial, legal and tax advisors prior to investing in the Partnership. ***If any of the following risks were to occur, the financial condition, results of operations, cash flows, and ability to make distributions of the Partnership could be materially adversely affected. In that case, the Partnerships might not be able to make distributions to Limited Partners and Limited Partners could lose all or part of their investment.***

Risks Related to the Investments

An investment in the Partnership is subject to investment risk, including the possible loss of the entire amount of an Investor's investment.

An investment in the Partnership represents an indirect investment in the securities owned by the Partnership, and the value of such securities will move up or down, sometimes rapidly and unpredictably. An Investor's Interest in the Partnership at any point in time may be worth less than its capital contributions to the Partnership, even after taking into account the reinvestment of Partnership dividends and distributions.

The Partnership is expected to employ a variety of risk analytics and risk management tools in connection with making and monitoring portfolio investments. Prospective investors should be aware that no risk management or portfolio analytics system is fail-safe, and no assurance can be given that risk frameworks employed by the General Partner or the Investment Manager will achieve their objectives and prevent or otherwise limit substantial losses. No assurance can be given that the risk management systems and techniques or pricing models will accurately predict the manner in which investments are valued in financial markets in the future. In addition, certain risk management tools may rely on certain assumptions (e.g., historical interest rates, anticipated rate trends, etc.) and such assumptions may prove incorrect.

The ability of the Investment Manager to implement the Partnership's investment strategy may be adversely impacted by competition from other investors or acquirors, including those with similar faith-based objectives.

The activity of identifying and investing in attractive Christian-owned long-term compounders may be competitive and involves a high degree of uncertainty. The Partnership expects to encounter competition from other entities having similar faith-based investment objectives and others pursuing the same or similar opportunities. Potential competitors include other investment partnerships, business development companies, strategic industry acquirers, sovereign wealth funds, and other financial investors investing directly or through affiliates. Additional funds with similar faith-based investment objectives can be expected to be formed in the future by other unrelated parties. Many of these competitors will have more relevant experience, greater financial and other resources, and more personnel than the General Partner, the Investment Manager, and the Partnership. It is possible that competition for appropriate investment opportunities could increase, thus reducing the number of opportunities available to the Partnership and adversely affecting the terms upon which investments can be made. The Partnership will from time to time incur due diligence or other costs on prospective investments which are not consummated or are otherwise not successful. As a result, the Partnership will not recover all of its costs from such prospective investments, which would adversely affect the performance of the investment portfolio. There can be no assurance that the Investment Manager will be able to identify or consummate investments satisfying its

investment criteria or that such investments will satisfy its rate of return objectives. Likewise, there can be no assurance that the Partnership will be able to realize the value of its investments or that it will be able to invest all or a significant portion of its committed capital. To the extent that the Partnership encounters competition for investments, returns to the Partnership and the Limited Partners are likely to decrease.

The Partnership may invest in companies that do not ultimately align with its investment philosophy.

The Partnership seeks to identify and invest in Christian-owned companies with virtuous corporate cultures; however, the Partnership may invest in companies that ultimately deviate from its investment philosophy over the course of the Partnership's investment. A company that appears to have Christian ownership and a corporate culture that aligns with Christian values when the investment is initially made may have changes in ownership or culture over time that do not match the Partnership's investment philosophy. Furthermore, an investment that STAPLE identifies as having the characteristics of a wealth compounder may see a reduction in its quality because of poor managerial performance or other exogenous circumstances resulting in adverse impacts to the value of such investment.

Difficulty of locating suitable investments.

The Partnership may be unable to find a sufficient number of attractive investment opportunities to meet its investment objectives and therefore there is no assurance that the Partnership will succeed in sourcing investment opportunities that meet the Partnership's investment criteria. Even if the Partnership finds attractive investment opportunities, there is a risk that selected investments will not produce competitive returns. Moreover, given the nature of the Partnership, it is difficult to predict the extent to which the committed capital of the Partnership would be deployed. A Limited Partner must rely on the ability of the General Partner and the Principals to identify, structure, and implement investments consistent with the Partnership's objectives and policies.

Due diligence risks.

Before making investments, the General Partner intends to conduct due diligence it deems reasonable and appropriate based on the facts and circumstances applicable to each investment and its investment process and philosophy. When conducting due diligence and making an assessment regarding an investment, the General Partner will be required to rely on resources available to it, including information provided by the prospective portfolio company and, in some circumstances, third party investigations. There can be no assurance that the due diligence investigation that the General Partner will carry out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity.

The Partnership is subject to management risk because it will be an actively managed portfolio.

The Investment Manager will apply investment techniques and risk analyses in making investment decisions for the Partnership, but there can be no assurance that these will produce the desired results. The Partnership will invest in companies that the management team believes are expected to earn excess returns, while also considering factors of quality and value in order to reduce downside risk. If this investment approach, including the valuation methodologies upon which it is dependent, is unsuccessful or does not yield anticipated results, your investment in the Partnership may lose value.

In addition, information available to the General Partner at the time of making an investment decision may be limited, and the General Partner may not have access to complete information regarding the investment. Therefore, no assurance can be given that the General Partner will have knowledge of all circumstances that may adversely affect an investment.

The Partnership's portfolio may be concentrated in a limited number of investments and/or industries, particularly during periods of high market volatility, including and especially during the start-up period.

The Partnership's investment portfolio may be heavily concentrated at any time in only a limited number of investments and, consequently, the Partnership's aggregate return may be substantially affected by the

unfavorable performance of even a single investment. To the extent the Partnership's investments are concentrated in a particular investment, the Partnership's portfolio may become more susceptible to fluctuations in value resulting from adverse economic or business conditions affecting those particular investments. The Partnership's portfolio may be more volatile and possibly subject to more fluctuations in value than a more diversified portfolio.

Additionally, the Partnership may encounter start-up periods during which it will incur certain risks related to the initial investment of newly contributed assets. Moreover, the start-up periods also represent a special risk in that the level of diversification of the Partnership's portfolio may be lower than in a fully invested portfolio.

The Partnership is exposed to risks of bank, broker, or dealer insolvency.

While care is taken in selecting any bank, broker or dealer that will maintain custody of assets of the Partnership, there is a residual risk that any of such banks, brokers or dealers could become insolvent. It is expected that all securities and other assets deposited with banks, brokers or dealers will be clearly identified as being assets of the Partnership and hence the Partnership should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this and there may be certain practical or timing problems associated with enforcing the rights of the Partnership to its respective assets in the case of an insolvency of any such party.

The failure by the General Partner or the Investment Manager to correctly evaluate partnership investments could affect the activities of the partnership and the value of its investments.

The General Partner and the Investment Manager will have broad discretion in making investments for the Partnership. The Partnership's investment objective is to invest the Partnership's assets in securities of high-quality companies with a proven ability to generate persistent excess returns, aka "compounders." There can be no assurance that the General Partner and the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. The value of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Partnership's activities and the value of and return on its investments. Discretionary decision-making may result in failure to capitalize on certain valuation trends in a situation where a strictly objective approach might not have done so. No guarantee or representation is made that the Partnership's investment objective will be achieved. Moreover, there is no assurance that the Partnership's future investment results will be the same as any Principal's past investment results. Accordingly, an investment in the Partnership entails a significant degree of risk.

The Partnership's investments are subject to general market and industry-specific volatility which may result in losses by the Partnership's investment portfolio.

An Investor should be aware that it may lose all or part of its investment in the Partnership. Certain of the Partnership's investments may involve a high degree of business, financial, technological, and other risks which can result in substantial losses. As a result, the Partnership's performance may experience substantial volatility and potential for loss. The General Partner believes that the Partnership's investment program and research techniques moderate this risk through a careful selection of compounders; *however*, no guarantee or representation is made that the Partnership's program will be successful.

The Partnership may be subject to additional risks as a result of investing in the securities of non-U.S. companies which could adversely affect the Partnerships returns.

The Partnership may invest in securities of non-U.S. companies. Investing in the equity securities of non-U.S. companies involves certain considerations not usually associated with investing in securities of U.S. companies, including political and economic considerations, such as greater risks of expropriation and nationalization, the potential difficulty of repatriating funds and general social, political and economic

instability; resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict the Partnership's investment opportunities. In addition, accounting and financial reporting standards that prevail in foreign countries generally are not equivalent to U.S. standards, including U.S. generally accepted accounting principles ("GAAP") and, consequently, less information may be available to investors in companies located in non-U.S. countries than is available to investors in companies located in the United States. There is also less regulation, generally, of the securities markets in foreign countries than there is in the United States.

All investments are subject to inherent risk of loss and there can be no assurance of profit, cash distributions or appreciation.

It is uncertain when profits, if any, will be realized. Losses on unsuccessful investments may be incurred before gains on successful investments are realized. There may be no return on the investments made by the Partnership for an extended period of time. All investments involve the risk of a loss of capital. No guarantee or representation is made that the Partnership's investment program will be successful, and investment results may vary substantially over time. There is a risk that the Partnership will be unable to realize its investment objective through the sale or disposition of investments at an attractive price, within any given period of time, or will otherwise be unable to complete any exit strategy. In particular, these risks could arise from the absence of an established market for an investment, changes in the financial condition or prospects of prospective purchasers, changes in national or international economic conditions and changes in laws, regulations, or fiscal policies of jurisdictions in which an investment is located.

Distributions are made in the sole discretion of the General Partner and the timing and amount of such distributions, if any, may vary significantly. While the General Partner intends to make periodic distributions of available cash (see "*Summary of Terms—Discretionary Distributions*"), there can be no assurance that any distributions will be made to cover the Partners' estimated tax liability resulting from their interest in the Partnership or that any other distributions will be made to the Limited Partners.

The Partnership may enter into borrowing arrangement and pledge assets in connection with such borrowing.

In connection with borrowings the Partnership may pledge its assets in order to borrow additional funds for operational purposes, including making investments or paying Partnership expenses or to satisfy redemptions or withdrawals. The amount of borrowings which the Partnership may have outstanding at any time may be substantial in relation to its Capital Commitments.

The Partnership's subscription credit facilities may contain restrictive covenants regarding the Investment Manager's conduct with respect to the operations of the Partnership.

The Partnership may enter into a credit facility with one or more lenders, including to finance the acquisition of its investments, pay Partnership expenses or to satisfy redemptions or withdrawals. It is anticipated that any such credit facility will contain a number of common covenants that, among other things, may restrict the ability of the Partnership to: (i) acquire or dispose of assets; (ii) incur additional indebtedness; (iii) make capital expenditures; (iv) make cash distributions; (v) create liens on assets; (iv) make capital calls to the Partners; or (v) engage in certain transactions with affiliates, and otherwise restrict corporate activities of the Partnership (including its ability to acquire additional investments or assets) without the consent of the lenders. In addition, such a credit facility would likely require the Partnership to maintain specified financial ratios and comply with tests, including minimum interest coverage ratios, maximum leverage ratios, minimum net worth, and minimum equity capitalization requirements. The Partnership may incur indebtedness under such credit facility that bears interest at a variable rate. Economic conditions could result in higher interest rates, which could increase debt service requirements on variable rate debt and could reduce the amount of cash available for other purposes.

The investment portfolio may be exposed to risk resulting from changes in interest rates.

The value of any fixed rate asset held in the investment portfolio will generally have an inverse relationship with interest rates. Accordingly, if interest rates rise the value of such asset would be likely to decline. In addition, to the extent that the receivables or loans are prepayable without penalty or premium, the value of such assets may be negatively affected by increasing pre-payments, which generally occur when interest rates decline. Furthermore, any investments may feature structural components, such as the use of leverage, that may result in adverse performance should interest rates change unexpectedly.

The failure by the General Partner or the Investment Manager to correctly evaluate current or prospective investments could affect the activities of the Partnership and the Partnership and the value of the investment portfolio.

The General Partner and the Investment Manager will have broad discretion in making investments. The investment objective is to invest the Partnership's assets in Christian-owned long-term compounders. There can be no assurance that the General Partner and the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political, regulatory, and tax regime developments, may significantly affect the results of the Partnership's activities and the value and return of the investment portfolio. Discretionary decision-making may result in failure to capitalize on certain price trends or unprofitable investments in a situation where a strictly objective approach might not have done so. No guarantee or representation is made that the investment objectives will be achieved. Moreover, there is no assurance that the Partnership's future investment results will be the same as the past investment results or projections. Accordingly, an investment in the Partnership entails a significant degree of risk.

The Partnership may invest in minority or non-controlling interests of portfolio companies, which may limit STAPLE's ability to influence strategy and policies of such portfolio companies.

STAPLE also anticipates taking controlling and non-controlling positions in its portfolio companies including by making an investment through a joint venture with other sponsors. In connection with an emerging or non-controlling investment, STAPLE will work to structure minority and non-controlling investments in such a way that provides downside protection to investors and in a way that promotes the Partnership's investment strategy. STAPLE cannot guarantee that when it makes a minority, or non-controlling. investments will be able to cause the portfolio company management to take actions that are consistent with STAPLE's investment and portfolio management thesis and strategy or to cause such portfolio company's management to not effect an early exit.

The investments are subject to general market and industry-specific volatility which may result in losses of the investment portfolio.

An Investor should be aware that it may lose all or part of its investment in the Partnership. Certain of the investments may involve a high degree of business, financial, technological, and other risks which can result in substantial losses. The General Partner believes that the investment program and research techniques moderate this risk through a careful selection of investments; however, no guarantee or representation is made that the investment program will be successful.

The Partnership is subject to business continuity risk due to a variety of events beyond the control of the General Partner or Investment Manager.

Various force majeure events, including acts of God, natural disasters like fire, flood or earthquakes, wars, terrorist acts, outbreaks of infectious disease, epidemics, pandemics or other serious public health concerns, cyber-attacks, technology and/or power failures, labor strikes, or geopolitical or other extraordinary, or other unforeseen circumstances or events, may materially disrupt the Investment Manager's and the General Partner's businesses and operations, or the business and operations of any counterparty or service provider to the Investment Manager, the General Partner or the Partnership, and the Partnership may be adversely

affected thereby. For example, if a significant number of the Investment Manager's and the General Partner's personnel were to be unavailable in a force majeure event (such as war, terror attack or an outbreak of infectious disease), the Investment Manager's and the General Partner's ability to effectively conduct the Partnership's business could be severely compromised. In addition, the cost to the Partnership, the Investment Manager, the General Partner, and/or their respective affiliates of repairing or replacing damaged assets or systems resulting from such force majeure event could be considerable. While the Investment Manager and the General Partner have adopted certain policies and procedures designed to restore and/or continue their businesses and operations in such situations, there is no guarantee that such policies and procedures will be effective in any of such situations or will be implemented in time, and the Partnership may be adversely affected thereby.

Risks Associated with Partnership's Management

The Partnership, the General Partner and the Investment Manager are newly organized entities with no history of operations.

The Partnership, the General Partner and the Investment Manager are newly organized entities with no history of operations. The Partnership will be the first investment fund managed and advised by the General Partner and the Investment Manager. As a result, prospective investors have no track record or history on which to base their investment decision. The Partnership is subject to all of the business risks and uncertainties associated with any new business, including the risk that the Partnership will not be able to achieve its investment objectives.

Past performance of the General Partner, the Investment Manager or their respective affiliates, employees or representatives or any other person is not indicative of future results of the Partnership and no assurance can be given that the investment objectives of the Partnership will be achieved or that Limited Partners of the Partnership will receive a return on or of their investment in the Partnership. References to prior experience of members of the General Partner's management or of the Investment Manager should not be considered to be indicative of, or a guarantee with respect to, future performance.

The Investors will rely on the discretion of the General Partner, the Investment Manager, and the Principals for all investment decisions.

Investors in the Partnership are placing their entire Capital Commitment in the discretion of, and are dependent upon the skill and experience of, the General Partner, the Investment Manager, and the Principals. The success of the Partnership will depend in part upon the skill and expertise of the Investment Manager's investment professionals, and particularly the Principals. There can be no assurance that such professionals will continue to be associated with the General Partner or the Investment Manager throughout the life of the Partnership and a loss of the services of one or more of such professionals could impair the Investment Manager's ability to provide services to the Partnership. There is ever-increasing competition among alternative asset firms, financial institutions, private equity firms, investment managers and other industry participants for hiring and retaining qualified investment professionals. There can be no assurance that the Principals or other Investment Manager personnel will not be solicited by and join competitors or other firms and/or that the Investment Manager will be able to hire and retain any new personnel that it seeks to maintain or add to its roster of investment professionals.

The General Partner and the Investment Manager will have exclusive responsibility for the Partnership's activities, and Limited Partners will not be able to make investment or any other decisions concerning the management of the Partnership. Limited Partners may not receive information about investment portfolio that is generally available to the General Partner and the Investment Manager. The Investment Manager will generally have sole and absolute discretion in structuring, negotiating, and purchasing, financing and eventually divesting investments on behalf of the Partnership. The success of the Partnership will depend on the ability of the Investment Manager's investment team, and particularly the Principals, to identify

suitable investments, to negotiate and arrange the closing of appropriate transactions and to arrange the timely disposition of investments. The Investment Manager may be unable to find a sufficient number of suitable attractive opportunities to meet the investment objectives.

Many key responsibilities within our business have been assigned to a small number of individuals.

The management team at the General Partner and the Investment Manager consist of only a small number of key personnel (including the Principals), on whose services, effort, experience, and skills the Partnership will be dependent. The loss of their services could adversely affect the Partnership. In particular, the loss of the services of one or more members of the management team at the General Partner or the Investment Manager could disrupt the operation of, or have a material adverse effect on, the Partnership. Further, the Partnership does expect to not maintain "key person" life insurance policies on any key personnel at the General Partner or the Investment Manager. As a result, we are not insured against any losses resulting from the death of these key individuals.

Certain members of the General Partner and the Investment Manager, including members holding significant membership interests, will not be responsible for the management of the General Partner or the Investment Manager and will not be required to devote their time and attention exclusively to the Partnership. The Limited Partners will not be permitted to evaluate investment opportunities or relevant business, economic, financial, or other information that will be used by the General Partner in making decisions. Except as specifically set forth in the Partnership Agreement, the General Partner will have the exclusive right and power to manage the Partnership's business and affairs.

Any prior experience that members of the General Partner may have in making investments of the type expected to be made by the Partnership, including the application of proprietary quantitative strategies necessarily was obtained under different market conditions and with different technologies and data at the forefront of development. There can be no assurance that the members of the General Partner or the Investment Manager will be able to duplicate prior levels of success.

The General Partner's and the Investment Manager's investment strategies and techniques are proprietary.

All documents and other information concerning the Partnership's portfolio of investments will be made available to the Partnership's auditors, accountants, attorneys, and other agents in connection with the duties and services performed by them on behalf of the Partnership. However, because the Investment Manager's investment techniques are proprietary, the Partnership Agreement will provide that neither the Partnership nor any of its auditors, accountants, attorneys, or other agents will disclose to any person, including investors, any of the investment techniques employed by the Investment Manager in managing the Partnership's investments or the identity of specific investments held by the Partnership at any particular time.

The General Partner and Investment Manager are generally not required to disclose its investments.

In an effort to protect the confidentiality of its positions, the Partnership generally may not and may not be permitted (e.g., in connection with confidentiality obligations to which the Partnership may from time to time be subject) to disclose all of its positions to Limited Partners on an ongoing basis, although the Investment Manager, in its sole discretion, may permit such disclosure on a select basis to certain Limited Partners, if it determines that there are sufficient confidentiality agreements and procedures in place. As a result, Limited Partners will not have visibility into the composition of the Partnership's investment portfolio.

Reliance on data from third-party and external sources containing errors or other inaccuracies could result in material losses.

The General Partner's and Investment Manager's strategies and techniques are highly reliant on the gathering, cleaning, culling, and analyzing of large amounts of data from third-party and other external

sources, including financial data reported to the Securities and Exchange Commission, and published analyst forecasts. It is not possible or practicable, however, to factor all relevant, available data into forecasts. The General Partner and Investment Manager will use their discretion to determine what data to gather with respect to any strategy or technique and what subset of that data the General Partner's and Investment Manager's strategies and techniques take into account to produce forecasts which may have an impact on ultimate investment decisions. In addition, due to the automated nature of such data gathering and the fact that much of this data comes from third-party sources, it is inevitable that not all desired or relevant data will be available to, or processed by, the General Partner or Investment Manager at all times. In such cases, the General Partner and Investment Manager may, and often will, continue to generate forecasts and make investment decisions based on the data available to it. Additionally, the General Partner and Investment Manager may determine that certain available data, while potentially useful in generating forecasts or making investment decisions, is not cost effective to gather due to either the technology costs or third-party vendor costs and, in such cases, the General Partner and Investment Manager will not utilize such data. Investors should be aware that, for all of the foregoing reasons and more, there is no guarantee that any specific data or type of data will be utilized in generating forecasts on behalf of the Partnership, nor is there any guarantee that the data actually utilized in generating forecasts or making investment decisions on behalf of the Partnership will be (a) the most accurate data available or (b) free of errors. Investors should assume that the foregoing limitations and risks associated with gathering, cleaning, culling and analysis of large amounts of data from third-party and other external sources are an inherent part of investing with a process-driven, systematic advisers such as the Investment Manager.

The amount of reserves is difficult to determine and failure to appropriately estimate reserves could materially and adversely affect the Partnership and returns to the Limited Partners.

Under certain circumstances, the General Partner may find it necessary to cause the Partnership set up one or more reserves for Partnership expenses (including the Management Fees), other contingent or future liabilities. The amount of such reserves may be difficult to determine. Insufficient or excessive reserves could have a material and adverse effect upon the investment returns to the Limited Partners. For example, if reserves are insufficient, the Partnership may be unable to pay expenses or satisfy other liabilities or obligations without liquidating investments or recalling prior distributions from the Partners, and if reserves are excessive, the Partnership may decline attractive investment opportunities or hold unnecessary amounts of capital in money market or similar low-yield accounts.

The preparation of the Partnership's financial statements involves use of estimates, judgments and assumptions, and the Partnership's financial statements may be materially affected if estimates prove to be inaccurate.

Financial statements prepared in accordance with GAAP require the use of estimates, judgments and assumptions that affect the reported amounts. Different estimates, judgments and assumptions reasonably could be used that would have a material effect on the financial statements, and changes in these estimates, judgments and assumptions are likely to occur from period to period in the future. Significant areas of accounting requiring the application of management's judgment include, but are not limited to, determining the fair value of investment securities, interest income recognition and reserves for loan losses. These estimates, judgments and assumptions are inherently uncertain, and, if they prove to be wrong, the Partnership faces the risk that charges to income will be required. Any such charges could significantly harm the Partnership's business, financial condition, results of operations and the price of the Partnership's securities.

Reliance on the General Partner and no authority by Limited Partners.

All decisions regarding the management and affairs of the Partnership will be made exclusively by the General Partner. As a result, the success of the Partnership for the foreseeable future depends solely on the abilities of the General Partner. Accordingly, no person should invest in the Partnership unless such person

is willing to entrust all aspects of management of the Partnership to the General Partner. Limited Partners will have no right or power to take part in the management of the Partnership.

Partnership reporting is made quarterly, and no Limited Partner shall be entitled to evaluate the Partnership's activities or investments with greater frequency.

The Partnership will provide quarterly unaudited reports of its activity. As a result, Limited Partners will not be able to evaluate the Partnership's activity or investments at shorter intervals. Additionally, as a result of side letter arrangements, questions, due diligence requests, meetings or other communications, certain Limited Partners may receive information that is not generally available or otherwise provided to other Limited Partners, which may affect such Limited Partners' decision to take other actions on the basis of such information.

The Partnership's assets are not insured.

The Partnership's assets are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the Federal Deposit Insurance Corporation (FDIC) or with brokers insured by the Securities Investor Protection Corporation and such deposits are subject to such insurance coverage. Therefore, in the event of the insolvency of a depository or custodian, the Partnership may be unable to recover all of its funds or the value of its assets so deposited.

The General Partner may enter into agreements with certain Limited Partners containing differing investment terms than those contained in the Partnership Agreement.

The General Partner may enter into other agreements (i.e., "side letters") with certain Limited Partners that will result in different terms of an investment in the Partnership than the terms applicable to other Limited Partners. As a result of such agreements, certain Limited Partners may receive additional benefits which other Limited Partners will not receive (e.g., additional information regarding the Partnership's portfolio, or lower Management Fees or Incentive Allocations, Advisory Committee participation, etc.). Unless required by applicable law, the General Partner will not be required to notify the other Limited Partners of any such agreement or any of the rights or terms or provisions thereof, nor will the General Partner be required to offer such additional or different terms or rights to any other Limited Partner. The General Partner may enter into any such agreement with any Limited Partner at any time in its sole discretion.

The Partnership is subject to systems and operational risks and rely on the General Partner to develop and implement appropriate systems for the Partnership's activities.

The Partnership depends on the General Partner to develop and implement appropriate systems for the Partnership's activities. The General Partner relies extensively on computer programs and systems to evaluate investment opportunities, to monitor its portfolio and net capital, and to generate risk management and other reports that are critical to oversight of the Partnership's activities. Human error, system failure or other problems with any of these processes could result in material losses or costs, which will generally be borne by the Partnership.

Management intends to engage and retain qualified third parties to assist with the management of the Partnership's portfolio companies.

STAPLE plans to recruit and retain experienced leaders to serve as advisors and mentors for the leadership of its portfolio companies to support its objective of long-term value creation. The ongoing success and expansion of the Partnership's portfolio companies may rely on STAPLE successfully recruiting and retaining such individuals and a failure to consistently do so could affect the long-term value proposition of its investments. Failure to consistently do may also adversely affect STAPLE's ability to enter into new industries or pursue certain investment opportunities.

Risks Associated with Liquidity

The Limited Partners are subject to strict limitations on liquidity and withdrawal rights.

An investment in the Partnership is a long-term commitment and there can be no assurance as to the amount or frequency of distribution to the Limited Partners, if any. Subject to the provisions of the Partnership Agreement, the Partnership will continue in perpetuity until dissolved and its affairs wound up by operation of law or at the sole discretion of the General Partner. Because of the limited transfer and withdrawal rights of Limited Partners, an investment in the Partnership is highly illiquid. Generally, Limited Partners shall have no right to redeem their interests or withdraw any amount of their capital accounts. Generally, liquidity may only be achievable through a transfer of interests, which are subject to the consent of the General Partner and which are highly illiquid, or through distributions which may be made at such time and in such amounts as the General Partner determines in its sole discretion. A purchase of Interests in the Partnership should be considered only by persons financially able to maintain their investment and who can afford a loss of a substantial part of such investment. The Partnership will not be required to dispose of investments, borrow funds, cease making investments, reduce reserves, or take any other action in order to satisfy withdrawals.

The Partnership is an open-ended fund with an indefinite term and expects to hold its investments for an indefinite period of time.

The Partnership's operating strategy is to operate as a perpetual open-end partnership without a determined termination date in order to realize long-term appreciation from investments in compounders (i.e., companies with the potential to deliver long-term and sustainable growth). However, if the Partnership were dissolved and terminated before reaching its investment objectives, the Partnership could be required to dispose of its investments at less than fair value or make in-kind distributions of assets to Limited Partners (resulting in Limited Partners not having their capital invested and/or deployed in the manner originally contemplated). Limited Partners have limited transfer rights and will have no right to redeem their interests or withdraw and amount of their capital accounts. Thus, due to restrictions on transfer, the illiquidity of the Interests, Limited Partners may be unable to cash out of the Partnership for an extended period of time, or even indefinitely, and early termination may result in a loss of value of the existing investments.

The Partnership's Limited Partners have limited rights to transfer their Interests in the Partnership.

The Partnership Agreement and applicable law (including federal and state securities laws) will impose substantial restrictions on the transferability of Interests by Limited Partners. Transfers of the Interests will be permitted only with the written consent of the General Partner and in accordance with the terms of the Partnership Agreement. Interests should only be acquired by investors willing and able to commit their funds for an indefinite period of time.

The General Partner may require any Limited Partner to withdraw from the Partnership.

With at least ten days' prior written notice, the General Partner may require the partial or total withdrawal of any Limited Partner at any time upon at least ten days' prior written notice, if the continued participation of any such Limited Partner (individually or together with other Limited Partners with respect to which the General Partner or any of its Affiliates is requiring a withdrawal) would be reasonably likely to give rise to a legal, pecuniary, tax, regulatory, administrative, reputational or other adverse consequence to the Partnership, any Partner, the General Partner, the Investment Manger, or any of the direct or indirect owners of the General Partner or the Investment Manger or if any litigation is commenced or threatened against the Partnership, any Partner, the General Partner, the Investment Manager or any of the direct or indirect owners of the General Partner or the Investment Manager arising out of, or relating to, such Limited Partner's participation in the Partnership (individually or together with other Limited Partners with respect to which the General Partner or any of its Affiliates is requiring a withdrawal). Any such withdrawal could cause the applicable Limited Partner to, among other things, incur transaction costs associated with the (partial or total) liquidation of such Limited Partner's Interests or to miss an opportunity to recover earlier losses or

to enjoy potentially attractive future returns. A withdrawal by a Limited Partner may reduce the amount of Partnership capital available for investment or other activities.

Other Risks Related to the Partnership Agreement

The Partnership Agreement restricts the voting rights of Limited Partners, subject to certain exceptions.

The Partnership Agreement restricts Limited Partner voting rights, except for certain matters, including removal of the General Partner for cause.

Actions taken by the General Partner may affect the amount of cash generated from operations that is available for distribution to Limited Partners.

The amount of cash generated from operations available for distribution is affected by decisions of the General Partner regarding such matters as: (i) amount and timing of asset purchases and sales; (ii) cash expenditures; (iii) borrowing; (iv) entry into and repayment of current and future indebtedness; and (v) the creation, reduction, or increase of reserves.

The General Partner expects to limit distributions from the Holding Entities or the portfolio companies and may use limited cash proceeds from such entities to fund distributions of the Incentive Allocation.

The General Partner expects to limit dividends or distributions from the Holding Entities and, where possible, portfolio companies, for the purpose of avoiding dividend income allocations to the Partners and may use funds held by the Holding Entities to pay certain Partnership Expenses (including the Management Fee), and for reinvestment. As a result, the General Partner anticipates that there will be limited cash proceeds for making distributions to the Limited Partners. Additionally, the General Partner may use Partnership cash to fund distributions of the Incentive Allocation, limiting the amount of cash available to fund distributions to the Limited Partners.

The allocation of the Incentive Allocation to the General Partner may cause the General Partner to make risky and speculative investments.

The allocation of a percentage of the Partnership's net profits to the General Partner may cause the General Partner to make investments that are riskier or more speculative than would be the case if this allocation were not made. Since the allocation is calculated on a basis that includes unrealized appreciation of assets, such allocation may be greater than if it were based solely on realized gains. Moreover, because the Incentive Allocation is calculated on an interest-by-interest basis, if an interest that is subject to a loss carryforward is withdrawn, such loss carryforward will not be transferred to other interests in the Partnership still owned by the Limited Partner.

The Partnership Agreement restricts the situations in which remedies may be available to the Limited Partners for actions taken that might constitute breaches of duty under applicable Delaware law and breaches of the contractual obligations in the Partnership Agreement.

The Partnership Agreement restricts the potential liability of the General Partner and its managers, members, and executive officers to the Limited Partners. For example, the Partnership Agreement provides that the General Partner and its directors and executive officers will not be liable for monetary damages to the Partnership or the Limited Partners for mistakes of judgment, or for action or inaction, taken in good faith and in the best interest of the Partnership, or for losses due to such mistakes, action, or inaction, or to the gross negligence, willful misconduct, or fraud of any employee, broker, or other agent of the Partnership, provided that in selecting, engaging, retaining, or monitoring such employee, the indemnified parties did not engage in conduct judicially determined to constitute Disabling Conduct.

The General Partner, the Investment Manager and their related parties are entitled to exculpation and indemnification under the Partnership Agreement that are more favorable to such persons than equivalent rights available to such persons at law.

The Partnership Agreement contains provisions that may provide a broader indemnification of the General Partner against claims or lawsuits arising out of the Partnership's activities than would apply in the absence of such provisions, which are summarized in greater details under "*Summary of Principal Terms—Exculpation and Indemnification* Additionally, the Partnership Agreement limits the circumstances under which the General Partner and its officers, directors, managers, employees, shareholders, partners, members, agents and consultants, and any director, officer, or manager of any entity in which the Partnership invests serving in such capacity at the request of the General Partner or the Investment Manager, can be held liable to the Partnership. As a result, a Limited Partner may have a more limited right of action than a Limited Partner would have had absent these provisions in the Partnership Agreement. The Investment Management Agreement between the Partnership and the Investment Manager contains substantially identical terms with respect to the Investment Manager and its personnel.

Nothing herein is intended to limit, or shall in any way limit, the rights available to the Partnership or Limited Partners to the extent such rights may not be waived under applicable securities laws.

The Partnership, including any Holding Entities, is responsible for expenses and fees regardless of profitability.

The Investment-related costs and expenses as well as other fees (e.g., Management Fees and other Partnership expenses) may, in the aggregate, constitute a high percentage of capital relative to other investment entities. The Partnership or its Holding Entities will bear these costs regardless of its profitability. To the extent the Partnership invests in certain temporary investments like money market funds, the Partnership will be responsible for the fees and expenses charged by such investments and their managers. See "*Summary of Principal Terms—Partnership Expenses*."

Consequences of default by a Limited Partner.

If a Limited Partner fails to pay in full any requested capital contributions, the General Partner may take certain actions which may result in a sale of such Limited Partner's interest in the Partnership at a substantial discount or a forfeiture of a substantial portion of such Limited Partner's interest in the Partnership. Additionally, the General Partner may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount, including attorneys' fees, to be paid by such defaulting Limited Partner. The General Partner is granted additional powers to deal with defaulting Limited Partners in the Partnership Agreement. See "*Summary of Principal Terms—Failure to Make Capital Contributions*" If Limited Partners fail to fund their Capital Commitments when due, the Partnership's ability to complete its investment program or otherwise continue operations may be substantially impaired.

Consequences of failure to raise additional funds in the future.

The Partnership's success and its ability to achieve its strategy depends on its ability to continue to raise capital from new and existing investors in the future. If the Partnership is not able to close on adequate Capital Commitments in the future the Partnership may not be able to adequately support or protect (e.g., through follow-on offerings) its existing investments or adequately diversify its portfolio investments. Additionally, such failure may materially impair the Partnership's ability to complete its investment program or otherwise continue operations may be substantially impaired.

Liability of a Limited Partner for the return of distributions.

The Limited Partners may be obligated to return distributions to the Partnership in order to meet the Partnership's indemnification obligation and other liabilities. In no event will any Limited Partner be required to return distributions to satisfy such obligations or liabilities in an amount in excess of the lesser of (A) 25% of such Partner's Capital Commitment or (B) all distributions received by the Limited Partner from the Partnership within two years of the date of the notice recalling such distribution, reduced by any distributions made during such period that have been previously recalled.

Dilution from subsequent closings.

Subsequent Limited Partners admitted at subsequent closings (and Limited Partners increasing their Capital Commitments) will indirectly participate in the then-existing investments, diluting the interests of previously admitted Partners. Although such Limited Partners will contribute their pro rata share of all prior Capital Calls, there can be no assurance that this payment will reflect the fair value of the investments at the time of such subsequent closing

Tax Risks

The taxation of an investment in the Partnership is complex.

An investment in the Partnership may involve complex tax considerations. The tax considerations may differ for each investor. Potential investors should consult their own attorney, business adviser and tax adviser as to tax related matters concerning this offering.

Even if a Limited Partner does not receive any cash distributions from the Partnership, the Limited Partner will be required to pay taxes on its share of the Partnership's taxable income.

The Partnership Agreement does not generally provide for distributions to the Limited Partners. Whether any distributions are made or not, a Limited Partner will be required each year to pay any applicable U.S. federal, state, and local income taxes on its shares of the taxable income of the Partnership, and may have to pay such taxes from sources other than distributions made by the Partnership.

A Limited Partner's ability to utilize losses allocated to it may be limited.

Losses and deductions, such as interest expense or management fees, allocated to a Limited Partner from an entity classified as a partnership for U.S. federal income tax purposes, such as the Partnership, can generally be deducted by a Limited Partner only to the extent of such Limited Partner's basis in its interest and only to the extent of the amount for which such Limited Partner is at risk. In addition, since the Limited Partners will not be materially participating in the activities or operations of the Partnership, to the extent the Partnership is engaged in a trade or business, any losses, deductions, or credits generated by the Partnership will be subject to the passive activity loss limitations, which generally provide that a Limited Partner may deduct passive activity losses only to the extent of passive activity income. Moreover, the deductibility of any losses, deductions or credits generated by the Partnership may be further limited by the limitation on excess business losses, which generally prohibits non-corporate Limited Partners from deducting business losses in excess of $250,000 or $500,000 for taxpayers filing a joint return. Additional limitations on deductions from interest expense or investment expenses may also apply. Therefore, a Limited Partner may not be able to currently deduct net losses, or certain deductions, of the Partnership that are allocated to him or her.

The tax treatment of the Partnership as a partnership for federal income tax purposes, as well as our not being subject to a material amount of entity-level taxation by individual states, depends on the types of income earned by the Partnership.

The anticipated after-tax economic benefit of an investment in the Partnership depends largely on the Partnership being treated as a partnership for U.S. federal income tax purposes and the Holding Entities being treated as corporations for U.S. federal income tax purposes. Despite the fact that the Partnership is organized as a limited partnership under Delaware law, the Partnership may be treated as a corporation for U.S. federal income tax purposes unless the Partnership satisfies a "qualifying income" requirement. The General Partner intends either to make investments in entities taxable as corporations for U.S. federal income tax purposes or to make investment through Holding Entities taxable as corporations for U.S. federal income tax purposes, to seek to satisfy this requirement.

Failing to meet the qualifying income requirement or a change in current law could cause the Partnership to be treated as a corporation for U.S. federal income tax purposes or otherwise subject the Partnership to taxation as an entity. The Partnership has not requested, and do not plan to request, a ruling from the Internal Revenue Service ("IRS") or an opinion of counsel with respect to our classification as a partnership for U.S. federal income tax purposes.

If the Partnership were treated as a corporation for U.S. federal income tax purposes, the Partnership would pay U.S. federal income tax on its taxable income at the corporate tax rate and would also likely pay additional state and local income taxes at varying rates. Distributions to the investors would generally be taxed again as corporate dividends, and no income, gains, losses or deductions would flow through to the investors. Because of these taxes, the cash available for distribution would be reduced and could reduce the value of an investment in the Partnership.

Tax legislation may significantly impact the taxation of your investment in the Partnership.

Public Law 115-97, known as the Tax Cuts and Jobs Act (the "TCJA"), was enacted on December 22, 2017, and was amended by the Coronavirus Aid, Relief, and Economic Security Act on March 27, 2020. The TCJA, and the expiration of some or all of its provisions, could have a significant impact on the taxation of a Limited Partner's investment in the Partnership and on the Partnership's investments. Changes that could affect the taxation of a particular Limited Partner's investment in the Partnership include (i) limitations on the deductibility of state and local income taxes; (ii) limitations on the deductibility of net interest expenses; (iii) the suspension of the deduction for all miscellaneous itemized deductions; (iv) changes in the tax treatment of a disposition of an interest in a partnership to the extent that the partnership itself or its portfolio investments that are pass-through entities for U.S. tax purposes generate effectively connected income so that gain or loss from such disposition by a non-U.S. person is treated as effectively connected income to the extent a sale of the underlying partnership assets would have resulted in income effectively connected with a U.S. trade or business, and a potential withholding tax on any disposition of such a partnership interest; and (v) for tax-exempt investors, an inability to utilize losses from one unrelated trade or business against income or gain from another unrelated trade or business. Other legislative, administrative, or judicial changes to the tax law could occur at any time and affect the taxation of an Interest in the Partnership.

The IRS may challenge the Partnership's treatment of certain expenses.

The Partnership will deduct the amounts paid or incurred by the Partnership for on-going management and other fees and tax advice and other professional fees unrelated to the offering of Interests in the Partnership to which such fees are attributable. Additionally, the Partnership will elect to deduct the currently allowed amount of start-up expenses and will amortize any remaining start-up expenses ratably over the currently allowed period. Further, certain fees and expenses will be paid or incurred by the Holding Entities. The IRS might assert that all or a portion of such expenses are either: (i) non-deductible expenses that must be depreciated or amortized; (ii) non-deductible capital expenses that may not be amortized or depreciated; (iii) expenses that are deductible only in a later fiscal year; (iv) investment expenses with limited or no deductibility; or (v) expenses that should have been paid or incurred by the Partnership rather than a Holding Entity. The IRS may also challenge the characterization of any or all of the fees and contend that such fees are wholly nondeductible and nonamortizable syndication costs.

The IRS may challenge the allocations made by the Partnership.

The Partnership Agreement permits the Partnership to make "stuffing" allocations to withdrawing Partners whereby the Partnership may allocate gross gains or losses to a withdrawing Partner other than *pro rata*. To the extent permitted by applicable law, allocations of ordinary income or capital gain that have been realized up to the time a capital account was completely withdrawn may be allocated first to each capital account that was completely withdrawn during the applicable fiscal year to the extent that the "book" capital account as of the withdrawal date exceeds the "tax" capital account at that time, and allocations of

deductions, ordinary losses or capital loss that have been realized up to the time a capital account is completely withdrawn may be allocated first to each capital account that was completely withdrawn during the applicable fiscal year to the extent that the "tax" capital account as of the withdrawal date exceeded the "book" capital account of such capital account at that time. The effect of any such "stuffing" allocations may cause a withdrawing Partner to receive more short-term gains or ordinary income or otherwise to receive a less advantageous tax outcome than would otherwise be the case if such gains or losses were allocated on a *pro rata* basis. Further, the IRS may challenge such allocations and seek to reallocate the income, gain, loss, and deduction of the Partnership in a different manner.

Tax returns of the Partnership may be audited by the IRS.

Tax returns filed by the Partnership, the Holdings Entities and their portfolio companies are subject to audit by the IRS. Among other things, there can be no assurance that the IRS will not prevail if it challenges the tax positions taken. If the IRS should prevail in any such challenge, the Partnership's taxable income could be increased, perhaps significantly. In addition, any audit could lead to adjustments, in which event the Limited Partners might be required to file amended U.S. federal income tax returns or the Partnership might be required to pay the tax on such adjustments (as described below). An audit could also lead to an audit of a Limited Partner's tax return, which, in turn, may lead to adjustments other than those relating to an investment in the Partnership.

Pursuant to the Bipartisan Budget Act of 2015, if the IRS makes audit adjustments to the Partnership's U.S. federal income tax return, it may assess the Partnership for any taxes (including any applicable penalties and interest) resulting from such audit adjustment and collect such taxes directly from the Partnership. The Partnership expects to have the ability to shift any tax liability resulting from an audit of the Partnership to the partners in accordance with their Interests in the Partnership during the year under audit, but there can be no assurance that the Partnership will be able to do so, or that such will be in the best interest of the Partnership, under all circumstances. If the Partnership is required to make payments of taxes, penalties and interest resulting from audit adjustments of the Partnership, the cash available for distribution to the Limited Partners or the value of an investment in the Partnership might be substantially reduced.

Limited Partners could incur substantial legal and accounting costs in litigation of any challenge by the IRS, regardless of the outcome. Likewise, the Partnership could incur substantial legal and accounting costs as a result any audit by the IRS or any other taxing authority.

An investment in the Partnership may have negative consequences to tax-exempt and non-U.S. persons.

Investment in Interests in the Partnership by tax-exempt entities, such as individual retirement accounts ("IRAs"), or other retirement plans, and non-U.S. persons raises issues unique to them. For example, if the Partnership borrows to make investments, the Partnership's income allocated to organizations that are exempt from U.S. federal income tax, including IRAs and other retirement plans, could be unrelated business taxable income ("UBTI"), which may be taxable to them. Distributions to non-U.S. persons will be reduced by withholding taxes at the highest applicable effective tax rate, and non-U.S. persons generally will be required to file U.S. federal income tax returns and pay tax on their share of the Partnership's taxable income. Additionally, the Partnership may be considered to be in a trade or business for U.S. federal income tax purposes (or to have a permanent establishment under certain treaties), which could result in tax filing, liability and withholding issues for tax-exempt entities and non-U.S. persons. If a Limited Partner is a tax-exempt entity or a non-U.S. person, the Limited Partner should consult its tax adviser before investing in Interests in the Partnership.

A Limited Partner may be subject to state and local taxes and return filing requirements in states where the Limited Partner does not live as a result of investing in Interests in the Partnership.

In addition to U.S. federal income taxes, Limited Partners may be subject to other taxes, including state and local taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which the Partnership owns assets or operates, even if you do not live in any of

those jurisdictions. Limited Partners may be required to file state and local income tax returns and pay state and local income taxes in some or all of these jurisdictions. Further, the Limited Partners may be subject to penalties for failure to comply with those requirements.

Some of the states in which the Partnership will do business or own property may require the Partnership to, or the Partnership may elect to, withhold a percentage of income from amounts to be distributed to a Limited Partner who is not a resident of the state. Withholding – the amount of which may be greater or less than a particular Limited Partner's income tax liability to the state – generally does not relieve the nonresident Limited Partner from the obligation to file an income tax return. Amounts withheld may be treated as if distributed to Limited Partners for purposes of determining the amounts distributed by the Partnership. Likewise, the Partnership may elect to file tax returns in certain states and pay the income tax allocable to such state on behalf of the Partners, which may reduce the cash available for distribution.

Potential investors are urged to consult their own advisers regarding the tax considerations of investing in the Partnership.

It is not possible to provide here a description of all potential tax risks to a person considering investing in the Partnership. Prospective investors are urged to consult their own legal counsel and tax advisors with respect thereto. The Partnership will not seek a ruling from the IRS with respect to any tax issues affecting the Partnership.

General, Macroeconomic and Market Risks

Actual results may differ significantly from financial or economic projections.

There can be no assurance that financial or economic models used by the Investment Manager to determine investment decisions will be correct, accurate or appropriately reflect subsequent developments or all the other factors that could cause actual results to differ from such models or projections. Projected operating results will often be based on management judgments. In all cases, projections are only estimates of future results, and are based upon various assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General economic conditions, which are not predictable, can have a material adverse impact on the reliability of such projections. Moreover, the investments, particularly investments in loans or other forms of indebtedness, may be subject to early redemption features, refinancing options, pre-payment options or similar provisions which, in each case, could result in the issuer or borrower repaying the principal on an obligation held by the Partnership earlier than expected (which could result in the investment return from such Investment being less than anticipated). Similarly, losses experienced by investments may exceed projections by the Investment Manager for a wide variety of reasons. As a consequence, the Partnership's ability to achieve its investment objectives may be affected.

There can be no assurance that an investor will receive a return on its investment in the Partnership.

None of the Partnership, the General Partner, the Investment Manager, or their respective affiliates can provide any assurance whatsoever that it will be successful in choosing, making, managing, or realizing investments. There is no assurance that the Partnership will be able to generate returns for its investors or that the returns will be commensurate with the risks of investing in the type of investments described herein. There may be little or no near-term cash flow available to the Limited Partners from the Partnership and there can be no assurance that the Partnership will make distributions to the Partnership or that the Partnership will make any distribution to the Limited Partners. Partial or complete sales, transfers or other dispositions of investments which may result in a return of capital or the realization of gains, if any, are generally not expected to occur for a number of years after an investment is made. An investment in the Partnership should only be considered by persons for whom a speculative, illiquid, and long-term investment is an appropriate component of a larger investment program and who can afford a loss of their

entire investment. Past performance of investment entities associated with the Investment Manager or the Principal is not necessarily indicative of future results. There can be no assurance that the Partnership will achieve its objectives.

The Partnership may be adversely affected by changes in environment.

The term of the Partnership is indefinite and may operate in perpetuity unless dissolved in accordance with the terms of the Partnership Agreement. Over time, the business, economic, political, regulatory and technology environment within which the Partnership operates is expected to undergo substantial changes, some of which may be adverse to the Partnership. The General Partner has the exclusive right and authority (within the limitations set forth in the Partnership Agreement) to determine the manner in which the Partnership shall respond to such changes, and Limited Partners generally will have no right to withdraw from the Partnership or to demand specific modifications to the Partnership's operations in consequence thereof. Prospective investors should be cautioned that the investment analysis, selection, and liquidation strategies and procedures exercised by members of the General Partner in the past may not be successful when implemented for the Partnership. Within the limitations set forth in the Partnership Agreement, the General Partner will have the right and authority to cause the Partnership's investment analysis, selection, and liquidation strategies and procedures to deviate from those described in this Memorandum.

Failure to properly protect against cybersecurity risks, including cyber-attacks and other cyber-related incidents could negatively impact the Partnership and the Limited Partners.

With the increased use of technologies, such as the Internet, to conduct business, the Partnership, and the companies in which the Partnership invests are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Investment Manager and other service providers (including, but not limited to, accountants, custodians, transfer agents and financial intermediaries of the Partnership) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Partnership's ability to calculate its net asset value, the inability of investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting companies that the Partnership invests in, counterparties with which the Partnership engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for investors) and other parties. In addition, substantial costs may be incurred by the companies the Partnership invests in or the Partnership itself in order to prevent any cyber incidents in the future. While the Partnership's service providers, including the Investment Manager, have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Partnership cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect the Partnership. The Partnership and its Limited Partners could be negatively impacted as a result.

The Partnership may be subject to litigation in connection with its operations and investment activities.

In connection with ordinary course investing activities, the Partnership, the General Partner, the Investment Manager, and their respective affiliates may become involved in litigation either as a plaintiff or a defendant. Moreover, in light of the Partnership's investment activities, the Partnership, the General Partner, the Investment Manager, and their respective affiliates may become parties in interest (for example,

as creditors) in bankruptcy proceedings. Given the inherently adverse nature of the bankruptcy claims process, claimants having diverse interests to the Investment Manager and its affiliates will seek to advance wide-ranging arguments intended to enhance their recovery prospects.

Any such litigation can be prolonged and expensive, and there can be no assurance that any such litigation may be resolved in favor of the Partnership. In addition, it is by no means unusual for participants in reorganizations to use the threat of, as well as actual, litigation as a negotiating technique. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would generally be borne by the Partnership and would reduce net assets or could require Limited Partners to return to the Partnership distributed capital and earnings.

No Separate Counsel; No Independent Verification.

Holland & Hart serves as counsel to the Partnership and may, from time to time, provide limited advice to the General Partner and Investment Manager related to the Partnership, but not the Limited Partners. Holland & Hart engagement by the General Partner in respect of the Partnership is limited to the specific matters as to which it is consulted by the General Partner and, therefore, there may exist facts or circumstances which could have a bearing on the Partnership's (or the General Partner's or the Investment Manager's) financial condition or operations with respect to which Holland & Hart has not been consulted and for which Holland & Hart expressly disclaims any responsibility. More specifically, Holland & Hart does not undertake to monitor the compliance of the General Partner, the Investment Manager or their respective affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does it monitor compliance with applicable laws. In preparing this Memorandum, Holland & Hart relied upon information furnished to it by the Partnership and General Partner, and did not investigate or verify the accuracy and completeness of information set forth herein concerning the General Partner, the Partnership's service providers and their affiliates and personnel. No independent counsel has been retained to represent the interests of prospective investors or Limited Partners, and the Partnership Agreement has not and will not have been independently reviewed by any attorney other than any attorneys that may have been engaged by such persons. Prospective investors are therefore urged to consult their own counsel as to the terms and provisions of the Partnership Agreement and all other related documents. The General Partner may appoint on behalf of the Partnership an additional or substitute legal counsel in its sole discretion.

Epidemics, pandemics, or other health crisis may adversely affect the Partnership's investments and operations.

The outbreak of other highly infectious or contagious diseases, could materially and adversely impact or disrupt the financial condition, results of operations, cash flows, and performance of the Partnership. There can be no assurance that conditions in the lending, capital, and other financial markets will not continue to deteriorate as a result of this or other pandemics, or that the access to capital and other sources of funding by the Partnership and the portfolio companies. Precautions or restrictions imposed by governmental authorities and public health departments related to such outbreaks could result in indeterminate periods of decreased economic activity throughout the U.S. and globally, including reduced or ceased business operations, decline in international trade and shortages of supplies, goods, and services. Such an outbreak, and the reactions to such an outbreak could cause uncertainty in the markets and businesses and could be expected to adversely affect the performance of the U.S. and global economy, including due to market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees to work at external locations and extensive medical absences among the workforce. As a reaction to such an outbreak, it is possible that governmental fiscal and economic measures will lead to an increase in spending and other forms of financial stimuli, and it is difficult to predict what effect such measures will have on the U.S. and the global economy.

The performance of the investment portfolio is subject to market, industry, and economic conditions beyond the control of the General Partner.

Overall market, industry, or economic conditions, which the General Partner cannot predict or control, will have a material effect on the performance of the investment portfolio. Market disruptions such as those that occurred during October of 1987 and on September 11, 2001, and following the systemic loss of confidence during the financial crisis of 2008 and 2009, could have a material effect on general economic conditions, market volatility, and market liquidity which could result in substantial losses to the Partnership and the Limited Partners.

Risks Related to Potential Conflicts of Interest

The Partnership will be subject to various potential and actual conflicts of interest.

The General Partner, the Investment Manager, and the Principals and their respective affiliates will be subject to a variety of conflicts of interest in making investments on behalf of the Partnership. See "*Related Party and Conflicts Transactions*."

The Partnership may engage in transactions with affiliates of the General Partner and the Investment Manager, as a result, in any such transaction the Partnership may not have the benefit of arm's length negotiations of the type normally conducted between unrelated parties

The General Partner may, without the consent of any Limited Partner or any Conflicts Committee, cause the Partnership to (i) purchase from the General Partner, the Investment Manager, or any of their respective members or affiliates, securities of a warehoused investment, and (ii) purchase securities from or sell securities to a Parallel Fund at cost for the purpose of allocating then existing securities between such entities in proportion to their respective available capital.

The Investment Management Agreement with the Investment Manager was not negotiated on an arm's length basis and may not be as favorable to the Partnership as if it had been negotiated with an unaffiliated third party.

The Investment Management Agreement was negotiated between related parties. Consequently, its terms, including fees payable to the Investment Manager, may not be as favorable to the Partnership as if it had been negotiated with an unaffiliated third party.

The General Partner's right to receive an Incentive Allocation may incentivize risk taking.

The General Partner will receive an Incentive Allocation based on a percentage of any net realized and unrealized profits. The Incentive Allocation may create an incentive for the General Partner to make investments that are riskier or more speculative than would be the case in the absence of such incentive compensation arrangements. In addition, the General Partner's Incentive Allocation will be based on unrealized as well as realized gains. There can be no assurance that such unrealized gains will, in fact, ever be recognized. Furthermore, the valuation of unrealized gain and loss may be subject to material subsequent revision.

Risks Related to Regulatory Considerations

Due to applicable exceptions and exemptions from the Investment Company Act, the Investment Advisers Act and equivalent state securities laws, the Partnership and Investment Manager are subject to limited regulatory oversight.

The Interests offered hereby have not been approved or disapproved by the SEC, any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Memorandum. The Interests offered hereby

have not been registered under the Securities Act, nor the securities laws of any state and are being offered and sold in reliance on exemptions from the registration requirements of those laws.

While the Partnership may be considered similar to an investment company, is not registered as such under the Investment Company Act in in reliance upon available exemptions from such registration requirements under Sections 3(c)(1) or 3(c)(7) of the Investment Company Act and, accordingly, the provisions of the Investment Company Act (which, among other matters, require investment companies to have disinterested directors, require securities held in custody to at all times be individually segregated from the securities of any other person and marked to clearly identify such securities as the property of such investment company and regulate the relationship between an adviser and investment company) are not applicable. If the Partnership is incorrect about the registration obligations, it could incur, among other costs, penalties and costs related to having to register and bring the Partnership into compliance.

Neither the General Partner nor the Investment Manager currently intend to register as an investment adviser under the Investment Advisers Act or any equivalent state law. There can be no assurance that the General Partner or the Investment Manager will not be subject to the registration requirements under the Investment Advisers Act in the future. If the General Partner or the Investment Manager are required to register as an investment adviser under the Investment Advisers Act, there will be significant compliance burdens. Neither the Partnership nor its counsel can assure investors that, under certain conditions, changing circumstances, or changes in the law, the General Partner or the Investment Manager may not become subject to the Investment Advisers Act or equivalent state laws in the future.

The Interests described herein are not registered under the Securities Act or applicable state securities laws in reliance on the exemptions for transactions not involving a public offering.

As a purchaser of Interests in a private placement not registered under the Securities Act, each Investor will be required to make certain representations to the Partnership and the General Partner, including that it 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 and a qualified client, as defined under the Investment Advisers Act. Further, each Investor must be prepared to bear the economic risk of the investment for an indefinite period, since these Interests cannot be sold unless they are subsequently registered under the Securities Act or an exemption from such registration is available. It is unlikely that the Interests will ever be registered under the Securities Act.

During the course of the offering and before sale, each purchaser of the Interests and its purchaser representatives, if any, are invited to ask questions of the General Partner concerning the terms and conditions of the offering and to obtain any additional information necessary to verify the accuracy of the information furnished in this Memorandum, to the extent that the General Partner possesses such information or can acquire it without unreasonable effort or expense.

If the exemption described above is not available, the Partnership could incur among other costs, penalties and costs related to having to register or otherwise bring the Partnership into compliance.

General Solicitations and Compliance with Rule 506(c)

The General Partner intends to offer and sell the Interests in a manner the qualified under Regulation D and Rule 506(c) of the Securities Act which permits "general solicitation" of prospective investors while exempting the Partnership from registration under the Securities Act. Although the General Partner believes that the offering of Interests in the Partnership will qualify under Rule 506(c), there is no assurance that the offering will so qualify. If the Partnership is unable to qualify under Rule 506(c), and representations of the General Partner are found to have made a "general solicitation" of Interests, the Partnership may not be able to rely on other exemptions from the registration requirements of the Securities Act.

In evaluating the risks of qualifying under Rule 506(c), prospective Investors should be aware that Rule 506(c) is relatively new, and the SEC and courts have not provided significant guidance on how to properly comply with Rule 506(c) (which requires a principles-based approach) including the obligation to take "reasonable steps" to verify the status of Investors as "accredited investors". There is a risk that the SEC or courts could disagree with the General Partner's interpretation of, and approach to, verification under Rule 506(c), which could result in the Partnership's inability to qualify under Rule 506(c). If the Partnership is unable to so quality, Investors may have remedies against the Partnership that could be materially adverse to the Partnership.

Potential involvement of "bad actors" in the offering of Interests.

If certain persons and entities involved in the offering of Interests, including any Investor holding 20% or more of the Partnership's (or any Feeder Entity's) outstanding voting equity securities, are or have been subject to certain criminal convictions, SEC disciplinary orders, court injunctions or other similar adverse events, then in certain instances the Partnership may be disqualified from relying upon the safe harbor from the registration requirements under the Securities Act provided by Rule 506 of Regulation D promulgated thereunder Rule 506. Investors' subscription agreements will require "bad actor" representations designed to allow the General Partner to satisfy its due diligence obligations under Rule 506. If the Partnership were disqualified from relying upon the Rule 506 safe harbor, the offering of the Interests would not be considered "covered securities" for purposes of the Securities Act, and therefore, the offering may need to be registered or seek an exemption from registration under any state securities or blue-sky laws. If these exemptions from registration were unavailable, then the Partnership may be subject to, and incur significant costs related to, enforcement actions and rescission rights may be available to the Investors, which if exercised, may require the Partnership to liquidate assets earlier and on less advantageous terms than were anticipated at underwriting or may cause the Partnership to have a more limited amount of capital available for investment, impairing the Partnership 's ability to assemble, manage, retain and harvest a complete and balanced portfolio.

Investors may be required to disclose information relating to the Partnership and its affiliates in order to comply with the Freedom of Information Act.

To the extent that the General Partner determines in good faith that, as a result of the U.S. Freedom of Information Act ("FOIA"), any governmental public records access law, any state or other jurisdiction's laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement, an Investor or any of its affiliates may be required to disclose information relating to the Partnership, its affiliates, or any entity in which a portfolio investment is made (other than certain fund-level, aggregate performance information described in the Partnership Agreement), which disclosure could, for example, affect the Partnership's competitive advantage in finding attractive investment opportunities, then the General Partner may, in order to prevent any such potential disclosure, withhold all or any part of the information otherwise to be provided to such Investor, as more fully described in the Partnership Agreement. Without limiting the foregoing, in the event that any party seeks the disclosure of information relating to the Partnership, its affiliates, or any entity in which an Investment is made under FOIA or any such similar law, the General Partner may, in its discretion, initiate legal action or otherwise contest such disclosure, which may or may not be successful, and any expenses incurred therewith will be borne by the Partnership.

The foregoing list of risk factors do not purport to be a complete enumeration or explanation of the risks involved in an investment in the Partnership. **Prospective Investors should read the entire Memorandum and the Partnership Agreement and consult with their own advisors before deciding whether to invest in the Partnership**. **In addition, as the Partnership's investment program develops and changes over time, an investment in the Partnership may be subject to additional and different risk factors.**

VII. SUMMARY OF PRINCIPAL TERMS

The following is a summary of the principal terms of the Partnership Agreement and Subscription Agreement. This summary is qualified in its entirety by reference to the detailed provisions of the Partnership Agreement and to each Investor's Subscription Agreement relating to its investment in the Partnership. To the extent the terms described in the following summary are inconsistent with the terms of the Partnership Agreement or the Subscription Agreement, the terms of such agreements will control. Prior to making a decision to invest in the Partnership, prospective Investors should review the Partnership Agreement and the Subscription Agreement in their entirety. Prospective Investors are encouraged to consult with their own financial, legal, and tax advisors. The information in this Summary of Principal Terms should not be considered to be financial, legal, or tax advice. Capitalized terms used without being defined have the definitions provided in the Partnership Agreement.

The Partnership	STAPLE Evergreen Fund I, LP, a Delaware limited partnership.
The General Partner	STAPLE Evergreen Fund I GP, LLC, a Delaware limited liability company, serves as the General Partner of the Partnership.
The Investment Manager	STAPLE Investments LLC, a Delaware limited liability company, will serve as the Investment Manager to the Partnership, responsible for all Partnership investment decisions, pursuant to the terms of an investment advisory agreement.
Principals	The Partnership's "Principals" are Tim Reichert, Michael Madden and James Phillips, and such other additional or replacements individual(s) designated by the General Partner with the consent of a Majority in Interest or the Advisory Committee.
Partnership Size and Closings	General Partner expects to hold an initial closing of the Partnership in November 2024; *provided* that the initial closing will occur on such date as the General Partner determines in its discretion. With the consent of the General Partner, additional Limited Partners may be admitted to the Partnership at such times as the General Partner may permit in its sole discretion. The Partnership is targeting $50 million in aggregate Capital Commitments during the first 18-month period commencing on and inclusive of the date of the initial closing; *provided* that the Partnership will not be subject to any minimum or maximum Capital Commitment amount.
STAPLE Commitment	The Investment Manager, the General Partner, members of the General Partner and the Investment Manager, the Principals, or their respective affiliates (including Family Related Persons), will commit to the Partnership or entities through which the Partnership makes investments, an amount equal to the lesser of (i) $1 million, and (ii) 2% of the Capital Commitments to the Partnership. The General Partner will make capital contributions to the Partnership on the same schedule and terms as the capital contributions of the Limited Partners are required to be made. Any affiliate of the General Partner, any Principal or any affiliate of a Principal may satisfy all or part of the Capital Commitment of the General Partner and any such Person will be admitted as a Limited Partner in connection therewith.
Capital Contributions	A Limited Partner will contribute capital to the Partnership in U.S. dollars upon at least ten business days' prior written notice; *provided*, *however*, that the

General Partner will only be required to provide written notice on such other time period as set forth in such Limited Partner's Subscription Agreement.

The General Partner will not require or permit capital contributions with respect to any portion of a Partner's unfunded Capital Commitment until the balance of all portions of Capital Commitments made during a preceding calendar year (based on the date of acceptance) have been fully drawn. By way of example, if the Partnership has total unfunded Capital Commitments of $12,000,000, comprised of $4,000,000 and $10,000,000 subscribed for by two investors during calendar year 2024 (of which half (i.e., $2,000,000 from the first investor and $5,000,000 from the second investor) has already been contributed as Capital Contributions) and $5,000,000 subscribed for as of calendar year 2025, and the Partnership makes a capital call for $10,000,000, the first $7,000,000 in Capital Contributions will be drawn against the unfunded Capital Commitments related to calendar year 2024 and allocated among the applicable Limited Partners in proportion to their respective unfunded Capital Commitments (i.e., $2,000,000 from the first investor and $5,000,000 from the second investor) and the remaining $3,000,000 in Capital Contributions will be drawn against the unfunded Capital Commitments related to calendar year 2025 and allocated among the applicable Limited Partners in proportion to their respective unfunded Capital Commitments.

Subject to applicable law, fiduciary duties to the Partnership and the Limited Partners as a whole, and the obligation to satisfy any current portion of indebtedness or other current liabilities, commencing with the first calendar year after the expiration of the first Lock-Up Period (i.e., starting in 2032), the General Partner intends to keep available during each calendar year at least 10% of the Capital Commitments accepted by the Partnership during such calendar year, for the purpose of satisfying withdrawals. Such amount, to the extent not used to fund withdrawal proceeds would become available for drawdown for any other proper Partnership purpose in the calendar year following the calendar year during which such Capital Commitment was accepted. Notwithstanding the reservation and availability of such amounts, no Partner shall be entitled to receive distributions from the Partnership to withdraw any amount from its Capital Account, except upon the consent of, and upon such terms as may be determined by, the General Partner in its sole discretion.

Classes of Interests

All interests issued in any calendar year shall be a separate class of interests in the Partnership. Without the consent of the Limited Partners, each such class may be subject to different terms, including with respect to incentive allocations and management fees. Without the consent of the Limited Partners, in the future, the Partnership may also offer new sub-classes or series of interests in the Partnership, which may be subject to different terms.

Each Capital Commitment made and interest in the Partnership issued in Fiscal Year 2024 shall be represented by Class 2024 Interests and classes with respect to subsequent calendar years shall be numbered sequentially. A Limited Partner's interest and the corresponding capital account may be made up of multiple classes, based upon the calendar year during which each Capital Commitment made by such Limited Partner was made. Upon the expiration of a Lock-Up period with respect to any class, all interests in the Partnership in such

class (but only the portion of such interest that is in such class) shall be converted into Class U Interests.

"Class [x] Interests" means a class of equity interests in the Partnership, with such rights and responsibilities as provided in the Partnership Agreement, [x] is the calendar year during which the interest was issued and the Capital Commitment associated therewith was made.

"Class U Interests" means a class of equity interests in the Partnership, with such rights and responsibilities as provided in the Partnership Agreement.

"Lock-Up Period" means, with respect to each class of interests, the period commencing on January 1 of the calendar year during which such class is issued and ending on the eighth anniversary of December 31 of such calendar year, during which time such class of interests shall not have any right or expectation to participate in any structured secondary transactions unless the Lock-Up Period is waived with respect to the entire class by the General Partner in its sole discretion.

Failure to Make Capital Contributions

If a Limited Partner defaults on its obligation to contribute capital to the Partnership, the General Partner will have all remedies available at law and in equity to enforce such Limited Partner's obligations. The General Partner may waive in whole or in part, or extending the time of, payment of the obligation. Additionally, the General Partner will have the contractual remedies set forth in the Partnership Agreement against any Limited Partner that defaults on its obligation to contribute capital, if the failure to contribute capital continues for five days after delivery of a written notice of default to the Limited Partner, which remedies generally include:

(i) enforcing the obligation, on behalf of the Partnership, by appropriate legal proceedings, or otherwise;

(ii) removing the defaulting Limited Partner, resulting in the forfeiture of such Limited Partner's capital account balance;

(iii) causing the defaulting Limited Partner to pay expenses incurred in connection with the default and interest on the amount of the defaulting payment then due at 15% per annum;

(iv) allowing the General Partner or its affiliates to make a loan equal to the defaulting payment at a rate of 15% per annum;

(v) prohibiting the defaulting Limited Partner from participating in new Investments and make a corresponding reduction to the defaulting Limited Partner's Capital Commitment; and

(vi) offering to the General Partner and non-defaulting Limited Partners the right to acquire the Interests of the defaulting Limited Partner.

If a prospective Investor defaults on its obligation to make its initial capital contribution in full to the Partnership, the General Partner will reject such prospective Investor's subscription and treat such prospective Investor as never

having been a Limited Partner with respect to such subscription and will return any partial capital contribution made in connection therewith.

Management

The management of the Partnership is vested exclusively in the General Partner (either directly or through its duly appointed agents, which may include the Investment Manager).

The Limited Partners have no part in the management of the Partnership and have no authority or right to act on behalf of the Partnership in connection with any matter. Any partner, employee or agent of the General Partner may be permitted to engage in any other business ventures, and neither the Partnership nor any Partner will have any rights in or to such ventures or the income or profits derived therefrom. The General Partner has the authority to retain the Investment Manager or other Persons selected by the General Partner, to provide investment, management, and administrative services to the Partnership.

Key Persons; Key Person Event; Suspension

"Key Persons" mean Tim Reichert or such other Person or Persons that is proposed by the General Partner and approved by the Advisory Committee or as otherwise approved by the Advisory Committee in connection with a Key Person Event.

In the event that a majority in number of the Key Persons cease to devote substantially all of their business time and attention to the management and operations of the Partnership, the General Partner, or the Investment Manager (a "Key Person Event"), the General Partner shall promptly notify the Limited Partners in writing of such event. Upon the occurrence of a Key Person Event, the right of the General Partner to cause the Partnership to make investments shall be limited as set forth in the following paragraph ("Suspension Mode") until the earlier of (i) the date on which the Advisory Committee approves one or more replacements for the Key Person(s) proposed by the General Partner, provided that such approval occurs within 180 days after the commencement of the Suspension Mode; or (ii) the date on which the Advisory Committee consents to the termination of the Suspension Mode, at which time, in either event described under clauses (i) and (ii), the Suspension Mode shall terminate. If the Suspension Mode has not been terminated in accordance with clauses (i) and (ii) above on or before the 180th day after the commencement of the Suspension Mode, the General Partner shall cause the winding up and dissolution of the Partnership.

While the Partnership is in Suspension Mode, the General Partner may not cause the Partnership to make any new investments, except for (i) Temporary Investments, (ii) follow-on investments, and (iii) completion of then-existing commitments and completion of investments for which the Partnership, General Partner or their respective Affiliates has made a written commitment (including a non-binding term sheet, letter of intent or similar agreement) prior to the commencement of Suspension Mode.

Removal of the General Partner

Subject to any limitations on changes in control or management of the Partnership in any agreements to which the Partnership is subject, (i) commencing on the second anniversary of the Initial Closing Date and continuing until the tenth anniversary of the Initial Closing Date, the General Partner may be removed as the general partner of the Partnership for any reason

upon a vote of 75% in interest of the Limited Partners; and (ii) (A) from the Initial Closing Date until the second anniversary of the Initial Closing Date and (B) after the tenth anniversary of the Initial Closing Date, the General Partner may be removed as general partner of the Partnership for Cause, upon a vote of the Requisite Partner Percentage.

"Cause" means the General Partner, the Investment Manager, or the Principals are found by an arbitration panel or court of competent jurisdiction in a final, nonappealable finding to have committed conduct that constitutes Negligence or Disabling Conduct; provided, however, that "Cause" shall not be deemed to have existed if, in the case of acts by a manager or member of the General Partner or the Investment Manager (other than the Principals), (a) the offending individual is removed from the General Partner or the Investment Manager, as applicable, within 60 days after the finding that would otherwise have given rise to the Cause event under this definition, and (b) the Partnership is reimbursed for any actual financial loss directly attributable to the conduct that would otherwise constitute Cause.

"Requisite Partner Percentage" means (i) with respect to a finding of Cause for conduct constituting Negligence, 75% in interest of the Limited Partners and (ii) with respect to a finding of Cause for conduct constituting Disabling Conduct, a Majority in Interest of the Limited Partners.

"Disabling Conduct" means, with respect to any Indemnified Party, (a) a material breach of the Partnership Agreement that has not been cured following reasonable notice to such Indemnified Party and which breach has a material adverse effect on the Partnership, (b) a conviction of or plea of *nolo contendere* to a felony that has resulted in a material adverse effect on the Partnership, or (c) fraud, willful misconduct, or gross negligence that has resulted in a material adverse effect on the Partnership.

"Negligence" means the lack of ordinary care, which is the absence of the kind of care a reasonably prudent and careful person would exercise in similar circumstances, that has resulted in a material adverse effect to the Partnership.

In the event of the removal of the General Partner for Cause, a Majority in Interest of the Limited Partners shall be entitled to appoint a replacement general partner of the Partnership and thereafter the removed General Partner shall not be entitled to have any rights or powers of a general partner of the Partnership.

The removed General Partner will be converted to a special Limited Partner, will retain its interest in the Partnership as a limited partner interest, and will receive all of the allocations and distributions to which it would otherwise be entitled to receive had it not been removed when, as, and if such allocations and distributions are made, in respect of all activities of and investments by the Partnership that occurred prior to the effective date of removal (the "Pre-Removal Investments"), subject to its repayment and recontribution obligations with respect to the Pre-Removal Investments under the Partnership Agreement. All distributions (including the Partnership's liquidating distributions) that are attributable to Pre-Removal Investments which might be otherwise payable to any Partner shall instead be made as a special distribution to the removed General Partner, in its capacity as a special Limited Partner, until the removed General Partner has received (i) the cumulative distributions that the removed General

Partner otherwise would have been entitled to receive calculated as if (A) the removed General Partner had not been removed, and (B) no investments had been made by the Partnership other than the Pre-Removal Investments and (ii) the full payment of any amounts payable to the removed General Partner in connection with its removal.

Advisory Committee

The General Partner will establish a limited partner advisory committee (the "Advisory Committee") comprised of at least three but not more than nine individuals (provided that the number of members of the Advisory Committee must be an odd number), each of whom is affiliated with a Limited Partner, selected from time to time by the General Partner, in its sole discretion. *T*he General Partner may designate a non-voting member to the Advisory Committee who may be an affiliate of the General Partner or Investment Manager. The members of the Advisory Committee may be removed or replaced by the General Partner in its sole discretion. No member of the Advisory Committee may be an Affiliate of, or associated with, the General Partner.

The Advisory Committee will meet with the General Partner as deemed appropriate by the General Partner from time to time to consult with and advise the General Partner on any matter deemed appropriate by the General Partner, including matters pertaining to conflicts of interest of the General Partner or the Investment Manager. Any action of the Advisory Committee will require the consent of a majority of its members. If the Advisory Committee approves of a transaction, the Partnership and the Limited Partners will be deemed to have approved the same and the General Partner will not be liable to the Partnership or the Limited Partners for its good faith reliance on such approval.

Any recommendations of or actions taken by the Advisory Committee are advisory only and the General Partner is not required, or otherwise bound to act, in accordance with any such recommendations or actions.

Term

The Partnership's term will continue in perpetuity until the earlier to occur of: (i) the insolvency, bankruptcy, termination, or dissolution of the General Partner; (ii) by the General Partner at any time, in which case the Partnership's assets will be distributed to the Partners within 30 days after completion of a final audit of the Partnership's books (which must be performed within 90 days); (iii) following the removal of the General Partner if a replacement general partner is not approved by the Limited Partners within 90 days; (iv) a Suspension Mode has not been terminated within one hundred eighty (180) days after the commencement thereof; or (v) for so long as any of the Principals are principals of the General Partner, in the event of the death or incapacity of all of the Principals, upon the affirmative vote of the Limited Partners holding a Majority in Interest to terminate the Partnership.

Allocation of Gain and Loss

At the end of each Allocation Period or Accounting Period of the Partnership, any net capital appreciation or net capital depreciation is tentatively allocated to all Partners (including the General Partner) in proportion to each Partner's opening capital account for such accounting period. Net capital appreciation or depreciation, as so adjusted, is referred to as "Net Increase" or "Net Decrease," respectively.

Incentive Allocation

The performance of each Limited Partner's capital account will be separately tracked. At the end of each Incentive Allocation Period of the Partnership, an

incentive allocation (the "Incentive Allocation") will be credited to the Incentive Capital Account of the General Partner with respect to each Limited Partner's capital account (and debited from such Limited Partner's capital account and the tentative allocation described above). The Incentive Allocation with respect to a Limited Partner during an Incentive Allocation Period will equal: (i) first, if the Net Increase with respect to such Limited Partner's capital account for the applicable Incentive Allocation Period exceeds (such excess, "Excess Profits") the sum of (A) the amount of any then remaining balance in the applicable Loss Recovery Account *plus* (B) the Hurdle Amount, 100% of such Limited Partner's Excess Profits, up to the Catch-Up Amount; and (ii) second, to the extent there are remaining Excess Profits, 20% of such Limited Partner's remaining Excess Profits.

In the event there is a withdrawal by a Limited Partner from a capital account with a balance in its Loss Recovery Account, the balance of such Loss Recovery Account will be reduced as of the beginning of the next Accounting Period by an amount equal to the product obtained by multiplying the balance in such Loss Recovery Account by a fraction, the numerator of which is the amount of the withdrawal made as of the last day of the prior Accounting Period and the denominator of which is the balance in such capital account on the last day of the prior Accounting Period (prior to the withdrawal as of the last day of the Accounting Period). An Incentive Allocation may be made with respect to the performance of a particular capital contribution by a Limited Partner even though the performance of another capital contribution by such Limited Partner has not yet recovered an amount previously debited to its related Loss Recovery Account.

"Incentive Allocation Period" means, with respect to a Limited Partner's interest in the Partnership, the period, measured separately with respect to each Capital Commitment by each Limited Partner, (i) commencing on (a) with respect to the initial Incentive Allocation Period, the date of the initial Capital Contribution with respect to such Capital Commitment; or (b) with respect to any other Incentive Allocation Period, the first Business Day following the last day of the immediately preceding Incentive Allocation Period, as the case may be, and (ii) ending on the earlier of (y) the first anniversary of the last day of the Fiscal Year immediately preceding such Capital Contribution or Incentive Allocation Period, as applicable, and (z) the date on which the Partnership terminates; *provided* that if a Limited Partner withdraws or is required to withdraw its interest in the Partnership prior to the end of an Incentive Allocation Period, the last day of the Incentive Allocation Period shall be deemed to be the withdrawal date with respect to such withdrawn interests in the Partnership.

The General Partner will maintain on the books of the Partnership for each capital account a memorandum account (the "Loss Recovery Account"), the opening balance of each of which will be zero. At the end of each Incentive Allocation Period the balance in each of the Loss Recovery Accounts will be adjusted as follows:

- first, if there has been, in the aggregate, a Net Decrease with respect to such capital account since the immediately preceding date as of which an Incentive Allocation was made (or, if no Incentive Allocation has yet been made with respect to such capital account, since the establishment

of such account), an amount equal to such excess Net Decrease will be debited to the Loss Recovery Account; and

- second, if there has been, in the aggregate, a Net Increase with respect to such capital account since the immediately preceding date as of which an Incentive Allocation was made (or, if no Incentive Allocation has yet been made with respect to such capital account, since the establishment of such account), an amount equal to such Net Increase, before any Incentive Allocation to the General Partner, will be credited to and reduce the balance in such Loss Recovery Account, but not beyond zero.

"Hurdle Amount" means, with respect to each Incentive Allocation Period for each Limited Partner, an amount that, when added to such Limited Partner's proportionate share of the Partnership's Beginning Value as of the applicable Incentive Allocation Period, produces an Ending Value resulting in an eight percent annual return on such Limited Partner's proportionate share of the Partnership's Beginning Value (adjusted for any amounts distributed to or deemed distributed to, and capital contributions made by, such Limited Partner during any such Incentive Allocation Period); *provided* that, for greater certainty, a Limited Partner's Hurdle Amount will take into account any partial withdrawals or distributions with respect to such Limited Partner's interest. The calculation of the eight percent annual return with respect to each Limited Partner will take into account (x) the timing of all actual and deemed capital contributions (in each case, recorded as of the date they are due) to and actual and deemed distributions from the Partnership and (y) such Limited Partner's proportionate share of the Partnership's Ending Value as of the end of the Incentive Allocation Period.

"Catch-Up Amount" means, with respect to each Limited Partner, an amount of such Limited Partner's Excess Profits allocated to the General Partner such that the General Partner's Incentive Allocation with respect to such Limited Partner for the applicable Incentive Allocation Period equals 20% of the sum of (a) such Limited Partner's Hurdle Amount *plus* (b) any amount allocated to the General Partner as part of its Catch-Up Amount. Notwithstanding the foregoing, a Catch-Up Amount in respect of any Limited Partner may be calculated separately for each Accounting Period within any Incentive Allocation Period.

"Beginning Value" means, with respect to any Incentive Allocation Period or Accounting Period, the Partnership's net asset value at the beginning of that Incentive Allocation Period or Accounting Period (after deducting any Incentive Allocation or Management Fees with respect to preceding Incentive Allocation Periods or Accounting Periods, whether or not yet allocated or paid to the General Partner or Investment Manager, as applicable, other than such amounts to the extent the receipt of such amounts has been permanently waived by the General Partner or Investment Manager).

"Ending Value" means, with respect to any Incentive Allocation Period or Accounting Period, the Net Asset Value at the end of that Incentive Allocation Period or Accounting Period determined as provided herein; provided that the "Ending Value" shall include (i.e., no reduction shall be made for) the amount of any distributions paid or Incentive Allocation to be allocated or paid with respect to such Incentive Allocation Period or Accounting Period, and shall be net of any Management Fees that may not yet have been paid to the Manager

with respect to such Incentive Allocation Period or Accounting Period, other than such Management Fees to the extent the receipt of such amounts has been permanently waived by the Manager; provided, further, that the "Ending Value" as to any Limited Partner during any Incentive Allocation Period or Accounting Period shall be calculated without reduction for distributions paid to such Limited Partner during such Incentive Allocation Period or Accounting Period.

In the discretion of the General Partner, the Incentive Allocation may be calculated differently with respect to, or may not be charged to, capital accounts of the General Partner or of a Limited Partner who is an Affiliate or who is a Family Related Person of the General Partner, the Investment Manager, or a Principal. In the discretion of the General Partner, the Incentive Allocation may be waived or reduced with respect to any Partner (including with respect to the capital accounts of the General Partner or of a Limited Partner who is an Affiliate or who is a Family Related Person of any of the General Partner) or with respect to any Fiscal Year or other period.

Management Fee

The Partnership or one or more of the Holding Entities will pay to the Investment Manager (or its designees) a management fee for investment advisory and management services (the "Management Fee") with respect to the services provided by the Investment Manager to such Holding Entities (and the Partnership), payable in quarterly installments for each Fiscal Quarter, to be calculated with respect to each Limited Partners, which shall be equal (i) to the Management Fee Rate multiplied by (ii) the amount of such Limited Partner's total Capital Commitments to the Partnership, determined as of the first day of the Fiscal Quarter; *provided* that, with respect to the Fiscal Quarter during which the Initial Closing Date occurred, clause (ii) shall be such Limited Partner's total Capital Commitments as of the Initial Closing Date and the Management Fee with respect to such Fiscal Quarter shall be calculated on a *pro rata* basis to reflect the actual number of days elapsed from the Initial Closing Date through the end of such Fiscal Quarter relative to the total number of days in such Fiscal Quarter. To the extent that a Holding Entity pays the Management Fee to the Investment Manager directly, any portion of the Management Fee paid by a Holding Entity shall reduce, on a dollar-for-dollar basis, the Management Fee payable by the Partnership for such period.

The Management Fee will be calculated in accordance with the preceding paragraph and paid in advance as soon as practicable following the beginning of the Fiscal Quarter with respect to which the Management Fee is being determined; *provided* that, with respect to the Fiscal Quarter during which the Initial Closing Date occurred, the Management Fee shall be payable as soon as practicable following the Initial Closing Date. Each Limited Partner's Capital Account shall be decreased by an amount equal to the portion of the Management Fee payable with respect thereto. No Management Fee shall be charged with respect to the Capital Commitments of the General Partner and any other person exempt from bearing the Management Fee under the Partnership Agreement, and the Capital Accounts of such persons shall not be debited any Management Fee.

In the sole discretion of the Investment Manager, the Management Fee may be waived, reduced or calculated differently with respect to the capital accounts of any Partner (including with respect to the General Partner or a Limited Partner who is an affiliate of the General Partner or who is a family member or estate

planning entity of either of the foregoing); *provided* that no different calculation shall increase the amount or accelerate the timing of the Management Fee with respect to any Partner without that Partner's consent.

"Family Related Person" means, with respect to any individual, any Person who is a member of such individual's immediate family, and any trust, partnership, or other entity formed by such individual for investment by, or for the benefit of, members of such individual's immediate family or descendants.

Organizational Expenses

The Partnership will be responsible for and pay all out-of-pocket organizational and syndication costs, fees, and expenses (including legal and accounting fees, travel and related expenses and expenses incident thereto, costs associated with the notification and election process in connection with any "most favored nations" provision of any side letter, including the preparation of any compendium related thereto,) incurred by or on behalf of the General Partner in connection with the formation and organization of the Partnership, the Investment Manager and the General Partner, the offering of interests in the Partnership, the initial closing and any subsequent closing (the "Organizational Expenses").

For purposes of the audited and unaudited financial statements of the Partnership, the Organizational Expenses will be expensed in accordance with GAAP. For investor reporting and other purposes, the General Partner will amortize the Organizational Expenses as permitted by Section 709(b) of the Code; *provided* that the General Partner expects to amortize the Organizational Expenses incurred by the Partnership over a 60-month period for purposes of determining the net asset value of the Partnership.

Partnership Expenses

The General Partner and the Investment Manager will render its services to the Partnership at its own expense and is responsible for expenses incurred in connection with its provision of services to the Partnership, including expenses related to the General Partner's and the Investment Manager's office space and utilities; news, quotation, and computer equipment and services (in each case, except to the extent provided through soft dollars generated by the Partnership); administrative services; and secretarial, clerical, and other personnel.

The Partnership will be responsible for and will pay or reimburse the Investment Manager, the General Partner, or their respective Affiliates, as applicable, for all of the Partnership's ongoing operating expenses, including: (i) expenses incurred in connection with investigating, researching, diligencing, sourcing, purchasing, holding, maintaining, hedging, and disposing of investments and potential investments (whether or not ultimately consummated, including broken deal expenses); (ii) fees, costs, and expenses with respect to any transfer or disposition of interests in the Partnership (whether or not consummated and including in connection with any structured transaction to facilitate liquidity of Partner interests) or of any qualified matching service, placement agents, broker or finder's fees; interest on borrowed money and other finance costs, and real property or personal property taxes on investments, including documentary, recording, stamp and transfer taxes; (iii) costs, fees and expenses of and relating to outside advisors, internal and external legal counsel (including but not limited to amendments, consents and modifications, compliance with provisions of side letter agreements, including "most favored nations" provisions), recording fees and expenses, jurisdictional filings, regulatory fees and related expenses,

accountants, auditors, administrators and other consultants and professionals; (iv) fees, costs and expenses attributable to investor related services, the administering and complying with side letters, the process of compiling compendiums of side letter provisions and tracking and implementing applicability in accordance with the "most favored nations" provisions contained in any side letters and any Partnership-compliance checklists; (v) investment or potential investment valuation and appraisal; (vi) insurance-related costs and expenses (including directors and officers policies, errors and omissions policies and liabilities policies for the General Partner and the Investment Manager and their respective Affiliates, and any AML officers, in each case even if such insurance coverage covers conduct for which indemnity would not be available from the Partnership); (vii) auditing, bookkeeping, financial reporting, and tax preparation expenses; (viii) expenses associated with meetings of the Partners and the preparation and distribution of reports, financial statements, tax returns and Schedule K-1s and like information to Partners; (ix) fees and expenses of fund administrators (including fees and expenses of the Administrator) and other professional expenses (including any fees and expenses of compliance consultants); (x) administration expenses (including photocopying, postage, telephone, and facsimile expenses); (xi) travel and entertainment expenses for or on behalf of the Partnership; (xii) professional fees (including expenses of consultants, investment bankers, attorneys, accountants, and other experts and third party liquidation service specialists) relating to investments; fees and expenses relating to hardware and software tools, programs, or other technology utilized in managing the Partnership, including management software, risk management software, fees to risk management service providers, third-party software licensing, implementation, data management, investment, and recovery services and custom development costs; all costs and expenses associated with subscriptions and terminals used in the Partnership's activities, including S&P CapitalIQ, Alphasense, Tegus, Canalyst, PitchBook, Grata, Refinitiv, Lumivero, and LSEG; (xiii) expert networks; (xiv) research and market data (including any computer hardware and connectivity hardware (e.g., telephone and fiber optic lines) incorporated into the cost of obtaining such research and market data); (xv) trade-related compliance expenses; (xvi) proxy voting provider expenses; (xvii) cybersecurity consultant fees and cybersecurity insurance; (xviii) legal expenses in connection with the Partnership's ongoing operations (including the updating of the Partnership's offering documents, processing transfer requests, negotiations with prospective investors, and extraordinary legal expenses, such as those related to litigation, alternative dispute resolution or regulatory investigations or proceedings (including the amount of any judgements or settlements paid in connection therewith)); (xix) accounting and valuation expenses (including pricing services and valuation related technology); (xx) audit and tax compliance, consulting, and filing expenses; costs of printing and mailing offering materials, reports, and notices; (xxi) taxes, fees and other government charges imposed on the Partnership; (xxii) expenses incurred in connection with any tax or regulatory audit, investigation, settlement or review of the Partnership and/or the General Partner and/or the Investment Manager with respect to their activities performed on behalf of or for the benefit of the Partnership; (xxiii) corporate licensing fees; (xxiv) investment advisory fees (whether paid to an Affiliate of the General Partner, including the Investment Manager, or a third party); (xxv) expenses incurred by the General Partner or an Affiliate of the General Partner in complying with the Investment Advisers Act

of 1940, as amended (the "Investment Advisers Act"), or any state, U.S. federal or non-U.S. law or regulation applicable to the Partnership, the General Partner or the Investment Manager, including legal fees, filing fees and costs associated with FATCA compliance, any filings made by the Investment Manager relating to the Partnership, including Form PF/Annex IV), regulatory compliance expenses (including expenses relating to filing Form ADV, Form PF, Form Ds, blue sky and other filings, and updates and amendments thereto); (xxvi) AML officer fees and expenses; (xxvii) Organizational Expenses; (xxviii) expenses associated with forming, documenting and operating alternative investment vehicles and other holding vehicles related to an investment, including any amendments, modifications or revisions to the constitutive documents of any such entities; interest on and fees, costs and expenses arising out of all financings entered into by the Partnership (including, without limitation, those of lenders, investment banks, and other financing sources); (xxix) expenses incurred in connection with the offering and sale of interests (including travel (including airfare, lodging, ground transportation and meals), entertainment, marketing, printing, solicitation, legal fees, registration, and other filing fees) and other similar expenses related to the Partnership; (xxx) the Management Fee; (xxxi) withholding or transfer taxes imposed on the Partnership or any of its Partners; (xxxii) any legal fees and costs (including settlement costs) arising in connection with any litigation, alternative dispute resolution or regulatory investigation instituted against the Partnership, the Investment Manager or the General Partner in its capacity as such (including the amount of any judgements or settlements paid in connection therewith); (xxxiii) winding up and liquidation expenses, including the costs and fees of any third-party liquidator; and (xxxiv) other expenses related to the Partnership, including any extraordinary expenses, as the General Partner determines in its sole discretion. If any such costs are incurred in connection with an investment in which both the Partnership and any fund or account (other than the Partnership) for whom the General Partner or an Affiliate of the General Partner serves as general partner, investment adviser, or trading manager ("Other Account") participate, such costs incurred by the Partnership or such Other Account will be borne pro rata by such entities based on the amount invested by such entities, unless the General Partner reasonably determines that such costs will be borne in different proportions.

The Partnership will reimburse the General Partner or any Affiliate for any Partnership expenses advanced by the General Partner or any Affiliate, including expenses in connection with the organization of the Partnership and the offering of its interests.

The Partnership, the General Partner, the Investment Manager or any member thereof may charge a Holding Entity, portfolio company and/or a potential portfolio company for any Partnership expenses to the extent the General Partner reasonably determines such expenses are attributable to such Holding Entity, portfolio company and/or potential portfolio company or the Partnership's investment or prospective investment therein or liquidation thereof.

Withdrawals

No Partner shall be entitled to receive distributions from the Partnership to withdraw any amount from its capital accounts, except upon the consent of, and upon such terms as may be determined by, the General Partner in its sole discretion.

At least annually following the expiration of the first Lock-Up Period, the General Partner intends to evaluate the interest of the Partnership in permitting the full or partial withdrawal of Limited Partners. The General Partner intends, but shall not be obligated, to take into account such factors as the relative size of the Limited Partner's interest in the Partnership and relative duration of the Limited Partner's investment.

Required Withdrawals

With at least ten days' prior written notice, the General Partner may require the partial or total withdrawal of any Limited Partner at any time upon at least ten days' prior written notice, if the continued participation of any such Limited Partner (individually or together with other Limited Partners with respect to which the General Partner or any of its Affiliates is requiring a withdrawal) would be reasonably likely to give rise to a legal, pecuniary, tax, regulatory, administrative, reputational or other adverse consequence to the Partnership, any Partner, the General Partner, the Investment Manger, or any of the direct or indirect owners of the General Partner or the Investment Manger or if any litigation is commenced or threatened against the Partnership, any Partner, the General Partner, the Investment Manager or any of the direct or indirect owners of the General Partner or the Investment Manager arising out of, or relating to, such Limited Partner's participation in the Partnership (individually or together with other Limited Partners with respect to which the General Partner or any of its Affiliates is requiring a withdrawal).

Thereupon, such Partner shall withdraw the relevant portion of its Capiral Account, such withdrawal to be effective upon the last day of the fiscal quarter during which such 90-day period expired. Such withdrawing Partner shall be entitled to receive, within 90 days after the date of such withdrawal, an amount equal to the amount of the relevant portion of such Limited Partner's capital account as of the effective date of such withdrawal. Any such distribution or payment to such a withdrawing Partner may be made, in the sole discretion of the General Partner, in any combination of cash, Securities, or a promissory note bearing interest at the applicable federal rate and having all of the principal thereof and interest thereon payable upon liquidation of the Partnership payable only from distributions that would have been made to such withdrawing Partner in the form and the amounts that would have been distributed to such withdrawing Partner had it remained a Limited Partner and not made any additional Capital Contributions, with a maturity no later than the final dissolution and winding up of the Partnership, with such other terms that are mutually agreed upon by the General Partner and the withdrawing Partner. Any valuation necessary for the purposes of a distribution or payment to a withdrawing Partner shall be made by the General Partner in good faith pursuant to the valuation provisions of the Partnership Agreement.

Death, Disability, Etc. of a Limited Partner

In the event of the death, disability, incapacity, incompetency, termination, bankruptcy, insolvency or dissolution of a Limited Partner, the interest of such Limited Partner will continue at the risk of the Partnership business until such Limited Partner (or its legal representatives upon its death, disability, adjudication of incompetency, termination, bankruptcy, insolvency, or dissolution) withdraws from the Partnership in accordance with the Partnership Agreement. The legal representative of a Limited Partner who has died, become disabled, been adjudicated incompetent, been terminated, been declared bankrupt, become insolvent or been dissolved will succeed to such Limited

Partner's interest in the Partnership, but will not be a substituted Partner without the consent of the General Partner, which may be granted or withheld in its sole discretion.

Transfers

Without the consent of the General Partner, a Partner may not pledge, transfer, or assign its Interest except by operation of law. In no event will any transferee or assignee be admitted as a Partner without the consent of the General Partner, which may be withheld in its sole discretion.

No transfer may be made that would: (i) require registration of any interest in the Partnership under any securities laws of the United States, any state thereof, or any other jurisdiction; (ii) subject the Partnership or the General Partner to registration under any securities or commodities laws of the United States, any state thereof, or any other jurisdiction; (iii) violate any investor requirements applicable to the Partnership or the interest to be Transferred; (iv) cause the Partnership to cease to be treated as a partnership for U.S. federal tax purposes; or (v) violate or be inconsistent with any representation or warranty made by the transferring Limited Partner at the time the Limited Partner subscribed to purchase an interest in the Partnership.

Unless the General Partner otherwise determines in its sole discretion, the transferor and transferee of any Limited Partner's interest shall be jointly and severally obligated to reimburse the General Partner and the Partnership for all related expenses of any Transfer or proposed Transfer of a Limited Partner's interest, whether or not consummated.

Secondary Transactions

In its sole discretion, and in order to offer opportunities for liquidity to the Limited Partners, the General Partner may facilitate secondary sales of interests in the Partnership held by some or all of the Limited Partners to one or more existing Limited Partners or third parties, including through a structured secondary sale of such interests, tender offer, or other transactions; *provided* that, unless waived by the General Partner, only Class U Interests may participate in such transactions.

A Limited Partner may, from time to time, provide notice to the General Partner of its desire to Transfer its interest in the Partnership and request that the General Partner provide notice of opportunities for such Limited Partner to dispose and facilitate the disposal of such interest. In its sole discretion and subject to applicable law, existing confidentiality agreements, and other bona fide restrictions, the General Partner intends to use good faith efforts to communicate to such Limited Partner when it becomes aware that another Limited Partner or third-party is seeking to purchase interests in the Partnership and, subject to applicable law, the General Partner may, but shall not be obligated to, assist the Limited Partner to pursue such opportunities where the Limited Partner informs the General Partner of its desire to do so; *provided* that, unless waived by the General Partner, only Class U Interests may request such assistance and opportunities. Subject to applicable legal, regulatory, tax and other limitations and considerations, the General Partner intends to offer to Limited Partners the opportunity to Transfer their interests in priority determined based on the order of receipt of a notice validly delivered and calendar year during which the interest was issued and the Capital Commitment associated therewith was made.

Notwithstanding the foregoing, no Limited Partner, whether or not such Limited Partner holds Class U Interests, shall have any rights or priorities to secondary opportunities in respect of the Partnership or create any obligations for the Partnership or the General Partner to facilitate any such secondary opportunity or inform any Limited Partner about any secondary opportunity known to the Partnership.

If the General Partner determines that it is necessary or desirable for the Partnership to accept Capital Commitments contemporaneous with one or more Limited Partners desiring to Transfer its interest in the Partnership, the General Partner may require any Limited Partner or third-party that desires to acquire interests in the Partnership to acquire such interests by making a new or additional Capital Commitment to the Partnership (to the maximum extent that the General Partner determines that the Partnership will accept) instead of approving a Transfer from an existing Partner. The General Partner only expects to facilitate the disposition of interests in the Partnership by Limited Partners to the extent the amount of interests that such other Limited Partners or third parties that desire to acquire interests in the Partnership exceeds the amount of Capital Commitments to be accepted by the General Partner on behalf of the Partnership. In connection with determining to accept additional Capital Commitments in lieu of permitting Transfers of interests of existing Limited Partners, the General Partner, the Investment Manager, the Principals and their affiliates shall not be deemed to have violated any duty or obligation, fiduciary or otherwise.

Discretionary Distributions

The General Partner, in its discretion, may make distributions in cash or in kind, or partly in cash and partly in kind, (i) in connection with a Partner's withdrawal of funds from the Partnership, and (ii) at any time to all of the Partners on a pro rata basis in accordance with the Partners' Participating Percentages.

The General Partner intends, but shall not be obligated to, make distributions of Distributable Cash semi-annually. "Distributable Cash" generally refers to all income and other proceeds received by the Partnership or Holding Entity (excluding from capital contributions and borrowings) net of (i) all cash disbursements by the Partnership or Holding Entity in respect of Management Fees, Organizational Expenses, Partnership expenses or other liabilities; (ii) amounts paid for Portfolio Investments or Follow-On Investments; and (iii) reserves established for items set forth in clauses (i) and (ii) above and to provide working capital consistent with good fiscal operating policy and management and for such other needs as the General Partner deems appropriate.

Tax Distributions

Within 90 days following the end of each fiscal year (or at such other times as the General Partner may determine), the General Partner may in its sole discretion, cause the Partnership to make a tax distribution to the Partners in an amount equal to the excess, if any, of (i) the Tax Rate, *multiplied by* the taxable income, if any, allocated to a Partner as a result of such Partner's ownership of an interest in the Partnership for the most recently ended fiscal year, over (ii) all prior tax and discretionary distributions made to such Partner for such year. "Tax Rate" shall equal the highest marginal individual U.S. federal and state tax rates (including, to the extent applicable, self-employment and Medicare taxes) then applicable to any beneficial owner of the General Partner based on the state of residence of such beneficial owner and the state to which the income of the Partnership is apportioned (with such adjustments thereto as the General Partner

determines, in its discretion, are appropriate to account for the tax calculations applicable for such taxable year).

Recalls of Prior Distributions

At any time that all Capital Commitments are fully funded, the General Partner, in its sole discretion, may recall distributions previously made to the Partners, for the purpose of fulfilling or satisfying incurred or reasonably anticipated obligations or liabilities of the Partnership pro rata in proportion to the respective amounts by which the Partners' aggregate distributions from the Partnership would have been reduced had the returned amount not been distributed but instead had been used to fund such obligations or liabilities. In no event will any Limited Partner be required to return distributions to satisfy such obligations or liabilities in an amount in excess of the lesser of (A) 25% of such Partner's Capital Commitment or (B) all distributions received by the Limited Partner from the Partnership within two years of the date of the notice recalling such distribution, reduced by any distributions made during such period that have been previously recalled.

Capital Accounts

Each Partner has a capital account established on the books of the Partnership which is initially credited with its capital contributions. At the beginning of each accounting period, each Partner's capital account is increased to reflect any additional capital contributions made by such Partner as of the first day of such accounting period. At the end of each accounting period, each Partner's capital account is (i) increased or decreased by its share of any net capital appreciation or depreciation for such accounting period; (ii) decreased by the Management Fee attributable to such Partner; and (iii) decreased by any withdrawals made by, or distributions made to, such Partner as of the end of such accounting period. At the end of the Fiscal Quarter, each Partner's capital account is adjusted by any amount which is allocated to the General Partner as an Incentive Allocation.

In the event that the General Partner determines that, for tax or regulatory reasons, or any other reasons as to which the General Partner and a Partner agree, such Partner should not participate in the net capital appreciation or net capital depreciation, if any, attributable to an investment in any security, or type of security or to any other transaction, the Partnership Agreement permits the General Partner to carry such investment in a separate account for so long as the General Partner determines and such account will be treated as a separate fund for all purposes of the Partnership Agreement.

Investment Limitations

The Partnership may not invest in Securities of any issuer that at the time of the investment has publicly listed Securities (other than in connection with a take-private transaction).

Confidential Information

Each Partner will generally be required to maintain in confidence all information relating to the Partnership, its investments, and the General Partner.

Amendments

The Partnership Agreement may be modified or amended at any time by the consent of a Majority in Interest of the Limited Partners and the General Partner. Without the consent of the other Partners, however, the General Partner may amend the Partnership Agreement to make certain changes that do not materially and adversely affect the Limited Partners taken as a whole, including, to reflect changes validly made in the membership of the Partnership and the capital contributions and Participating Percentages of the Partners; address changes in regulatory or tax legislation, including changes in tax law related to the Incentive

Allocation materially adversely affecting the U.S. federal, state or local treatment of Incentive Allocations to the General Partner or its direct or indirect owners (including reorganizing or reconstituting the Partnership) to the extent such amendment would not add to the obligations (including any tax liabilities) of any Limited Partner or otherwise alter any of the rights (including entitlements to distributions or any other economic rights) of such Limited Partner; change the name of the Partnership; make changes necessary to qualify the Partnership as a limited partnership in all jurisdictions in which the Partnership conducts business; make a change that is necessary or desirable to cure typographical or scrivener's errors or any ambiguity, to correct or supplement any provision in the Partnership Agreement or to make any other provision with respect to matters or questions arising under the Partnership Agreement, in each case that is not inconsistent with the provisions of the Partnership Agreement, in each case so long as such change does not adversely affect the Limited Partners in any material respect; satisfy requirements or conditions contained in opinions or rulings of U.S. federal or state agencies or in U.S. federal or state statutes where compliance is in the best interest of the Partnership; prevent the Partnership from in any manner being deemed an "investment company" subject to the registration provisions of the Company Act; in connection with the admission of Limited Partners after the Initial Closing Date to incorporate and address matters negotiated for by such Limited Partners; and make any changes to any other provision with respect to matters or questions arising under the Partnership Agreement that is not inconsistent with the provisions of the Partnership Agreement.

The consent of any Partner is required to approve of any amendment which would (i) reduce its capital account or rights of contribution or withdrawal; (ii) increase the Incentive Allocation or the Management Fee attributable to it; or (iii) amend the provisions of the Partnership Agreement relating to liability of partners or amendments.

Valuation of Assets and Liabilities; Liabilities

The Partnership's assets and liabilities will be valued in accordance with the Investment Manager's valuation policy, applied by the General Partner in its reasonable discretion. To the extent that GAAP would require any of the Partnership's Securities or other assets or liabilities to be valued in a manner that differs from the valuation policy, the General Partner may value such assets or liabilities (i) in accordance with GAAP, solely for purposes of preparing the Partnership's GAAP-compliant annual audited financial statements, and (ii) in accordance with the valuation policy (without regard to any GAAP requirements relating to the determination of fair value) for all other purposes, including for purposes of determining and allocating among the Partners' items of income, deduction, gain, loss or credit.

All matters concerning valuation of assets and liabilities, as well as allocations among the Partners and accounting procedures, not expressly provided for in the Partnership Agreement, will be determined by the General Partner, whose determination is final and conclusive as to all Partners.

Liabilities will be determined using GAAP, as a guideline, and the General Partner in its discretion may provide reserves for estimated accrued expenses, liabilities, or contingencies, including general reserves for unspecified contingencies (even if such reserves are not in accordance with GAAP).

Indebtedness	The Partnership may borrow money to finance all aspects of the Partnership operations, including satisfying Partnership expenses, making Investments and funding withdrawal and redemption proceeds; *provided* that the General Partner shall obtain the approval of the Advisory Committee prior to incurring aggregate indebtedness or guaranty obligations (not including indebtedness owed to a Holding Entity) in excess of an amount equal to the greater of (y) 100% of undrawn Capital Commitments and (z) 10% of the aggregate fair market value of all of the Partnership's Investments; *provided*, *further*, that no Advisory Committee approval shall be required (i) if the General Partner reasonably anticipates such borrowing will be repaid within 180 days of funding or (ii) for the General Partner to cause the Partnership to guarantee one or more loan facilities pursuant to which the Partnership or one or more of its subsidiaries will make borrowings not outstanding for more than 180 days; *provided*, *further*, that, notwithstanding the foregoing proviso, the General Partner may cause the Partnership to borrow for the purpose of funding redemptions for an indefinite period of time without the consent of the Advisory Committee or Limited Partners.
Exculpation and Indemnification	The indemnified parties (i) will not be liable for any act or omission, including mistakes of fact or judgment, taken in good faith and in the belief that such act or omission is in or is not contrary to the best interest of the Partnership; (ii) will be indemnified from and against (a) any losses in connection with or resulting from any claim, action, or demand against the Indemnified Parties that arise out of or in any way relate to the Partnership, its properties, business, or affairs (but excluding internal disputes) and (b) such claims, actions, and demands and any Claims resulting from such claims, actions, and demands, including amounts paid in settlement or compromise (if recommended by attorneys for the Partnership) of any such claim, action, or demand; except that the exculpation and indemnity described above in clauses (i) and (ii) will not extend to any conduct found by a court of competent jurisdiction (no longer subject to appeal) to constitute "Disabling Conduct" which includes (x) a material breach of the Partnership Agreement that has not been cured following reasonable notice to such Indemnified Party and which breach has a material adverse effect on the Partnership, (y) a conviction or plea of nolo contendere to a felony that has a material adverse effect on the Partnership, or (z) fraud, willful misconduct, or gross negligence that has a material adverse effect on the Partnership. Notwithstanding any of the foregoing to the contrary, neither a Person that is not an Affiliate of the General Partner serving as the Partnership Representative or a member of the Advisory Committee (or the Limited Partner responsible for the appointment of such member of the Advisory Committee) shall be liable, responsible, or accountable in damages or otherwise to the Limited Partners or the Partnership unless such Person or member acted in bad faith.
Other Investment Vehicles	The General Partner may form one or more feeder or parallel investment vehicles, including to accommodate certain non-U.S. and tax-exempt investors and/or may cause certain investments to be made through alternative investment vehicles in order to mitigate certain tax inefficiencies or legal, tax, regulatory or other constraints. Expenses will be borne by the Partnership and any such investment vehicles in such proportions as the General Partner determines to be

fair and reasonable; *provided* that each such feeder, parallel or alternative investment vehicle will bear its own organizational expenses.

In connection with one or more investments, the General Partner may, in its discretion, form one or more entities, which may be classified as corporations for United States federal income tax purposes (each, a "Holding Entity"), as subsidiaries of the Partnership, Parallel Fund or Alternative Investment Vehicle, to make a direct or indirect investments; *provided* that a Holding Entity shall not be deemed to be an investment by the Partnership for the purposes of the Partnership Agreement. The General Partner or an Affiliate thereof shall be the general partner (or the equivalent) of each such Holding Entity.

Strategic Transactions

The General Partner may cause the Partnership, together with other Feeder Entities and any Parallel Funds, to pursue and effect in any manner reasonably determined by it in its sole discretion, and without further action or the consent of any Limited Partner, the Advisory Committee or any other Person, a Strategic Transaction, at any time prior to the termination and dissolution of the Partnership; *provided* that the General Partner shall provide advance notice of any proposed Strategic Transaction to the Advisory Committee. In connection with any Strategic Transaction, the General Partner may make such amendments to the Partnership Agreement, any management agreement and other related agreements or instruments, including amendments affecting Partners' economic rights, as the General Partner determines is reasonable or desirable in relation to the consummation of such Strategic Transaction and the management of the Partnership following the effect of such Strategic Transaction; *provided*, *however*, that such amendments shall not disproportionately dilute the interest of any Limited Partner relative to the interests of the other Limited Partners with respect to the profits or capital of the Partnership. Following a Strategic Transaction, the resulting successor entity may enter into one or more management, advisory, services, or other agreements with the General Partner, the Investment Manager, or their respective Affiliates or third parties, which may provide for Management Fees and Incentive Allocations (or similar remuneration). From the date of such Strategic Transaction, Limited Partners will cease to hold Interests in the Partnership and will instead hold securities of the acquiring or other successor entity, if applicable, which may be a publicly tradable entity issued at net asset value (unless an option to elect cash is provided as part of the Strategic Transaction, which cannot be guaranteed).

U.S. Tax Considerations

The Partnership intends to operate as a partnership and not as an association or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes. Accordingly, the Partnership should generally not be subject to Federal income tax, and, rather, each Partner will be required to report on its own annual tax return such Partner's share of the Partnership's taxable income or loss without regard to whether it received cash distributions from the Partnership. See "*Certain U.S. Federal Income Tax Considerations*."

ERISA and Other Tax-Exempt Entities

Entities subject to the Title I of Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and other tax-exempt entities may purchase Interests. The Partnership does not intend to permit investments by "benefit plan investors" (within the meaning of Section 3(42) of ERISA) to equal or exceed 25% of the value of Interests, so that the underlying assets of the Partnership should not constitute "plan assets" subject to ERISA. Investment in the

Partnership by entities subject to ERISA and other tax-exempt entities requires special consideration. See "*Certain ERISA Considerations*."

Audit; Reporting; Tax Reporting

The Partnership's accountants (selected by the General Partner) will audit the Partnership's books and records as of the end of each Fiscal Year starting with Fiscal Year ended December 31, 2025.

The General Partner will be required to use commercially reasonable efforts to transmit to the Limited Partners within 90 days after the close of each of the first three quarters of each Fiscal Year, a summary of the Partnership's unaudited financial statements and a summary of the Partnership's performance, each prepared by or at the direction of the General Partner. Such report will also include notice of any borrowing that the Partnership has incurred (other than ordinary course payables) and notice of any material default received by the Partnership from any lender or institutional co-investors.

The General Partner will use commercially reasonable efforts to transmit to the Limited Partners within 120 days after the close of the Partnership's Fiscal Year audited financial statements of the Partnership prepared in accordance with the terms of the Partnership Agreement and otherwise in accordance with GAAP, including an income statement for the year then ended and a balance sheet as of the end of such year, a statement of the Limited Partner's Participating Percentages, and a summary of the Partnership's performance.

Within 120 days of the end of each taxable year or as soon thereafter as reasonably possible, the Partnership shall prepare and send, or cause its accountants to prepare and send, to each Partner (or its legal representatives), a report setting forth in sufficient detail such information as shall enable such Partner (or its legal representatives) to prepare their respective U.S. federal and state income tax returns in accordance with the laws, rules, and regulations then prevailing.

Fiscal Year

The Partnership's "Fiscal Year" will begin January 1 and end on December 31 of each calendar year (unless otherwise required by applicable law); *provided* that the initial Fiscal Year of the Partnership will begin on the initial closing date and the final Fiscal Year of the Partnership will end upon the completion of the liquidation of the Partnership.

Liability of Limited Partners

A Limited Partner is generally liable for debts and obligations of the Partnership only to the extent of its interest in the Partnership. A Limited Partner or former Limited Partner will only be required to repay any returns of capital and other amounts actually received by it from the Partnership to the extent required by the Partnership Agreement or the Delaware Revised Uniform Limited Partnership Act.

Administrator

SGGG Fund Services (U.S.) Inc. has been appointed as the Partnership's administrator. The Administrator, among other things, administers the Partnership's affairs on a day-to-day basis in coordination with the Investment Manager, calculating and disseminating the net asset value of the Partnership as at the end of each quarter and on such other days as determined by the General Partner; and processes the issuance and withdrawal of Interests in accordance with this Memorandum and the Partnership Agreement. The Partnership pays the Administrator a fee based on its standard schedule of fees charged by the

	Administrator for similar services as provided for in the Administration Agreement.
Suitability	Interests are being offered only to prospective Investors who are "accredited investors," as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act ("Regulation D") and "qualified clients," as such term is defined under Rule 205-3 of the Investment Advisers Act, and who meet other suitability requirements established by the General Partner in its sole discretion. The General Partner reserves the right, in its sole discretion, for any reason or for no reason, to reject, either in whole or in part, any Investor's subscription for an Interest. Each Investor whose subscription for an Interest is accepted by the General Partner will be admitted to the Partnership as a Limited Partner.
Legal Counsel	Holland & Hart LLP serves as outside counsel to the General Partner and the Investment Manager. In such capacity, Holland & Hart does not represent or provide advice to prospective Investors in the Partnership, nor has Holland & Hart independently verified any information presented in this Memorandum.
Certain Risks and Potential Conflicts of Interest	An investment in the Partnership involves significant risks and potential conflicts of interest, certain of which are described in more detail above. Prior to subscribing for an Interest, each prospective Investor should carefully consider and evaluate the risks and potential conflicts of interests associated with an investment in the Partnership.
Side Letters	The Partnership may enter into one or more "side letters" or similar agreements with certain investors pursuant to which the Partnership grants to such Investor's specific rights, benefits, or privileges that are not made available to Limited Partners generally.

Investments in the Interests are subject to significant risks. No assurance can be given that the Partnership's investment objectives will be achieved, and investment results may vary substantially on a monthly, quarterly, or annual basis. Potential investors are strongly encouraged to read all of the information set forth below under the headings "*Risk Factors*" and to consult with their financial and legal advisors.

VIII. FUND ADMINISTRATOR

SGGG Fund Services (U.S) Inc. (the "Administrator") has been retained by the Partnership to perform certain administrative services, under the overall supervision of the Investment Manager or the General Partner, including, without limitation, calculating the Partnership's net asset value in accordance with the valuation policies adopted by the Partnership. The Partnership pays the Administrator a fee based on its standard schedule of fees charged by the Administrator for similar services as provided for in the Administration Agreement.

The Partnership has entered into an administration agreement (the "Administration Agreement") with the Administrator, pursuant to which the Partnership has appointed the Administrator as its administrator.

Pursuant to the Administration Agreement, the Administrator provides services to the Partnership including, without limitation, maintaining the register of investors of the Partnership, receiving and processing subscription and redemption agreements or applications, submitting to Investors a statement of their holdings in the Partnership upon request, calculation of net asset value, maintenance of accounting reports, preparation of financial statements for audit purposes upon request and liaison with auditors.

The Administration Agreement also provides for indemnification of the Administrator and its directors, officers, delegates and employees against any liability, actions, proceedings, claims, demands, costs or expenses whatsoever (other than those resulting from gross negligence, willful default or actual fraud on its part or on the part of its directors, officers, delegates or employees) which may be imposed on, incurred by or asserted against the Administrator in performing its obligations or duties thereunder. The Administration Agreement may be terminated by the Partnership or the Administrator upon 90 days prior written notice. Under the Administration Agreement, the Administrator may delegate its services to its affiliates and with the consent of the Partnership, to third parties.

The Administrator is a service provider of the Partnership and, as such, bears no responsibility for the content of this Memorandum, the investments of the Partnership, the performance of the Partnership or any other fund in which it invests nor any matter other than as specified in the Administration Agreement.

The General Partner and the Investment Manager, and not the Administrator, are responsible for determining that the Interests of the Partnership are marketed and sold in compliance with all applicable securities, tax and other laws. Furthermore, the Administrator bears no responsibility for the compliance by the Partnership and its Investors with securities, tax, and other laws applicable to them.

The Administrator will not be responsible for ensuring that the investment transactions comply with the investment objectives and policies set forth in the Memorandum. Additionally, the General Partner of the Partnership and not the Administrator are responsible for monitoring of investment restrictions.

The Administrator is compensated for its services pursuant to the Administration Agreement. The fees and charges of the Administrator are subject to variation and renegotiation from time to time.

IX. CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain of the material U.S. federal income tax considerations applicable to an investment in the Partnership. To the extent such summary discusses matters of law, it is based upon the Internal Revenue Code of 1986, as amended (the "Code"), rules and regulations promulgated thereunder and published rulings and court decisions, as in effect on the date of this Memorandum. No assurance can be given that future legislative changes or administrative interpretations or court decisions will not significantly modify the considerations discussed herein. Any such changes may or may not be retroactive with respect to transactions consummated prior to the date such changes are announced. This summary does not purport to address all tax considerations that may be applicable to a particular investor and does not address estate and gift taxation or state, local or non-U.S. aspects of an investment in the Partnership.

The following analysis is not intended as a substitute for careful tax planning, particularly since the income tax consequences of an investment in the Partnership are complex and certain of such consequences will not be the same for all taxpayers. Investors in the Partnership are urged to contact their own tax advisors with respect to the tax consequences to them of an investment in the Partnership.

Partnership Status. The Partnership should be treated as a partnership, and not as an association taxable as a corporation, for U.S. federal income tax purposes. However, the Partnership will not seek a ruling from the IRS regarding the treatment of the Partnership as a partnership rather than an association taxable as a corporation.

Section 7704 of the Code provides that a "publicly traded partnership" will be treated as a corporation for U.S. federal income tax purposes, subject to certain exceptions, and defines a "publicly traded partnership" as any partnership whose interests therein are "traded on an established securities market" or are "readily tradable on a secondary market (or the substantial equivalent thereof)." A publicly traded partnership will not be treated as a corporation if 90% or more of its gross income for a taxable year consists of "qualifying income," which generally includes dividends, interest and gain from the disposition of a capital asset (such as stock). The Partnership expects that most of its gross income will constitute "qualifying income," and it will, if necessary to ensure that the Partnership will not be treated as a publicly traded partnership, limit its investments to investments that it believes are reasonably certain to generate gross income that will satisfy the qualifying income safe harbor, including holding investments that are exclusively through entities that are treated as corporations for U.S. federal tax purposes.

If the Partnership were treated as an association taxable as a corporation for any taxable year, the after-tax returns from an investment in the Partnership could be materially reduced.

The remainder of this discussion assumes that the Partnership will be treated as a partnership for U.S. federal income tax purposes.

Taxation of Partnership Operations. As a partnership, the Partnership generally will not pay U.S. federal income taxes, but each investor will be required to report that investor's distributive share (whether or not distributed) of the Partnership's income, gain, losses, deductions, and credits. Thus, a Limited Partner's tax liability may exceed the cash distributed to it in a particular year.

The assets of the Partnership may be invested in a variety of investments, including debt and equity securities of non-U.S. corporations, and may utilize a variety of investment techniques, including short sales, straddles, wash sales and currency trading. As a consequence, investors in the Partnership may be deemed to have realized taxable income without any receipt of cash, that a significant portion of the income of the Partnership may consist of interest, dividends (only a portion of which may be qualified dividends

(see below), and other ordinary income, and that a substantial portion of any capital gains or losses that might be realized by the Partnership may be treated as short-term capital gains or losses. However, the Partnership intends to manage its investments to seek to only invest in entities that are treated as corporations for U.S. federal tax purposes and to limit the distributions from such entities, which approach may limit the taxable income of the Partnership allocated to the investors.

Tax Allocations of Profits or Losses. Under the Partnership Agreement, gains or losses realized by the Partnership during a fiscal year may be allocated for tax purposes, in the discretion of the General Partner, to investors who have withdrawn all of their Interests in such fiscal year to the extent the amount received by such investor on such withdrawal exceeds, or is less than, the tax basis attributable to the Interests being withdrawn. Any remaining income, gain, loss, deduction, and credit will be allocated, to the extent practicable, to all investors in the same manner as the correlative amounts had been allocated for book purposes in the current or prior fiscal years. No assurance can be given that the IRS will not challenge such allocations. If the allocations provided by the Partnership Agreement were not respected for U.S. federal income tax purposes, the amount of taxable income allocated to an investor under the Partnership Agreement might be increased or the amount of taxable loss allocation might be decreased, potentially without a correlative adjustment to other investors.

Limitation on Allowable Losses and Deductions. The Partnership will be required each year to make the determination as to whether it will take the position for U.S. federal income tax purposes that it is (i) a trader in securities or (ii) an investor in securities. This determination will be made separately each year based primarily on the level of the Partnership's securities activities during the particular year. Accordingly, the Partnership's status as a trader or an investor may vary from year to year and is difficult to predict in advance. If the Partnership is characterized as a trader, each individual may be able to deduct his share of the expenses of the Partnership (other than interest) under Section 162 of the Code as a business expense. Alternatively, if the Partnership is characterized as an investor, the expenses of the Partnership (other than interest) would be allocated to the investors as investment expenses under Section 212 of the Code. In the case of an individual, investment expenses (other than interest) would constitute "miscellaneous itemized deductions" under Section 67 of the Code, and they would, therefore, not be deductible between 2018 and 2025 (which date may be extended by legislation). Thereafter, assuming the limitations on miscellaneous itemized deductions are not extended, these expenses would only be deductible to the extent that an individual investor's allocable share of such expenses, together with its other miscellaneous itemized deductions, exceed, in the aggregate, 2% of her adjusted gross income. In addition, Section 68 of the Code reduces the amount of itemized deductions otherwise allowable to non-corporate taxpayers, with the amount disallowed varying based on the taxpayer's adjusted gross income. Also, the amount of miscellaneous itemized deductions in excess of the 2% floor is considered a tax preference item in computing the alternative minimum tax for a non-corporate taxpayer. Expenses connected with the marketing and issuing of Interests are not deductible.

Under Section 163(d) of the Code, a non-corporate taxpayer's deduction for investment interest (including his allocable share of a partnership's investment interest) is limited to the amount of his net investment income (including his allocable share of a partnership's net investment income). Investment interest deductions that are disallowed by reason of such limitation may be carried forward to subsequent years, subject to the same limitation. Investment interest includes deductible interest and short sale expenses on indebtedness that is properly allocable to property held for investment. Net investment income is generally defined as the ordinary income and net gain from property held for investment less deductible investment expenses (other than interest or short sale expenses) directly connected with producing such income or gain. However, "net investment income" does not include long-term capital gains or qualified dividends (i.e., dividends eligible to be taxed as net capital gains) unless the taxpayer elects to pay tax on such amounts at ordinary income rates. It is expected that interest expense of the Partnership and interest paid by a non-corporate taxpayer on indebtedness incurred to purchase Interests will be considered "investment interest."

Non-corporate investors should consult their tax advisors with respect to the effect of the investment interest limitation as applied to their particular situations.

It is also possible that limitations on the deductibility of "business interest" under Section 163(j) of the Code may apply to interest expense incurred by the Partnership. In general, the deduction for such "business interest" is limited to the sum of the borrower's business interest income and 30% (50% in the case of any taxable year beginning in 2019 or 2020) of "adjusted taxable income." This limitation is first applied at the partnership level and then at the partner level. Prospective investors should consult a professional tax advisor regarding the application of the foregoing limitations on interest expense deductions to their investment in the Partnership.

The Partnership expects that any losses attributable to the Partnership will not constitute "passive" losses for purposes of the "passive loss" rules of Section 469 of the Code, and that, therefore, the deduction of such losses by an investor will not be restricted under Section 469. At the same time, however, any such losses of the Partnership generally will not be useable currently to offset such investor's "passive income" from other sources. However, if the Partnership is in a trade or business, its losses would be "passive losses" subject to the limitations of Section 469 of the Code. An investor's ability to use its losses will be further limited by rules limiting deductions to amounts "at-risk" in an investment and by rules limiting deductions to the amount of an investor's basis in his Interests. If an investor is limited in his use of his deductions by either the "at-risk" or basis limitation rules, the investor will be entitled to utilize the deductions in succeeding years to the extent that there is an increase in the investor's basis in his Interests or, as applicable, in the amount such investor has "at-risk" in the Partnership. The Holding Entities will pay or incur a number of expenses. The IRS may dispute whether those expenses should, instead, have been paid or incurred by the Partnership (and be subject to the foregoing limitations). The General Partner will seek to allocate expenses based on the activity associated with the expense.

Basis in Interests. An investor's basis for his Interests is relevant for determining, among other things, the deductibility of an investor's share of losses and for computing gain or loss, if any, which an investor will recognize upon a taxable transfer of his Interests and upon receipt of certain distributions. Generally, the tax basis of an investor's Interests is equal to the amount of money plus the tax basis of other property contributed to the Partnership by the investor to purchase the Interests (a) increased by (i) any additional capital contributions made by the investor to the Partnership, (ii) the investor's allocable share of the taxable income of the Partnership and (iii) the investor's share of liabilities (if any) to which the Partnership's assets are subject, and (b) reduced (but not below zero) by (i) distributions made by the Partnership to the investor, (ii) the investor's share of tax losses of the Partnership and (iii) any reduction in the investor's share of the Partnership's indebtedness.

Distributions and Withdrawals. A partner in a partnership will recognize gain upon the receipt of cash distributions from the partnership (including distributions made in connection with a whole or partial withdrawal of a partner's interest in the partnership), if, and to the extent that, the amount of cash received by the partner exceeds the partner's adjusted tax basis in his interest. By contrast, a partner in a partnership generally does not recognize gain or loss on the distribution by the partnership of property other than cash. However, under certain circumstances the distribution of marketable securities can be treated as a distribution of cash in an amount up to the fair market value of such securities for purposes of determining whether a partner recognizes gain on such distributions. Marketable securities distributed by an "investment partnership" to an "eligible partner" are not treated as cash. The Partnership expects that it will be treated as an "investment partnership" and that its investors will be treated as "eligible partners," although no assurance is given in this regard. Accordingly, if, contrary to current expectations, the Partnership is not treated as an "investment partnership" or an investor is not treated as an "eligible partner," an in-kind distribution of marketable securities to an investor could result in the recognition of gain by such

investor. It is not anticipated that the Partnership will make in-kind distributions except in unusual circumstances.

Any gain realized by an investor in the Partnership upon a distribution of cash in connection with a complete withdrawal of the investor's Interests will be treated as ordinary income if and to the extent that such gain is attributable to the investor's allocable share of "inventory items which have appreciated substantially in value" or "unrealized receivables," each as defined in Section 751 of the Code, that are held directly or indirectly by the Partnership. By way of illustration, "unrealized receivables" would include the market discount on market discount bonds. In the case of a partial withdrawal of Interests, the investor will be deemed to have received ordinary income to the extent that the portion of the distribution that was attributable to the investor's allocable share of "inventory items which have appreciated substantially in value" or "unrealized receivables" exceeds the investor's allocable share in the Partnership's basis in such "inventory items which have appreciated substantially in value" or "unrealized receivables." The Partnership does not expect that it will hold (directly or indirectly) any significant amounts of "inventory items which have appreciated substantially in value" or "unrealized receivables" within the meaning of Section 751 of the Code.

Long-term and Short-term Capital Gains and Losses; Division of Holding Period. Except as discussed in the immediately preceding paragraph and as discussed under "*Tax Allocations of Profits or Losses*" above, gain or loss recognized on a withdrawal of Interests by an investor who is not a "dealer" in securities and who has held such Interests for more than 12 months generally will be long-term capital gain or loss. However, if an investor acquired Interests at different times, or if an investor acquired Interests in exchange for properties as to which the investor had different holding periods, then the holding period for all of the investor's Interests generally will be divided on the basis of the value of the portions thereof that were acquired at different times or were acquired in exchange for properties with different holding periods, and the gain or loss recognized, if any, will be divided as between long-term and short-term in a like manner. However, special rules would apply if an investor in the Partnership made one or more cash contributions to the Partnership during the one-year period prior to the withdrawal in question and also received one or more cash distributions from the Partnership during such one-year period.

Passive Foreign Investment Companies. An investment by the Partnership in a foreign corporation that is classified as a passive foreign investment company ("PFIC") will cause taxable U.S. investors in the Partnership to be subject to taxation under Sections 1291 through 1298 of the Code. In general, a foreign corporation is defined as a PFIC if 75% or more of its gross income constitutes "passive income" (generally, interest, dividends, royalties, rent and similar income and gains on disposition of assets that generate such income) or 50% or more of its assets (based on their fair market values, or in some circumstances, their tax basis) produce, or are held to produce, passive income.

Under the PFIC rules, when a U.S. shareholder of a PFIC sells its shares or receives an "excess distribution" with respect to its shares, the gain realized by such shareholder upon such sale, or the amount of any such excess distribution, will be subject to U.S. federal income tax at ordinary income tax rates and, in addition, such shareholder will be obligated to pay an interest charge on the portion of such taxes that are deemed to have been due ratably during the period the U.S. shareholder owned the shares. A U.S. investor in the Partnership will be treated as a U.S. shareholder with respect to its proportionate share of any PFIC stock owned by the Partnership. If a PFIC in which the Partnership invests agrees to provide certain financial information, the Partnership may elect to treat such company as a "qualified electing fund." If that election is made, each investor in the Partnership will be obligated to include in its gross income, as ordinary income, its pro rata share of the PFIC's ordinary earnings and, as long-term capital gain, its pro rata share of the PFIC's net capital gains whether or not such amounts are actually distributed to the Partnership. Any losses of the PFIC will not pass through to the Partnership and will not offset any ordinary income or capital gains of the PFIC reportable to the Partnership in subsequent years (although such losses would ultimately reduce

the gain, or increase the loss, recognized on disposition of the PFIC shares). Investors may be subject to tax reporting requirements with respect to the Partnership's investments in PFICs.

Other Possible Tax Consequences to Investors. Prospective investors should also be aware that the IRS may challenge the Partnership's treatment of items of income, gain, loss, deduction, and credit (including, without limitation, various fees, and expenses payable by the Partnership), or its characterization of the Partnership's transactions, or its allocations, and that any such challenge, if successful, could result in the imposition of additional taxes, penalties, and interest charges at either the Partnership or investor level. A 3.8% Medicare contribution tax is imposed on net investment income, including interest, dividends and gross income and capital gains derived from passive activities and trading in securities or commodities, of U.S. individuals with income exceeding $200,000 ($250,000 if married filing jointly), and of estates and trusts with other income thresholds.

Tax Returns, Tax Information and Penalties. The Partnership intends to file U.S. federal income tax returns on the accrual basis. The Partnership will endeavor to provide to the investors tax information by April 15 of each year but cannot guarantee that it will be able to do so by that date. Investors should be prepared to file their tax returns with appropriate extensions. It is anticipated that preliminary tax estimates, based upon the available information, will be provided on a timely basis, however, in order to facilitate the making of appropriate estimated tax payments by investors.

The Partnership's tax returns are subject to review by the IRS and other taxing authorities, which may dispute the Partnership's tax positions. There can be no assurance that these authorities will not adjust the tax figures reported in the Partnership's returns. Any recharacterizations or adjustments resulting from an audit may require the Partnership or each investor to pay additional income taxes, penalties and interest and possibly result in an audit of other items on the investor's own return, and any audit of an investor's return could result in adjustments of the Partnership's income and deductions. Any adjustment would give rise to interest costs and could give rise to penalties.

Generally, upon an IRS audit, the tax treatment of Partnership items will be determined at the Partnership level pursuant to administrative or judicial proceedings conducted at the Partnership level. Each investor generally will be required to file its tax returns in a manner consistent with the information returns filed by the Partnership or be subject to possible penalties unless the investor files a statement with its return on Form 8082 describing any inconsistency. Pursuant to the Partnership Agreement, the General Partner or its designee will be the "partnership representative" of the Partnership. In this role, the General Partner will be able to extend the statute of limitations on behalf of all investors with respect to Partnership items. Any costs incurred by the Partnership in connection with an audit or any related judicial or administrative proceeding could reduce any anticipated yield on an investment in the Partnership.

Audits of the Partnership generally will be conducted at the Partnership level and any adjustment that results in additional tax (including interest and penalties thereon) will be assessed and collected at the Partnership level in the current taxable year, with the current partners indirectly bearing such cost, unless the Partnership is permitted to and makes an election to "push out" such adjustments to those partners that were partners in the taxable year subject to audit. Therefore, unless the Partnership elects otherwise, the Partnership may be directly responsible in the current taxable year for the income tax liability resulting from an audit adjustment that relates to a prior taxable year in which a current investor did not own an Interest in the Partnership or in which the investor's ownership percentage has since changed. Investors should consult their tax advisors regarding the potential implications of this audit regime.

The IRS has released final Treasury Regulations expanding previously existing information reporting, record maintenance, and investor list maintenance requirements with respect to certain "tax shelter" transactions (the "Tax Shelter Regulations"). The Tax Shelter Regulations may potentially apply to a broad

range of investments that would not typically be viewed as tax shelter transactions, including investments in investment partnerships and portfolio investments of investment partnerships. Under the Tax Shelter Regulations, if the Partnership engages in a "reportable transaction," the Partnership and, under certain circumstances, a partner would be required to (i) retain all records material to such "reportable transaction"; (ii) complete and file Form 8886, "Reportable Transaction Disclosure Statement" as part of its U.S. federal income tax return for each year it participates in the "reportable transaction"; and (iii) send a copy of such form to the IRS's Office of Tax Shelter Analysis at the time the first such tax return is filed. The scope of the Tax Shelter Regulations may be affected by further IRS guidance. Non-compliance with the Tax Shelter Regulations may involve significant penalties and other consequences. Each investor should consult its own tax advisers as to her obligations under the Tax Shelter Regulations.

Election to Adjust Basis of Partnership Assets. Under the Partnership Agreement and Section 754 of the Code, the General Partner will have the authority to elect to adjust the basis of the Partnership's assets in connection with certain distributions to investors or certain transfers of Interests. Such an election, if made, could affect the amount of an investor's distributive share of gain or loss recognized by the Partnership on a disposition of its assets. The General Partner has no present intention of making such an election; however, the General Partner reserves the right to make this election in its sole discretion. Under the Code, the Partnership will be required to adjust the basis of its assets in the case of certain distributions to partners and certain transfers of Interests even in the absence of a Section 754 election.

ERISA Plans and Other Tax-Exempt Investors. Organizations exempt from U.S. federal income tax under Section 501 or 401 of the Code, including ERISA plans ("Tax-Exempt Investors"), are subject to the tax on unrelated business taxable income ("UBTI") imposed by Section 511 of the Code. UBTI arises primarily as income from an unrelated trade or business regularly carried on or as "debt-financed" income from property as to which there is "acquisition indebtedness" (within the meaning of Section 514 of the Code).

The Partnership may incur indebtedness for purposes of Section 514 of the Code in the course of its investment activities or its activities may rise to the level of a trade or business. Accordingly, an investment in the Partnership may result in UBTI for those Tax-Exempt Investors that are subject to tax under Section 511 of the Code. Tax-Exempt Investors are strongly urged to consult their own tax advisors concerning the U.S. federal income tax consequences of making an investment in the Partnership in light of their own particular circumstances.

Non-U.S. Investors. A non-U.S. person considering acquiring an Interest should consult his, her or its own tax advisers as to the U.S. federal, state, and local tax consequences of an investment in the Partnership, as well as with respect to the treatment of income or gain received from the Partnership under the laws of his, her or its country of citizenship, residence, or incorporation. The U.S. federal income tax treatment of a non-U.S. investor in the Partnership will depend on whether that investor, for U.S. federal income tax purposes, is engaged in a trade or business in the United States as a result of its investment in the Partnership. Generally, an investor would be deemed to be engaged in a trade or business in the United States, and would be required to file a U.S. tax return (and possibly one or more state or local returns) if the Partnership were so engaged.

The Partnership believes that it will not be deemed to be engaged in a trade or business by reason of its investment activities. However, because the resolution of this issue will depend on the specific activities of the Partnership, there can be no assurance in this regard. If the Partnership were deemed to be engaged in a trade or business, each non-U.S. investor's allocable share of the income of the Partnership that is treated as effectively connected with such trade or business would be subject to net basis U.S. federal income tax, and in the case of a non-U.S. investor that is a corporation, a "branch profits" tax at a rate of 30% (or, possibly, a reduced rate under an applicable U.S. income tax treaty). The Partnership would be

required to withhold U.S. income tax on each non-U.S. investor's allocable share of such effectively connected income at the maximum marginal rate applicable to individuals or corporations, as appropriate. Further, the non-U.S. investor would be required to file a U.S. federal income tax return and would pay any additional tax due (if the non-U.S. investor's tax liability exceeds the tax withheld by the Partnership) or claim a refund (if the tax withheld by the Partnership exceeds the non-U.S. investor's tax liability).

The Partnership is required to withhold tax at the rate of 30% (or lower treaty rate, if applicable) on each non-U.S. investor's distributive share of interest (subject to certain exemptions) and dividends received by the Partnership from U.S. sources. Except as described below with respect to gains or the dispositions of "U.S. real property interests" and income that is effectively connected with a U.S. trade or business, withholding is generally not currently required on the proceeds of the sale of portfolio securities. The Partnership, however, will be required to withhold on the amount of gain realized on the disposition of a "U.S. real property interest" (which includes stock of certain corporations) included in the distributive share of a non-U.S. investor generally at the maximum marginal rate applicable to individuals or corporations, as appropriate, and such investor will be required to file a U.S. federal income tax return reporting such gain and paying any remaining tax due. Gain realized by a non-U.S. investor on the sale of all or any portion of its Interest in the Partnership, to the extent such gain is attributable to U.S. real property interests owned by the Partnership or if the Partnership is engaged in a U.S. trade or business, will be subject to U.S. federal income tax.

An individual non-U.S. investor who directly owns an Interest on his date of death could be subject to U.S. estate tax with respect to such Interest.

A non-U.S. investor will be required to provide the Partnership with a Form W-8BEN or W-8BEN-E in which the non-U.S. investor states the non-U.S. investor's name and address and certifies, under penalties of perjury, that the non-U.S. investor is the beneficial owner of the Interest and is a non-U.S. person. The annual information return that the Partnership will file with the IRS will include a schedule setting forth certain information about the non-U.S. investor, including the non-U.S. investor's name, address and share of the Partnership's income or loss.

In addition, under Code provisions generally referred to as the Foreign Account Tax Compliance Act or "FATCA," a 30% withholding tax is currently imposed on dividends, interest and certain other U.S.-related items paid to (i) foreign financial institutions including non-U.S. investment funds unless they agree to collect and disclose to the IRS information regarding their direct and indirect U.S. account holders and (ii) certain other foreign entities, unless they certify certain information regarding their direct and indirect U.S. owners. To avoid withholding, foreign financial institutions will need to (i) enter into agreements with the IRS that state that they will provide the IRS information, including the names, addresses and taxpayer identification numbers of direct and indirect U.S. account holders, comply with due diligence procedures with respect to the identification of U.S. accounts, report to the IRS certain information with respect to U.S. accounts maintained, agree to withhold tax on certain payments made to non-compliant foreign financial institutions or to account holders who fail to provide the required information, and determine certain other information as to their account holders, or (ii) in the event that an applicable intergovernmental agreement and implementing legislation are adopted, provide local revenue authorities with similar account holder information. Other foreign entities will need to either provide the name, address, and taxpayer identification number of each substantial U.S. owner or certifications of no substantial U.S. ownership unless certain exceptions apply.

In the event that the Partnership is subjected to withholding taxes or other penalties as a result of an investor's failure to provide any information requested, such investor may be compelled to withdraw its Interest or otherwise required to bear the economic burden of such tax or penalty or be subject to such other actions as the General Partner may determine.

Non-U.S. investors are strongly urged to consult their own tax advisors concerning the U.S. federal income tax consequences of making an investment in the Partnership in light of their own particular circumstances.

Investments in Non-U.S. Issuers. The Partnership may be subject to withholding and other taxes imposed by, and investors may be subject to taxation and reporting requirements in, non-U.S. jurisdictions in which the Partnership makes investments. It is possible that tax conventions between such countries and the United States (or another jurisdiction in which a non-U.S. investor is a resident) may reduce or eliminate certain of such taxes. It is also possible that in some cases taxable investors might be entitled to claim foreign tax credits or deductions with respect to such taxes, subject to certain limitations under applicable law.

State and Local Taxes. In addition to the U.S. federal income tax aspects described above, prospective purchasers of Interests should consider, and consult their own tax advisors concerning, the effects of state and local taxation on an investment in the Partnership. In this regard, it should be noted that an investor's distributive share of the taxable income or loss of the Partnership may be taxable by the state or locality in which such investor is a resident. In addition, investors may be required to file tax returns and to pay taxes in other jurisdictions in which the Partnership, or partnerships or limited liability companies in which the Partnership has invested. or are deemed to be doing business.

THE FOREGOING ANALYSIS IS NOT INTENDED AS A SUBSTITUTE FOR CAREFUL TAX PLANNING, PARTICULARLY SINCE THE INCOME TAX CONSEQUENCES OF AN INVESTMENT IN THE PARTNERSHIP ARE COMPLEX AND CERTAIN OF SUCH CONSEQUENCES WILL NOT BE THE SAME FOR ALL TAXPAYERS. ACCORDINGLY, PROSPECTIVE PURCHASERS OF INTERESTS ARE STRONGLY URGED TO CONSULT THEIR TAX ADVISORS WITH SPECIFIC REFERENCE TO THEIR OWN TAX SITUATIONS PRIOR TO INVESTMENT IN THE PARTNERSHIP.

AN INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE, OR OTHER AGENT OF THE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF AN INVESTMENT IN THE PARTNERSHIP AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO THE INVESTOR RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE.

X. CERTAIN ERISA CONSIDERATIONS

ERISA governs the investment of assets of certain retirement plans ("ERISA Plans") that may be Investors, directly or indirectly, in the Partnership. ERISA, the regulations under ERISA issued by the United States Department of Labor (the "DOL") and opinions and other authority issued by the DOL and the courts provide guidance that should be considered by fiduciaries of ERISA Plans prior to investing in the Partnership.

The following discussion of certain ERISA considerations is based on statutory authority and judicial and administrative interpretations as of the date hereof and is designed only to provide a general understanding of the basic issues. Accordingly, this discussion should not be considered legal advice, and the trustees and other fiduciaries of each ERISA Plan are encouraged to consult their own legal advisors on these matters.

Fiduciary Duty of Investing Plans. In considering an investment in the Partnership, plan fiduciaries should consider their basic fiduciary duties under ERISA Section 404, which requires them to discharge their investment duties prudently, solely in the interest of the plan participants and beneficiaries and for the exclusive purpose of providing benefits to the plan participants and beneficiaries and defraying reasonable administrative expenses of the relevant plan. Plan fiduciaries must give appropriate consideration to the role that an investment in the Partnership would play in the plan's investment portfolio. In analyzing the prudence of an investment in the Partnership, the DOL's regulation on investment duties should be considered (29 C.F.R. § 2550.404a-1).

Prohibited Transactions. Fiduciaries of ERISA Plans should also consider whether an investment in the Partnership could involve a direct or indirect transaction with a "party in interest" or "disqualified person" as defined in ERISA and Section 4975 of the Code, and if so, whether an exemption is available. ERISA and Section 4975 of the Code contain a statutory prohibited transaction exemption permitting a "benefit plan investor" (as defined in Section 3(42) of ERISA) to enter into a transaction with a person who is a party in interest or a disqualified person solely by reason of being a non-fiduciary service provider to the "benefit plan investor" or being affiliated with such a service provider, provided that the transaction is for "adequate consideration." Certain administrative prohibited transaction exemptions may also be available.

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

A nonexempt prohibited transaction could result in significant penalties, liabilities, excise taxes or other adverse consequences to the relevant fiduciary, party in interest or disqualified person, as applicable.

Plan Assets. ERISA and the regulation issued by the DOL at 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA (the "Plan Assets Regulation"), define the term "plan assets" as applied to entities in which a plan invests, directly or indirectly, such as the Partnership. The Plan Assets Regulation provides that when an ERISA Plan acquires an equity interest in an entity, and such equity interest is neither a publicly offered security nor a security issued by an investment company registered under the Investment Company Act, the assets of the ERISA Plan include not only the equity interest, but also include an undivided interest in the underlying assets of the entity, unless an exception to this general rule applies.

Exceptions under the Plan Assets Regulation. The Plan Assets Regulation provides several exceptions to the general rule of plan asset treatment. Pursuant to one such exception, the assets of certain entities, such as the Partnership, will not be treated as plan assets if equity participation in the entity by "benefit plan investors" is not "significant." Equity participation in an entity by "benefit plan investors" (as defined in Section 3(42) of ERISA) is "significant" on any date if, immediately after the most recent acquisition or disposition of any equity interest in the entity, 25% or more of the value (in the aggregate) of any class of equity interests in the entity is held by "benefit plan investors." For purposes of the 25% test, the term "benefit plan investors" includes ERISA Plans, certain other retirement plans defined in and subject to Section 4975 of the Code (such as individual retirement accounts), and entities or accounts deemed to hold "plan assets" due to an investment in such entity or account by ERISA Plans or such other retirement plans (such as insurance company general accounts). For the purposes of calculating the 25% threshold under the Plan Assets Regulation, the value of any equity interest held by a person (other than a "benefit plan investor") who has discretionary authority or control with respect to the assets of the entity or that provides investment advice for a fee (direct or indirect) with respect to such assets (or an affiliate of such person) is disregarded.

The General Partner intends to conduct the affairs and operations of the Partnership in such a manner so that the assets of the Partnership will not be treated as "plan assets" of any ERISA Plan for purposes of ERISA. Accordingly, the Partnership is not expected to be deemed to be holding "plan assets" subject to ERISA at any time and, therefore, the General Partner does not anticipate that it, the Investment Manager, or any other service provider to the Partnership will be subject to the fiduciary or other requirements of ERISA, the prohibited transaction rules of ERISA or Section 4975 of the Code or any other related requirements with respect to any ERISA Plan investing in the Partnership. However, if the assets of the Partnership were at any point deemed to constitute "plan assets" for purposes of ERISA or Section 4975 of the Code, the activities of the Partnership may become subject to the fiduciary responsibility provisions of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Code, and the operations and investments of the Partnership may be limited as a result, potentially resulting in a lower return to the Partnership than might otherwise be the case. Further, in the absence of compliance with ERISA and the prohibited transaction rules of Section 4975 of the Code, the General Partner and/or the Investment Manager could be exposed to litigation, penalties and liabilities which might adversely affect their ability to fully satisfy their contractual obligations to the Partnership, and the fiduciaries of an ERISA Plan who made the decision to invest the ERISA Plan's assets in the Partnership could, under certain circumstances, be liable as co-fiduciaries for actions taken by the Partnership, the General Partner or the Investment Manager (or another service provider to the Partnership).

Reporting. "Benefit plan investors" may be required to report certain compensation paid by the Partnership (or by third parties) to the Partnership's service providers as "reportable indirect compensation" on Schedule C to the Form 5500 Annual Return (the "Form 5500"). To the extent any compensation arrangements described herein constitute reportable indirect compensation, any such descriptions are intended to satisfy the disclosure requirements for the alternative reporting option for "eligible indirect compensation," as defined for purposes of Schedule C to the Form 5500.

Additional Information. ERISA and its accompanying regulations are complex and, to a great extent, have not yet been interpreted by the courts or the administrative agencies. This discussion does not purport to constitute a thorough analysis of ERISA. Each prospective Investor subject to ERISA should consult with its own legal counsel concerning the implications under ERISA of an investment in the Partnership, and to confirm that such an investment will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement under ERISA.

"Governmental plans" and certain "church plans", while not subject to the fiduciary responsibility and prohibited transaction provisions of ERISA, may nevertheless be subject to state or other federal laws that

are substantially similar to the foregoing provisions of ERISA. Decision-makers for any such plans should consult with their counsel before making an investment in the Partnership.

The Interests may be purchased or owned by Investor who are investing assets of their individual retirement accounts ("IRAs"). In consultation with its advisors, each prospective Investor that is an IRA should carefully consider whether an investment in the Partnership is appropriate for and permissible under the terms of its governing documents. Fiduciaries of Investors that are IRAs should consider in particular that the Interests will be illiquid and that it is not expected that a significant market will exist for the resale of such interests, as well as the other general fiduciary considerations described above. Although IRAs are not generally subject to ERISA, they are subject to the provisions of Section 4975 of the Code, which prohibit transactions with "disqualified persons" and investments and transactions involving fiduciary conflicts. A prohibited transaction or conflict of interest could arise if the fiduciary making the decision to invest has a personal interest in or affiliation with the Partnership, the General Partner, Investment Manager, or any of their respective affiliates, or if the fiduciary's exercise of best judgment as a fiduciary is otherwise compromised in making such investment decision. A prohibited transaction or conflict of interest that involves the beneficiary of the IRA could result in disqualification of the IRA and assessment of penalties.

By acquiring an Interest in the Partnership, an Investor acknowledges and agrees that (i) any information provided by the Partnership, the General Partner, the Investment Manager, or any of their respective affiliates (including information set forth in this Memorandum) is not a recommendation to invest in the Partnership and that none of the Partnership, the General Partner, the Investment Manager, or any of their respective affiliates is undertaking to provide any investment advice to the Investor (impartial or otherwise), or to give advice to the Investor in a fiduciary capacity in connection with an investment in the Partnership and, accordingly, no part of any compensation received by the General Partner, the Investment Manager or any of their affiliates is for the provision of investment advice to the Investor and (ii) the General Partner, the Investment Manager and/or their affiliates have a financial interest in the Investor's investment in the Partnership on account of the fees and other compensation they expect to receive from the Partnership as disclosed in this Memorandum, the Partnership Agreement and in the other documents governing the Partnership.

XI. SECURITIES LAW CONSIDERATIONS AND INVESTOR SUITABILITY

Investment in the Partnership involves significant risks and is suitable only for sophisticated persons of substantial financial means who have no immediate need for liquidity of the amount invested, and can bear the risk of a complete loss, with respect to such investment. There is no public market for the Interests, and none expected to develop. There are substantial restrictions on the ability of a Limited Partner to withdraw capital, receive distributions or transfer its Interests. See "*Risk Factors*" and "*Summary of Principal Terms*".

Private Placement Status; Suitability

The Interests described herein are not registered under the Securities Act or state securities laws in reliance on the exemptions for transactions not involving a public offering. As a purchaser of Interests in a private placement not registered under the Securities Act, each Investor will be required to make certain representations to the Partnership and the General Partner, including that it is acquiring such Interests for investment, and not with a view to resale or distribution; that it is an "accredited investor", as defined in Regulation D promulgated under the Securities Act; that it is a "qualified client", as defined under the Investment Advisers Act; and, others designed to maintain the Partnership's exemption from registration as an investment company under the Investment Company Act (pursuant to exceptions to the definition of investment company contained in Sections 3(c)(1) or 3(c)(7) of the Investment Company Act). Further, each Investor must be prepared to bear the economic risk of the investment for an indefinite period, since these Interests cannot be sold unless they are subsequently registered under the Securities Act or an exemption from such registration is available. It is unlikely that the Interests will ever be registered under the Securities Act.

During the course of the offering and before sale, each purchaser of the Interests and its purchaser representatives, if any, are invited to ask questions of the General Partner concerning the terms and conditions of the offering and to obtain any additional information necessary to verify the accuracy of the information furnished in this Memorandum, to the extent that the General Partner possesses such information or can acquire it without unreasonable effort or expense.

If the exemption described above is not available, the Partnership could incur among other costs, penalties and costs related to having to register or otherwise bring the Partnership into compliance.

Verification of Accredited Investor Status

The Partnership will require each Investor's status as an "accredited investor" to be affirmatively verified. It will not be sufficient for an investor to simply confirm or certify its accredited investor status in its Subscription Agreement. In the case of a non-individual investor whose total asset value is publicly and readily available via an Internet search, the General Partner may be able to perform the requisite verification without additional documentation. Any other potential Investor will generally be required to provide verification via letter from a broker-dealer, investment adviser, attorney, or certified public accountant.

Investment Company and Investment Advisers Regulation

The Partnership does not intend to register as an investment company under the Investment Company Act in reliance on available exemptions from such registration requirements. If the Partnership is incorrect about the registration obligations, it could incur, among other costs, penalties and costs related to having to register and bring the Partnership into compliance.

Neither the General Partner nor the Investment Manager are currently registered as an investment adviser, or included within the registration of an affiliated investment adviser, under the United States the Investment Advisers Act. In consequence, the General Partner and the Investment Manager generally are not subject to certain restrictions, disclosure requirements and other obligations set forth in the Investment Advisers Act that are applicable to registered investment advisers, although the General Partner or the Investment Manager may become subject to such restrictions, requirements, and obligations in the future. The General Partner and the Investment Manager anticipate that they similarly may be exempt from corresponding restrictions, requirements and obligations arising under other applicable laws.

Restrictions on Transfer

Generally, Interests will not be assignable or transferable without the consent of the General Partner. One of the requisites to such consent may be an opinion of counsel that such a transfer would not subject the Partnership or the General Partner to any regulatory or tax requirements or result in the violation of any applicable law or governmental regulation, the cost of which the transferor and transferee will bear.

XII. ADDITIONAL INFORMATION

The General Partner has agreed to make available to each prospective Investor the opportunity to ask questions of, and receive answers from, the General Partner concerning the terms and conditions of the offering and to obtain any additional information, to the extent the General Partner possesses such information or can acquire it without unreasonable effort or expense, which may be necessary to verify the accuracy of the information set forth herein.

Investors may be required to sign a confidentiality agreement if they wish to receive additional information that the Partnership deems to be proprietary. Investors and their representatives, if any, will be asked to acknowledge in the Subscription Agreement that they were given the opportunity to obtain additional information and that they did so or elected to waive this opportunity.

Anti-Money Laundering

In connection with the Partnership's and the Administrator's policies and procedures regarding the prevention of money laundering and terrorist financing, the Administrator on behalf of the Partnership will require verification of identity and/or the sources of funds from all prospective investors. Depending on the circumstances of each subscription, independent verification of identity may not be required where: (a) the investor is a qualified financial institution; or (b) the investor makes the payment from an account held in the investor's name at a qualified financial institution.

The General Partner and the Administrator or their affiliates reserve the right to request such further information or documentation as they consider necessary to verify the identity or the sources of funds of a prospective investor. In the event of delay or failure by the prospective investor to produce any information required for verification purposes, the General Partner or the Administrator may refuse to accept (or process in the case of the Administrator) a capital contribution until proper information and/or documentation has been provided, and any funds received will be returned without interest to the account from which the monies were originally debited at the risk and cost of the prospective investor.

Investors should note that the General Partner may refuse to accept a withdrawal request if it is not accompanied by such additional information or documentation as it, or the Administrator on its behalf, may reasonably require. This power may, without limiting the generality of the foregoing, be exercised where proper information or documentation has not been provided to verify the identity or the sources of funds of the investor.

How to Subscribe

Please direct any questions regarding the submission of your subscription to the email address above or to STAPLE Investments at operations@stapleinvestments.com or via phone to (703) 328-0952. Any Investor who wishes to make an investment in the Partnership should:

1) Deliver a complete and duly executed Subscription Agreement (including fully completed Exhibits), required KYC documentation, and the Investor's applicable tax form to SGGG Fund Services (U.S.) Inc., the Partnership's Administrator, at stapleinvestments@sgggfsi.com; or

2) Complete and execute the subscription agreement through a secure digital platform called Mako Fintech, following the receipt of a personalized link provided by the Administrator and deliver required KYC documentations and the Investor's applicable tax form on the same platform.

Subscribers must meet Investor suitability standards, which are summarized above under "*Securities Law Considerations and Investor* Suitability" and should ensure that all required documentation is submitted in a timely manner to avoid any delays in processing their subscription.

Following receipt of completed subscription documents and check or wire transfer, the Partnership will accept or reject the subscription in its sole discretion. If the subscription is accepted, a confirmation will be sent to the Investor prior to closing.

The Partnership and the General Partner may reject all or any party of each prospective Investor's requested subscription for any or no reason in its sole discretion. If all or part of any subscription is rejected, any previously delivered funds will be returned within ten business days, without interest thereon.