

PROSPECTUS

1 June 2026

StepStone (Luxembourg) SCA SICAV

Société d'investissement à capital variable - société en commandite par actions

IMPORTANT INFORMATION

General Information on this Prospectus

Capitalised terms used throughout this Prospectus shall have the meanings ascribed to such terms in the section "Definitions".

This Prospectus contains information about the Company that a prospective investor should consider before investing therein and should be retained for future reference. If you are in any doubt about the contents of this Prospectus you should consult your financial adviser.

The General Partner has taken all reasonable care to ensure that the facts stated in this Prospectus are, at the date of this Prospectus, true and accurate in all material respects and no material facts are omitted which would make such information misleading. The General Partner accepts responsibility accordingly.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Ordinary Shares in any jurisdiction where such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make such offer in such jurisdiction. The distribution of the Prospectus and/or the offer and sale of the Ordinary Shares in certain jurisdictions or to certain investors, may be restricted or prohibited by law. Investors should note that some or all Compartments, Classes and/or series of Shares may not be available to investors. Investors should request their financial adviser to provide them information about which Compartments, Classes and/or series of Shares are offered in their country of residence.

The Ordinary Shares under this Prospectus may be advised on, offered or sold to Professional Investors or Retail Investors, including through an appointed nominee, as specified in the relevant Special Section (as applicable). A key information document (KID) in compliance with the relevant provisions of Regulation (EU) 1286/2014, as amended, and Commission Delegated Regulation (EU) 2017/653 will be published for each Class available to future Retail Investors. KID are handed over to future Retail Investors in good time prior to their subscription in the Company and are (i) provided to the Retail Investor using a durable medium other than paper or (ii) available at the registered office of the Company and can be obtained in paper form free of charge upon request from the AIFM.

Prospective investors are not to construe the contents of this Prospectus or any prior or subsequent communications related to the Company or a Compartment as financial, accounting, legal, tax or regulatory advice. Prior to investing in the Company, Investors should conduct their own investigation and analysis of an investment in the Company and consult with their own advisers, including financial, accounting, legal and tax advisers, to determine the consequences of an investment in the Company and arrive at an independent evaluation of such investment, including the applicability of any legal, sales or investment restrictions without reliance on the General Partner, the Service Providers or any other agent or representative of the Company. Investors are urged to request additional information and take any independent advice that they may consider necessary or desirable in order to make an informed investment decision. Each Investor is encouraged, prior to the consummation of their investment, to ask questions of, and receive answers from, the General Partner and/or the AIFM and to request any additional information to verify the accuracy of the information contained in this Prospectus or otherwise.

Certain statements contained in this Prospectus are forward-looking statements. These forward-looking statements are based on expectations, estimates and projections about the markets in which the Company will operate and the beliefs and assumptions of the General Partner as of the date of this Prospectus (or the date of the relevant Special Section if such statements are contained

in such section). Words such as "expects", "may", "targeted", "likely", "assume", "assumption", "anticipates", "should", "intends", "plans", "believes", "seeks", "estimates", "forecasts", "projects", and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Among the factors that could cause actual results to differ materially are the general economic climate, inflationary trends, interest rate levels, the availability of financing, changes in tax, laws or regulation and other risks associated with Investments and/or that operational costs may be greater than anticipated.

No distributor, agent, salesman or other person has been authorised to give any information or to make any representation other than those contained in the Prospectus and the Articles in connection with the offer of Ordinary Shares, and, if given or made, such information or representation must not be relied upon as having been authorised by the Company or the Administrator.

The Ordinary Shares represent undivided interests solely in the assets of the Company. They do not represent interests in or obligations of, and are not guaranteed by any government, the Depositary, the AIFM and the Investment Manager or any other person or entity.

The Company, in its sole discretion and in accordance with the applicable provisions of the Prospectus, the Articles and any applicable law, may refuse to register any transfer in the Register or may compulsorily redeem any Ordinary Shares acquired in contravention of the provisions of the Prospectus, the Articles or any applicable law.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general Shareholders' meetings, if the investor is registered himself and in his own name in the Register. In cases where an investor invests in the Company through an intermediary investing into the Company in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain Shareholder rights directly against the Company. Investors are advised to take advice on their rights.

Any translation of this Prospectus or of any other document relating to the Company or a Compartment into any language other than English will be for convenience of the Investors only. In the case of any discrepancy due to translation, the English version of the Prospectus and of any other document will prevail.

INVESTING IN THE COMPANY INVOLVES RISK INCLUDING THE POSSIBLE LOSS OF CAPITAL. INVESTORS ARE ADVISED TO READ THE PROSPECTUS CAREFULLY, IN PARTICULAR THE RISK FACTORS UNDER CLAUSE 40 OF THE GENERAL SECTION.

Information for the Shareholders

Audited Annual Reports and unaudited Half-Yearly Reports will be mailed free of charge by the AIFM to the Shareholders upon request and will be available at the registered office of the Company, AIFM/distributor or agents (if any) as well as at the offices of the distributors of the Company in any country where the Company is marketed.

Information listed in Article 23 of the AIFMD and any other financial information concerning the Company or the AIFM, including:

- the periodic calculation of the NAV per Share,

- the issue, switching and the redemption prices,
- historical performance,
- risk profiles,
- description of risk management (including, in case a Compartment qualifies as an ELTIF, additional information relating to the quantitative limits that apply to its risk management, the methods chosen to that end, and the recent evolution of the main risks and yields of the categories of assets),
- leverage,
- identification of situations with potential conflicts of interest,
- voting rights policy,
- the composition of the originated loan portfolio of each Compartment,
- on an annual basis, all fees, charges and expenses that were directly or indirectly borne by Shareholders,
- on an annual basis, any parent undertaking subsidiary or special purpose vehicle utilized in relation to a Compartment's investments by or on behalf of the AIFM,
- information listed in Section B of the Annex of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, for a Compartment that uses securities financing transactions, and
- the jurisdictions in which a Compartment that qualifies as an ELTIF has invested, in accordance with Article 23 (4) (i) of the ELTIF Regulation. will be made available free of charge at the registered office of the AIFM and the Depositary. Any other substantial information concerning the Company may be notified to Shareholders in such manner as may be specified from time to time by the AIFM.

Copies of this Prospectus may be obtained from:

- StepStone Group Europe Alternative Investments Limited Newmount House
One Haddington Buildings, Dublin 4, Ireland

Also available from:

- Northern Trust Global Services SE
10 rue du Château d'Eau
L-3364 Leudelange Grand Duchy of Luxembourg

Queries and Complaints

Any person who would like to receive further information regarding the Company or wishes to make a complaint about the operation of the Company should contact the Chief Compliance Officer,

Emma Love at emma.love@stepstongroup.com. The AIFM has established a policy for handling clients' complaints that will be provided upon request.

Identification of subscribers

Pursuant to the laws and regulations of Luxembourg with respect to the fight against money laundering and terrorism financing and, in particular, pursuant to any relevant CSSF circulars, obligations have been imposed on financial sector individuals to prevent the use of UCIs for money laundering and terrorism financing purposes. To meet these requirements the application form of a subscriber (and, where necessary, a beneficial owner) must be accompanied, in the case of individuals, by a copy of the passport or identification card and/or in the case of legal entities, a copy of the articles of incorporation and an extract from the commercial register (any such copy must be certified to be a true copy by one of the following authorities: embassy, consulate, notary, local police or other authorities determined on a case by case basis by the Company). Such identification procedure may be waived by the Company in the following circumstances:

- (a) in the case of a subscription through a professional of the financial sector resident in a country which imposes an identification obligation equivalent to that required under Luxembourg law for the prevention of money laundering and terrorism financing;
- (b) in the case of a subscription through a professional of the financial sector whose parent is subject to an identification obligation equivalent to that required by Luxembourg law and where the law applicable to the parent -or a statutory or professional obligation pursuant to a group policy- impose an equivalent obligation on its subsidiaries or branches.

The investor due diligence procedure may be simplified or enhanced depending on the profile of an investor in terms of the risk of money laundering or terrorist financing.

In accordance with article 3.2 of the AML Law and article 3 of the CSSF Regulation 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing as amended by CSSF Regulation 20-05, an enhanced due diligence will also be applied on the Company's nominees or any other type of intermediaries.

As per the AML Law, the Company as well as the AIFM are also required to apply precautionary measures regarding the assets of the Company.

Subject to the discretion of the Company, it is generally accepted that financial professionals resident in a country which has ratified the conclusions of the Financial Action Task Force are deemed to have identification requirements equivalent to that required by Luxembourg law.

Excessive Trading/Market Timing

The Company does not permit excessive trading practices. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm the Company's performance. To minimise harm to the Company and the Shareholders and for the benefit of the relevant Compartment, the Company has the right to suspend any subscription, redemption or conversion order, or levy a fee of up to 2% of the value of the order from any investor who is engaging in excessive trading or has history of excessive trading or if an investor's trading, in the opinion of the Company, has been or may be disruptive to the Company or any of the Compartments.

In exercising these rights, the Company may consider trading done in multiple accounts under common ownership or control. Where accounts are held by an intermediary on behalf of client(s), such as nominee accounts, the Company may require the intermediary to provide information

about the transactions and to take action to prevent excessive trading practices. The Company also has the power to redeem all Ordinary Shares held by a Shareholder who is or has been engaged in excessive trading. The Company will not be held liable for any loss resulting from rejecting orders or mandatory redemptions.

General Distribution

The distribution of the Prospectus and/or the offer and sale of the Ordinary Shares in certain jurisdictions or to certain investors, may be restricted or prohibited by law. Investors should note that some Compartments, Classes and/or series of Shares may not be available to all investors. Their financial advisor can give them information about which Compartments, Classes and/or series of Shares are offered in their country of residence.

Marketing in the EU

Ordinary Shares in Compartments that do not qualify as ELTIFs can be marketed to Professional Investors in the EU in accordance with article 33 of the Irish Regulations.

Marketing of Ordinary Shares outside the EU or in the EU to Investors other than Professional Investors (where relevant) must comply with applicable national private placement regimes. Those Investors are required to inform themselves on the conditions imposed by their local requirements before investing in the Company and to assess the impact and the risks they may be exposed to when investing in the Company.

Notice to all European Economic Area (EEA) Residents

In relation to each Member State of the EEA (each, a **Member State**), this Prospectus may only be distributed and Shares in a Compartment may only be offered or placed in a Member State to the extent that: (1) the relevant Compartment is permitted to be marketed to Professional Investors in the relevant Member State in accordance with the AIFMD (as amended and as implemented into the local law/regulation of the relevant Member State), and where relevant to certain non-professional investors in compliance with, and who meet the requirements of, the local law/regulation permitting non-professional investors to invest in alternative investment funds (**AIFs**) in the relevant Member State, as specifically identified below; or (2) this Prospectus may otherwise be lawfully distributed and the Shares may otherwise be lawfully offered or placed in that Member State (including at the exclusive initiative of the Investor where permitted in accordance with the AIFMD).

As at the date of this Prospectus, one or more of the Compartments have been notified in accordance with the AIFMD for marketing to "Professional Investors" in the following Member States: Austria, Belgium, Denmark, Finland, France, Germany, Ireland Italy, Liechtenstein, Netherlands, Norway, Poland, Portugal, Spain and Sweden.

Additional Information for professional and semi-professional investors in Germany

Certain Compartments have been notified to the German Financial Services Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, or BAFIN) in accordance with Section 323 of the German investment code (*Kapitalanlagegesetzbuch* – KAGB).

The Compartments may only be marketed and offered to professional and, where relevant to semi-professional investors in the Federal Republic of Germany, as defined in Section 1 (19) nos. 32 and 33 of the German capital investment code (*Kapitalanlagegesetzbuch* – KAGB). The Compartments have not been admitted for marketing to retail investors within the meaning of Section 1 (19) no. 31 of the KAGB in Germany. accordingly, the Compartments may not be offered

and marketed to retail investors in Germany. This disclosure, the Prospectus and any other document relating to the Compartments, as well as information or statements contained therein, may not be supplied to retail investors in Germany or any other means of public marketing. any resale of the shares in Germany may only be made to professional and semi-professional investors in Germany and in accordance with the provisions of the KAGB and any other applicable laws in Germany governing the sale and offering of the Compartments.

Special Notice to Prospective Investors in Italy

The Compartments have been passported with the *Commissione Nazionale per le Società e la Borsa* (CONSOB) for the marketing in Italy vis-à-vis professional investors in accordance with Article 32 of the AIFMD, article 43 of the Italian Legislative Decree of 24th February 1998, no. 58 (*testo unico della finanza*, the **TUF**) and relevant local implementing regulations in Italy. The Compartments may be distributed exclusively to the following categories of investors: (i) "professional investors" as defined in the AIFMD; or where relevant (ii) "non-professional investors" who: (1) invest at least EUR 500,000 in a Compartment; or (2) invest at least EUR 100,000 in a Compartment, and in the case of the latter, either: (a) the investment is made by a licensed portfolio manager on behalf of the non-professional investor; or (b) the investment is made by the non-professional investor in the context of the provision of investment advice, and is subject to the requirement that the entirety of any investments by that same non-professional investor in EU AIFs does not exceed ten percent (10%) of his or her financial portfolio as a result of a subscription or investment in a Compartment.

Special Notice to Prospective Investors in Austria

The Compartments have been notified to the Austrian Financial Market Authority (FMA) for marketing to professional investors (*Professionelle Anleger*) within the meaning of § 2 para 1 no 33 of the Austrian Alternative Investment Funds Act (*Alternative Investmentfonds Manager-Gesetz; AIFMG*) in accordance with Article 32 AIFMD and § 31 AIFMG. in the Republic of Austria, the Compartments may only be offered or placed and any offering or marketing materials related thereto may only be distributed to investors who are either (a) professional investors (*Professionelle Anleger*) as defined in § 2 para 1 no 33 AIFMG or where relevant (b) qualified retail investors (*Qualifizierte Privatkunden*) as defined in § 2 para 1 no 42 AIFMG. Distribution of the Compartments and any offering or marketing materials related thereto to retail investors (*Privatkunden*) as defined in § 2 para 1 no 36 AIFMG in the Republic of Austria is not permitted. Subscriptions by retail investors (*Privatkunden*) will therefore not be accepted. None of the AIFM, the Compartments nor the Company are subject to supervision by the FMA or any other Austrian authority. Neither the Prospectus, nor the key information document (KID) have been reviewed by the FMA or any other Austrian authority.

Information for Investors in Chile

Date of the offer: 31 March 2026

- i. This offer is made pursuant to Rule 336 issued by the *Comisión para el Mercado Financiero* of Chile (**CMF**).
- ii. This offer deals with securities that are not registered in the Securities Registry nor in the Foreign Securities Registry kept by the CMF, and that are, therefore, not subject to the supervision of the CMF.
- iii. Given that the securities are not registered, there is no obligation for the issuer to disclose in Chile public information about said securities.

- iv. The securities may not be publicly offered as long as they are not registered in the corresponding Securities Registry.

Fecha de inicio de la oferta: 31 de Marzo de 2026

- i. La presente oferta se acoge a la Norma de Carácter General N° 336 de la Comisión para el Mercado Financiero (CMF) de Chile;
- ii. La presente oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la Comisión para el Mercado Financiero, por lo que los valores sobre los cuales ésta versa, no están sujetos a su fiscalización;
- iii. Que por tratarse de valores no inscritos, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de estos valores; y
- iv. Estos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente.

Information for Investors in Denmark

The Compartments have been notified to the Danish Financial Supervisory Authority (**DFSA**) For marketing to Danish professional investors, as defined in Section 2, (No. 7) of the Executive Order No. 760 of 14/06/2024, as amended from time to time (**Investor Protection Order**).

The Compartments may exclusively be offered, marketed and distributed to professional investors and semi-professional investors in Denmark. According to Section 5(5), (no. 2) in the Alternative Investment Managers etc. Act, as amended from time to time an Investor will qualify as a semi-professional investor, provided that: (a) the Investor commits to invest at least EUR 100,000.-, (b) the Investor has declared, in a separate declaration, that the Investor is aware of the risks related to its investment in a relevant Compartment.

Distribution of the Compartments and any offering or marketing materials related thereto to Danish retail investors (in Danish: "*Detailinvestorer*") as defined in the Investor Protection Order Section 2, (No. 9), is not permitted. Subscriptions by Danish retail investors (*Detailinvestorer*) will therefore not be accepted. None of the AIFM, the Company nor the Compartments are subject to supervision by the DFSA or any other Danish authority. Neither the Prospectus, nor the key information document (KID) or any other document related to investing in the Compartments have been reviewed by the DFSA or any other Danish authority.

Information for Investors in Switzerland

The offer and marketing of Ordinary Shares in Switzerland will be exclusively made to, and directed at, qualified investors ("**Qualified Investors**"), as defined in Article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act ("**CISA**") and its implementing ordinance. Accordingly, the Company has not been and will not be registered with the Swiss Financial Market Supervisory Authority ("**FINMA**"). This Prospectus and/or any other offering or marketing materials relating to the Ordinary Shares may be made available in Switzerland solely to Qualified Investors.

In respect of its offer and marketing in Switzerland to Qualified Investors with an opting-out pursuant to Article 5(1) of the Swiss Federal Law on Financial Services ("**FinSA**") and without any portfolio management or advisory relationship with a financial intermediary pursuant to Article 10(3ter) CISA, the Company has appointed a Swiss representative and paying agent:

- Swiss representative: StepStone Group Private Debt AG, Klausstrasse 4, 8008 Zurich, Switzerland. The legal documents as well as the latest annual and semi-annual financial reports, if any, of the Company may be obtained free of charge from the Swiss representative.
- Swiss paying agent: NPB Neue Privat Bank, AG Limmatquai 1/am Bellevue, 8024 Zurich, Switzerland.
- Place of performance: Klausstrasse 4, 8008 Zurich, Switzerland
- Place of jurisdiction: Klausstrasse 4, 8008 Zurich, Switzerland or at the registered office/domicile of the investor.

Information for Investors in the United Kingdom

The Company is an Alternative Investment Fund for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom (**FSMA**) and is qualified under Regulation 59(1) of the Alternative Investment Fund Managers Regulations 2013 of the United Kingdom. On that basis, the Shares may be marketed in the United Kingdom to EEA Persons who qualify as Professional Investors.

Don't invest unless you're prepared to lose all the money you invest. Investment in the Company (or any Compartment) is a high-risk investment, and you are unlikely to be protected if something goes wrong.

Information for Investors in the United States

The Ordinary Shares have not been, nor will they be, registered under the US Securities Act or qualified under any applicable state statutes and may not be offered, sold or transferred in the United States (including its territories and possessions) or to or for the benefit of, directly or indirectly, any US Person, except pursuant to registration or an exemption. Neither the Company nor any of its Compartments has been, nor will they be, registered under the US Investment Company Act, and investors will not be entitled to the benefits of such registration. Pursuant to exemptions from registration under the US Investment Company Act and the US Securities Act, with respect to certain of the Compartments the Company may make a private placement of Ordinary Shares to a limited category of US Persons. Please see the relevant Special Section for each Compartment, which will indicate whether that Compartment is available for subscription by US Persons. If a Compartment is made available to US Persons, the Ordinary Shares will only be available for purchase by US Persons who are either (A) both (1) "accredited investors", as defined in Rule 501(a) of Regulation D under the US Securities Act, and (2) "qualified purchasers" as defined in Section 2(a)(51) of the US Investment Company Act and the rules thereunder, or (B) "knowledgeable employees", as defined in Rule 3c-5 under the U.S. Investment Company Act, of the Company. The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission (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 these offering materials. Any representation to the contrary is unlawful.

There is no public market for the Ordinary Shares, and no such market is expected to develop in the future. The Ordinary Shares will be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the relevant Special Section, Articles, the US Securities Act, the US Investment Company Act and other applicable securities laws, pursuant to registrations thereunder or exemptions therefrom. Investors should be aware of the limited

liquidity of an investment in the Company and should therefore be prepared to bear the risk of such investment for a certain period of time. Each person subscribing for Ordinary Shares must agree that the Company may reject, accept or condition any proposed transfer, assignment or exchange of those Ordinary Shares. All investors in the Company have limited redemption rights.

Important Information for investors in Uruguay

The sale of the Ordinary Shares qualifies as a private placement pursuant to section 2 of Uruguayan law 18,627. The Ordinary Shares must not be offered or sold to the public in Uruguay, except in circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. The Ordinary Shares in the Compartments are not and will not be registered with the Financial Services Superintendency of the Central Bank of Uruguay.

The Ordinary Shares correspond to investment funds that are not investment funds regulated by Uruguayan law 16,774 dated September 27, 1996, as amended.

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DIRECTORY

Registered Office of the Company

10 rue du Château d'Eau, L-3364 Leudelange, Grand Duchy of Luxembourg

General Partner

StepStone (Luxembourg) GP S.à r.l.
10 rue du Château d'Eau, L-3364
Leudelange, Grand Duchy of Luxembourg

AIFM

StepStone Group Europe Alternative
Investments Limited
One Haddington Buildings,
Dublin 4, Ireland

Investment Advisors

*(except for StepStone (Luxembourg) SCA
SICAV – StepStone Private Credit ELTIF)*

StepStone Group LP
450 Lexington Avenue, 31st Floor
New York, NY 10017
United States of America

or any of its affiliates

*(for StepStone (Luxembourg) SCA SICAV-
StepStone Private Infrastructure Fund)*

StepStone Group Real Assets LP
4225 Executive Square, Suite 1600
La Jolla, CA 92037
United States of America

*(for StepStone (Luxembourg) SCA SICAV –
StepStone Private Credit ELTIF)*

StepStone Group Private Debt AG
Klausstrasse 4, 8008 Zürich
Switzerland

Board of Managers of the General Partner

Timothy Smith, manager, United States;
Ricardo Gomez, manager, Luxembourg;
Christian Hinze, manager, Switzerland.

Investment Manager

*(except for StepStone (Luxembourg) SCA
SICAV – StepStone Private Credit ELTIF)*

StepStone Group Private Wealth LLC
128 S. Tryon St., Suite 1600
Charlotte, NC 28202
United States of America

Administrator

Northern Trust Global Services SE
10 rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Auditor

Ernst & Young S.A (Luxembourg)
35E avenue John F. Kennedy
L- 1855 Luxembourg
Grand Duchy of Luxembourg

Depository

Northern Trust Global Services SE
10 rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Legal Advisors to the Company

As to Luxembourg law

Maples and Calder (Luxembourg) SARL
12E, rue Guillaume Kroll
L-1882, Luxembourg,
Grand Duchy of Luxembourg

Dechert (Luxembourg) LLP
29, avenue de la Porte-Neuve
L-2227 Luxembourg
Grand Duchy of Luxembourg

As to English law and U.S. law

Dechert LLP
25 Cannon Street
London
EC4M 5UB
United Kingdom

Swiss Representative

StepStone Group Private Debt AG
Klausstrasse 4
8008 Zurich, Switzerland

As to Irish law

Maples and Calder (Ireland) LLP
75 St. Stephen's Green,
Dublin 2, D02 PR50, Ireland

Swiss Paying Agent

NPB Neue Privat Bank AG
Limmatquai 1/am Bellevue
8024 Zurich, Switzerland

DEFINITIONS

In this Prospectus, the following terms have the meanings as defined below. Capitalised terms used in a Special Section and not defined below shall have the meanings given to them in the relevant Special Section:

1915 Act means the Luxembourg act of 10 August 1915 on commercial companies;

2010 Act means the Luxembourg act of 17 December 2010 on undertakings for collective investments;

2013 Act means the Luxembourg act of 12 July 2013 on alternative investment fund managers;

Accounting Year means a twelve (12) month period ending on 31 December of each year;

Administration Agreement means the central administration, corporate and domiciliary agent, and registrar and transfer agent agreement between the General Partner for the account of the Company, the Administrator and the AIFM in connection with central administration, corporate and domiciliary agency, and registrar and transfer agency services;

Administrator means Northern Trust Global Services SE acting in its capacity as administrator, corporate and domiciliary agent, and registrar and transfer agent;

Advisers Act means the US Investment Advisers Act of 1940;

Advisory Agreement means the non-discretionary advisory agreement between the Investment Manager, the General Partner acting on behalf of the Company and the Investment Advisors;

AIF means an alternative investment fund as defined under the AIFMD and, in the case of a Luxembourg AIF, article 1(39) of the 2013 Act;

AIFM means StepStone Group Europe Alternative Investments Limited in its capacity as external authorised alternative investment fund manager of the Company;

AIFM Agreement means the AIFM agreement between the General Partner acting on behalf of the Company and the AIFM;

AIFMD means Directive 2011/61/EU of 8 June 2011 on alternative investment fund managers;

AIFMD Rules means the provisions of: (i) the Commission Delegated Regulation; (ii) the European Union (Alternative Investment Fund Managers) Regulations 2013 of Ireland, and (iii) any other applicable laws and regulations implementing AIFMD;

Amendment has the meaning set out in Clause 43.1 of the General Section;

AML Law means the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing transposing Directive 2001/97/EC of the European Parliament and of the Council of 4 December 2001 amending Council Directive 91/308/EEC on prevention on the use of the financial system for the purpose of money laundering, as may be amended from time to time;

Annual Report means the annual report as defined under article 151 of the 2010 Act;

Annual Valuation has the meaning set out in Clause 23.7 of the General Section;

Articles means the Company's articles of incorporation;

ATAD 1 has the meaning set out in Clause 40.90 of the General Section;

ATAD 2 has the meaning set out in Clause 40.90 of the General Section;

Auditor has the meaning set out in Clause 13 of the General Section;

Benefit Plan Investor has the meaning set out in Clause 42.1 of the General Section;

Business Day means a day on which banks are generally open for business during the whole day in Luxembourg, Ireland and the United States (excluding Saturdays, Sundays and public holidays);

BRRD has the meaning set out in Clause 40.65 of this General Section;

Central Bank means the Central Bank of Ireland;

CFTC means the US Commodity Futures Trading Commission;

Class means any class of Shares within a Compartment as such term is understood under the 1915 Act which may be sub-divided, at the discretion of the General Partner, into series of Shares as more fully described in the relevant Special Section;

Clause means any clause of this Prospectus;

Code means the US Internal Revenue Code of 1986;

Commission Delegated Regulation means Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU;

Company means StepStone (Luxembourg) SCA SICAV;

Compartment means a separate portfolio of assets and liabilities of the Company created in accordance with article 181 of the 2010 Act that shall be invested in accordance with the terms of the relevant Special Section;

Conversion has the meaning set out in Clause 1.1 of the General Section;

CPO means a commodity pool operator;

CRS means the OECD common reporting standard for the automatic exchange of financial account information and which has been transposed in Luxembourg by the Luxembourg CRS Act;

CSSF means the *Commission de Surveillance du Secteur Financier*, the Luxembourg supervisory authority for the financial sector;

CSSF Regulation No 12-02 means the CSSF Regulation No 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing;

Data Protection Legislation means the GDPR and any other applicable national laws and regulations in respect of data protection;

Depository means Northern Trust Global Services SE in its capacity as depository of the Company within the meaning of article 88-3 of the 2010 Act;

Depository Agreement means the depository agreement between the General Partner acting on behalf of the Company, the Depository and the AIFM;

Directive means EU Directive 2014/107/EU on the automatic exchange of information in the field of taxation;

Eligible Investor shall have the meaning ascribed to such term in each Special Section;

ELTIF means a European long-term investment fund regulated by the ELTIF Regulation;

ELTIF Eligible Assets means assets referred to in article 10 of the ELTIF Regulation;

ELTIF Delegated Regulation means Commission Delegated Regulation (EU) 2018/480 of 4 December 2017 supplementing the ELTIF Regulation with regard to regulatory technical standards on financial derivative instruments solely serving hedging purposes, sufficient length of the life of the European long-term investment funds, assessment criteria for the market for potential buyers and valuation of the assets to be divested, and the types and characteristics of the facilities available to retail investors.

ELTIF Regulation means the EU Regulation 2015/760 of the European Parliament and of the Council of 29 April 2015 on European long-term investment funds, as amended;

EMIR means the European Market Infrastructure Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on over-the-counter (OTC) derivatives, central counterparties and trade repositories (as amended from time to time), supplementing European Commission delegated regulation and each European Commission implementing regulation laying down applicable implementing technical standards;

ERISA means the US Employee Retirement Income Security Act of 1974;

ESG has the meaning set out in Clause 6.1 of the General Section;

ESG Risk has the meaning set out in Clause 6.1 of the General Section;

EU means the European Union (as constituted from time to time) along with Iceland, Liechtenstein and Norway;

EUR means the Euro, the single lawful currency of the member states of the EU that adopt the single currency in accordance with the Treaty of Lisbon as amending the Treaty on the European Union and the Treaty establishing the European Community;

Expenses has the meaning set out in Clause 35 of the General Section;

Fair Market Value means, with respect to any asset of the Company, the value of such asset as determined in accordance with the Articles, the Prospectus and any valuation policy adopted or approved by the AIFM in respect of the Company or any Compartment thereof;

FATCA has the meaning set out in Clause 34.22 of the General Section;

FATCA Withholding has the meaning set out in Clause 34.22 of the General Section;

Financial Intermediaries has the meaning set out in Clause 39.10 of the General Section;

GDPR means Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC;

General Partner means StepStone (Luxembourg) GP S.à r.l., the Company's sole unlimited managing shareholder (*associé commandité gérant*), as well as any additional and/or successor unlimited shareholder;

General Meeting means a general meeting of the Shareholders convened in accordance with the 1915 Act and the Articles;

General Section means this general section of the Prospectus that sets out the general terms and conditions that shall, unless otherwise provided in a Special Section, be applicable to all Compartments;

Half-Yearly Report means the semi-annual report as defined under article 150 of the 2010 Act;

HCCH 2005 Choice of Court Convention has the meaning set out in Clause 29.5 of the General Section;

IGA has the meaning set out in Clause 34.26 of the General Section;

Indemnified Persons means the General Partner, the Service Providers and their managers, directors, employees and officers;

Institution has the meaning set out in Clause 40.65 of this General Section;

Institutional Investor means any institutional investor as such term is understood according to the administrative practice of the CSSF;

Intermediary Vehicle means any subsidiary or other company, entity or arrangement (such as a limited partnership, unit trust or trust) in which one or more Compartment(s) hold(s) any direct or indirect interest (whether characterised as equity, debt or otherwise, including a co-investment or fractional interest) that has been specifically established for the purpose of holding of one or more Investment(s);

Investment means any investment of a relevant Compartment, whether directly or through an Intermediary Vehicle;

Investment Advisors unless otherwise provided in a relevant Special Section, shall mean StepStone Group LP and/or StepStone Group Private Debt AG, any successor entity, or any of its affiliates;

Investment Management Fee means the fee payable to the Investment Manager pursuant to the Portfolio Management Agreement by each Compartment, as further described in the relevant Special Section;

Investment Manager unless otherwise provided in a relevant Special Section, shall mean StepStone Group Private Wealth LLC;

Investor means any (a) Retail Investor and/or Professional Investor who contemplates to become a Limited Shareholder or (b) Limited Shareholder, as required by the context;

Irish Regulations means the European Union (Alternative Investment Fund Managers) Regulations 2013 (SI No. 257 of 2013);

IRS has the meaning set out in Clause 34.22 of the General Section;

Kick-off Period means the transitional period set out for each Compartment in its Special Section, if any, which is used for the building-up of the Compartment's portfolio and during which risk spreading requirements are not yet fulfilled;

Limited Shareholder means any holder of Ordinary Shares and who, in principle, is liable for debts or obligations of the Company only up to its aggregate subscription amount (*associé commanditaire*);

Lugano Convention has the meaning set out in Clause 29.4 of the General Section;

Luxembourg means the Grand Duchy of Luxembourg;

Luxembourg CRS Act has the meaning set out in Clause 34.17 of the General Section;

Luxembourg FATCA Act has the meaning set out in Clause 34.23 of the General Section;

Luxembourg IGA has the meaning set out in Clause 34.23 of the General Section;

Luxembourg Law means the applicable laws and regulations of Luxembourg;

Management Shares means the Shares exclusively reserved for and held by the General Partner in its capacity as Unlimited Shareholder;

Managers means, collectively, the Investment Manager and the Investment Advisors;

MiFID means Directive 2014/65/EU, amending Directive 2002/92/EC and Directive 2011/61/EU;

NAV means the net asset value of the Company, any Compartment, any Class or any series of Shares and as determined in accordance with Clause 24 and, if applicable, the relevant Special Section;

New York Convention has the meaning set out in Clause 29.7 of the General Section;

OECD means the Organisation for Economic Co-operation and Development;

Operating Expenses has the meaning set out in Clause 35.1 of the General Section;

Organisational Expenses has the meaning set out in Clause 35.6 of the General Section;

Ordinary Shares means any shares (other than Management Shares) held by a Limited Shareholder (including by the General Partner in the capacity of a Limited Shareholder);

Other Accounts means other accounts managed or advised by the Managers and their affiliates;

Other Regulated Market means a market which is regulated, operates regularly and is recognised and open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency, (iii) which is recognized by a State or by a public authority which has been delegated by that State or by another entity which is recognized by that State or by that public authority such as a professional association and (iv) on which the securities dealt are accessible to the public;

Performance Fee means the fee received by the Investment Manager, if applicable, as set out in each Special Section;

Person means an individual, partnership, corporation, limited liability company, unincorporated organisation, trust, joint venture, governmental agency, or other entity, whether domestic or foreign;

Portfolio Company means a target company, partnership, entity or other arrangement in which a relevant Compartment directly or indirectly (including through one or more Intermediary Vehicles) is investing and, in the context of a direct or indirect lending activity by the relevant Compartment, will be the ultimate borrower;

Portfolio Management Agreement means the agreement between the AIFM and the Investment Manager with the consent of the General Partner;

Preferential Treatment has the meaning set out in Clause 36.1 of the General Section;

Professional Investors means Investors who qualify as professional clients as defined under MiFID;

Prospectus means the General Section and each Special Section of this confidential offering memorandum;

RAIF means a reserved alternative investment fund subject to the law of 23 July 2016 on reserved alternative investment funds;

RCSL means the *Registre du Commerce et des Sociétés Luxembourg*, the Luxembourg trade and companies register;

Redemption Date has the meaning set out in the relevant Special Section;

Reference Currency means (a) in relation to the Company, USD and (b) in relation to a Compartment, Class or series of Shares, the currency in which the NAV of such Compartment, Class or series of Shares is calculated, as set out in the relevant Special Section;

Register means the register of the Shareholders of a relevant Compartment;

Regulated Market means a market within the meaning of Directive 2014/65/EU of 15 May 2014 or any other market which is regulated, operates regularly and is recognised and open to the public.

Regulation 1215/2012 has the meaning set out in Clause 29.3 of the General Section;

RESA means *Recueil Electronique des Sociétés et Associations*, the official gazette of Luxembourg;

Research Providers has the meaning set out in Clause 15.1 of the General Section;

Restricted Person has the meaning set out in Clause 19 of the General Section;

Retail Investor means an investor that is not a Professional Investor;

SEC has the meaning set out in the "Important Information" section of this General Section;

Service Providers means the AIFM, the Managers, the Depositary, the Administrator and any other Person providing services to the Company from time to time;

SFTR has the meaning set out in Clause 4.1.2(b) of the General Section;

Shares means any shares issued by the Company from time to time, including the Management Shares and the Ordinary Shares;

Shareholder means any holder of Shares including the Unlimited Shareholder and each Limited Shareholder;

Side Pocket has the meaning set out in Clause 44.8 of the General Section;

Side Pocket Costs has the meaning set out in Clause 44.8 of the General Section;

Side Pocket Investment has the meaning set out in Clause 44.8 of the General Section;

Side Pocket Tracking Shares has the meaning set out in Clause 44.8 of the General Section;

Special Section means each and every supplement to this Prospectus describing the specific features of a Compartment; each such supplement is to be regarded as an integral part of this Prospectus;

StepStone Group means the General Partner, the AIFM, the Investment Manager, the Investment Advisors any of their respective affiliates, and any director, officer, member, employee and investor thereof or therein, any person with an interest in the General Partner, the AIFM or any of their respective affiliates and any other entities owned, in whole or in part, by any such person; provided that none of the Company, any Compartment, the Other Accounts, alternative investment vehicles, any Intermediary Vehicles and the co-investment vehicles with respect thereto will be deemed to be members of the StepStone Group;;

Subscription Document means (i) the application form pursuant to which an Investor subscribes for Shares in a Compartment or (ii) the commitment agreement pursuant to which an Investor commits to subscribe for Shares in a Compartment, as applicable;

Supplement for US Persons means a supplement to the relevant Subscription Document to be completed by a US Person committing to subscribe for Shares;

Trading Counterparty has the meaning set out in Clause 4.4.3(a) of the General Section;

Transfer means any sale, assignment, transfer, exchange, mortgage, grant of a participation in, pledge, charge, hypothecation, encumbrance or other disposal of any Share;

Transferee has the meaning set out in Clause 20.3 of the General Section;

Transferor has the meaning set out in Clause 20.3 of the General Section;

UCI means any undertaking for collective investment including any AIF either under Luxembourg Law or under any other law;

UCITSD means Directive 2009/65/EC of the European Parliament and of the European Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS);

UCITS Eligible Assets means assets referred to in Article 50(1) of the UCITSD;

United States or **US** means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

Unlimited Shareholder means the General Partner in its capacity as an unlimited shareholder (*actionnaire commandité*) of the Company;

USD means United States Dollars

US Investment Company Act means the US Investment Company Act of 1940;

US Person has the meaning set out in Clause 42.2 of the General Section;

US Securities Act means the US Securities Act of 1933;

US Taxpayer has the meaning set out in Clause 42.6 of the General Section;

Valuation Agent means an independent external valuer appointed by the AIFM to value Investments in accordance with article 19 of the AIFMD;

Valuation Date means the date on which the NAV of a Compartment is calculated as provided in each Special Section;

Valuation Policy means the AIFM's valuation policy applicable to the Company and, unless otherwise stated in the relevant Special Section, each Compartment, a summary of which is available to any Limited Shareholder upon request to the AIFM; and All terms defined in the singular shall be taken to include the plural and vice versa.

Words importing one gender only shall include the other and words importing the singular number only shall include the plural and vice versa.

Words importing persons include companies and associations or bodies of persons whether corporate or unincorporated.

The word "may" shall be construed as permissive and the word "shall" shall be construed as imperative.

Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense and meaning of the words preceding those terms.

All references to the provisions of any law or regulation shall be construed as references to those provisions as amended, modified, re-enacted, revised or replaced from time to time.

All references to any document or agreement are to such document or agreement as it may be amended, restated, supplemented or replaced from time to time.

Any references herein to action, determination, discretion or decisions being taken by the Company or any Compartment shall be construed as being taken by the General Partner on behalf of the Company and/or the relevant Compartment. References to actions being taken on behalf of a Compartment shall be construed as actions taken on behalf of the General Partner acting in respect of the Company in relation to such Compartment. References to the Company shall be construed, where appropriate, as a reference to one or more Compartments.

Any reference to any provision of any legislation, regulatory requirements or codes of conduct shall include any modification, re-enactment, consolidation or extension thereof. Headings are provided for convenience only and shall not affect the substance of this Prospectus.

The descriptions in the main body of this Prospectus are generally applicable to all Compartments. However, where different descriptions or exceptions appear in the Special Section for a Compartment, the descriptions or exceptions in such Special Section shall prevail. Thus, Investors must carefully review the relevant Special Section, together with the General Section.

GENERAL SECTION

Except as otherwise stated herein, the terms and provisions of this General Section apply to all Compartments. In case of inconsistency between the General Section and the relevant Special Section, the latter shall prevail.

Specific terms and conditions solely applicable to a Compartment are set forth in the Special Section corresponding to such Compartment.

1. COMPANY

Legal form

- 1.1 The Company is an investment company incorporated under the laws of Luxembourg as an investment company with variable share capital (*société d'investissement à capital variable*) in accordance with the provisions of Part II of the Law of 2010 Act. The Company has been created as an umbrella fund which may comprise one or several separate Compartments. The Company was initially incorporated under the name "*StepStone Conversus (Luxembourg) SCA SICAV-RAIF*" on 12 May 2022 as a reserved alternative investment fund (**RAIF**) subject to the law of 23 July 2016 on reserved alternative investment funds. The name of the Company has been amended on 23 September 2022 to "*StepStone (Luxembourg) SCA SICAV-RAIF*". The Company was converted on 16 January 2025 as an UCI under Part II of the 2010 Act (the **Conversion**). The Articles have been published in the *Mémorial C* for the first time on 15 June 2022. The restated Articles reflecting the Conversion are in the process of being published in RESA.
- 1.2 The Company has adopted the form of a corporate partnership limited by shares (*société en commandite par actions*). The Company is registered with the Luxembourg Trade and Companies Register (*registre de commerce et des sociétés* – R.C.S.) under number B268520.
- 1.3 A Luxembourg corporate partnership limited by shares is a company established between (i) one or more unlimited shareholders, who are indefinitely, jointly and severally liable for the obligations of the Company, and (ii) one or more limited shareholders with limited liability.
- 1.4 The Company is comprised of:
- 1.4.1 The Unlimited Shareholder which is responsible for the management of the Company and is jointly and severally liable for all liabilities which cannot be met from the assets of the Company; and
- 1.4.2 One or more Limited Shareholders (*actionnaires commanditaires*) whose liability is limited to the amount of their investment in the Company.
- 1.5 No measure affecting the interests of the Company vis-à-vis third parties and no decision with a view to amending the Articles may be taken without the affirmative vote of the General Partner.
- 1.6 The Company was incorporated with an initial capital of USD 40,000. Under the 2010 Act, the share capital increased by the issue premium (if any) of the Company must reach EUR 1,250,000 (or the USD equivalent) within a period of twelve months following the incorporation of the Company (and may not be less than this amount thereafter). To

the extent that the share capital of the Company falls below EUR 1,250,000 (or the USD equivalent) after such time, the Company shall be terminated in accordance with the Articles. At all times the Company's capital will be equal to the NAV of the Company.

- 1.7 The combined accounts of the Company are held in USD.
- 1.8 The Company qualifies as an AIF under the AIFMD and the 2013 Act.

Term of the Company - Term of the Compartments

- 1.9 The Company has been established for an unlimited duration. The Company will, however, be automatically put into liquidation upon the termination of the final active Compartment.
- 1.10 Compartments may be created for an unlimited or limited period of time. The duration of a Compartment may be extended as further detailed in the relevant Special Section. Compartments with a limited duration will be automatically liquidated at the relevant termination date as set out in the relevant Special Section. Compartments with an unlimited duration will be automatically put into liquidation upon the termination of the last Class in that Compartment.
- 1.11 The term of each Compartment that is an ELTIF, shall be defined as the "End of Life" within the meaning of the ELTIF Regulation. The End of Life of each ELTIF Compartment is defined to be consistent with the long-term nature of the Investments of the relevant Compartment and to cover at least the expected life-cycle of each Investment, measured according to the illiquidity profile of the asset and the stated investment objective of the relevant Compartment. Each ELTIF Compartment is allowed to reinvest as further described in the relevant Special Section, and may during its term invest on an ongoing basis, provided that at no time any of its assets shall have a maturity exceeding the End of Life of the relevant Compartment, in accordance with the ELTIF Regulation.

In accordance with Article 21 of the ELTIF Regulation, each ELTIF Compartment shall inform the CSSF, at least one (1) year before the End of Life, of the orderly disposal of its assets in order to redeem Investors' Shares after the End of Life. Upon request by the CSSF, the Compartment will submit to the CSSF an itemised schedule for orderly disposal of its assets which shall include (i) an assessment of the market for potential buyers; (ii) an assessment and comparison of potential sales prices; (iii) a valuation of the assets to be divested; and (iv) a time-frame for the disposal schedule. Umbrella structure – Compartments

- 1.12 The Company has an umbrella structure consisting of one or more Compartments, whose assets are invested in accordance with the investment objective and policy applicable to such Compartment. Each Compartment has its own funding, investment policy, capital gains, expenses and losses, distribution policy any may have other specific features. The investment policy and other specific features and details of each Compartment are set forth in the relevant Special Section.
- 1.13 In accordance with article 181 of the 2010 Act, the rights of the Shareholders and creditors of a Compartment are limited to the assets of that Compartment. The assets of a Compartment are exclusively dedicated to the satisfaction of the rights of the Shareholders relating to that Compartment and the rights of those creditors. By way of derogation from article 2093 of the Luxembourg code civil, there shall be no cross liability between Compartments.

- 1.14 For the purpose of the relations as between Investors, each Compartment is treated as a separate entity. Each Compartment operates independently, each portfolio of assets being invested for the exclusive benefit of such Compartment. Acquiring an Ordinary Share relating to one particular Compartment does not give the relevant Shareholder any rights with respect to any other Compartment.
- 1.15 Unless otherwise specified in the relevant Special Section, a Compartment (the **Investing Compartment**) may subscribe, acquire and/or hold Shares or other interests to be issued or issued by one or more other Compartments (the **Target Compartment**). Such acquisition and/or holdings shall not subject the Company to the requirements of the 1915 Act with respect to own shares, *provided* that:
- 1.15.1 the Target Compartment does not, in turn, invest in the Investing Compartment;
 - 1.15.2 the Shares in the Target Compartment held by the Investing Compartment shall not confer right to vote upon the Investing Compartment; and
 - 1.15.3 the value of the Shares in the Target Compartment held by the Investing Compartment will not be taken into consideration for the calculation of the net assets of the Investing Compartment or the Company for the purpose of verifying the minimum threshold of the net assets imposed by the 2010 Act.
- 1.16 Ordinary Shares are reserved for subscription by Eligible Investors.

2. SHARES, REGISTER AND CLASSES

- 2.1 The capital of the Company is represented by fully paid Shares with no par value and will be represented by different Classes and/or series of Shares within each Compartment, the features of which will be set out in respect of each Compartment in the relevant Special Section.

Classes

- 2.2 The General Partner may decide to issue, within each Compartment, additional Classes which may be sub-divided into series of Shares which may have specific features, including, without limitation, as to currency, fees, their status as accumulating and distributing Classes or series of Shares, investment terms, investor eligibility and investment objectives, policies and restrictions involving a materially different or greater risk profile or materially different or greater volatility, as further determined by the General Partner from time to time and described with respect to each Compartment in the relevant Special Section.

Form and fractions of Shares

- 2.3 Shares are issued and will remain in registered form only (*actions nominatives*). Shares are not represented by certificates.
- 2.4 Fractional Shares will be issued up to the nearest thousandth of a Share and any smaller fractions of a Share that would otherwise arise will be rounded down, with the relevant subscription money being retained for the benefit of the relevant Compartment. Such fractional Shares will not be entitled to vote (except where their number is such that they represent a whole Share, in which case they shall confer a voting right) but will be entitled

to a participation in the net results and in the proceeds of liquidation attributable to the relevant Class on a *pro rata* basis.

- 2.5 Each Share is entitled to one vote at a General Meeting. Shares shall have no preemptive subscription rights. Subject to Clause 2.4, all Shareholders have the right to vote at each General Meeting. This vote can be exercised in person or by proxy. No resolution of the General Meeting that affects the interests of the Company vis-à-vis third parties or amends the Articles may be taken without the affirmative vote of the General Partner.
- 2.6 The Company's share capital is at all times equal to its NAV. The Company's share capital is automatically adjusted when additional Shares are issued, or outstanding Shares are redeemed, and no special announcements or publicity are necessary in relation thereto.
- 2.7 The General Partner shall hold the Management Shares that are reserved to the General Partner in its capacity as Unlimited Shareholder (*actionnaire commandité*). The Company intends to issue at least one (1) Management Share in each Compartment.
- 2.8 Unless otherwise provided for in the relevant Special Section, the Company may agree to issue Shares as consideration for a contribution in kind of securities or other assets, provided that (i) such securities or other assets comply with the investment objective and strategy of the relevant Compartment, (ii) any contribution shall be subject to a report being issued by the Auditor at the time of any such in kind contribution. Any costs incurred in connection with a contribution in kind will be borne by the relevant Investor making such contribution.

Register

- 2.9 The Register will be kept by the Administrator on behalf of the Company. The Register in respect of a relevant Compartment and any Shareholders' personal data contained therein will be available for inspection by any Shareholder of such Compartment. Each Register will contain (i) the name of each Shareholder of the relevant Compartment; (ii) each Shareholder's residence or elected domicile as indicated to the General Partner; (iii) the number and Class or series of Shares held by it; and (iv) the date of any Transfer of Shares. The ownership of Shares will be established by the entry in the Register.
- 2.10 Each Investor must provide the General Partner or the Administrator with an address and email address to which all notices and announcements are sent. Any changes in the address and email address must be notified to the General Partner or to the Administrator.
- 2.11 The General Partner will recognise for the account of the Company only one Shareholder per Share. Where a Share is held by more than one Shareholder, the General Partner has the right to suspend the exercise of all rights attached to this Share until one Shareholder has been appointed as sole owner of the Share. The same rule shall apply in the case of conflict between a usufruct holder (*usufruitier*) and a bare owner (*nu-propretaire*) or between a pledgor and a pledgee of the Share.

3. INVESTMENT OBJECTIVE AND POLICY

- 3.1 The General Partner shall have power to determine the corporate and investment objective and policy of the Company, and the course of conduct of the management and business affairs of the Company.

- 3.2 Investors have the opportunity to invest in one or more Compartments and thus determine their own preferred exposure on a region by region and/or asset class by asset class basis. The specific investment objective, policy and strategy of each Compartment, as well as the type of assets in which such Compartment may invest, is set out in the relevant Special Section.
- 3.3 The investment objectives and policies of the Compartments are determined by the Company. The Company may change the investment objectives and policies of the Compartments, subject to the prior approval of the CSSF. In such case, where applicable, Shareholders will be duly informed of such changes prior to implementation and the Prospectus will be amended accordingly.
- 3.4 There can be no assurance that the investment objectives of any Compartment will be met and losses may be incurred.

4. INVESTMENT RESTRICTIONS

4.1 General

- 4.1.1 The assets of each Compartment, at the exception of any Compartment qualifying as an ELTIF, shall be managed in accordance with the investment restrictions and risk diversification rules as set forth in the 2010 Law and any applicable CSSF circular, unless otherwise provided and/or supplemented for each Compartment, as the case may be, by specific investment restrictions in the relevant Special Section. Any Compartment qualifying as an ELTIF will have to comply with risk diversification requirements as laid down in the ELTIF Regulation.
- 4.1.2 Unless otherwise specified in the relevant Special Section, a Compartment may not invest in:
- (a) Securitisations as defined in article 50 of the Commission Delegated Regulation; or
 - (b) Securities financing transactions or total return swaps, which, for the purposes of the EU Regulation 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse (**SFTR**), are respectively defined as follows:
 - (i) Securities financing transaction means:
 - (1) a repurchase transaction;
 - (2) securities or commodities lending and securities or commodities borrowing;
 - (3) a buy-sell back transaction or sell-buy back transaction; or
 - (4) a margin lending transaction; and
 - (ii) Total return swap means a derivative contract as defined in article 2 of Regulation (EU) No 648/2012 in which one counterparty transfers the total economic performance,

including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

4.2 Investments in securities and money market instruments

4.2.1 The Compartments may invest in money market instruments pursuant to the restrictions set forth in this Prospectus.

4.2.2 Certain Compartments may invest in contingent convertible bonds to a limited extent and in any event no more than 5% of their assets, unless otherwise specified in their specific investment policies as laid down in the relevant Special Sections.

4.3 Short sales

4.3.1 A Compartment which qualifies as an ELTIF shall not undertake short selling of assets.

4.4 Financial Derivative Instruments and Other Techniques

4.4.1 Pursuant to the ELTIF Regulation and the ELTIF Delegated Regulation, a Compartment that qualifies as an ELTIF may invest in financial derivative instruments solely serving the purpose of hedging the risk inherent to other investments of such Compartment, arising from exposures to ELTIF Eligible Assets and UCITS Eligible Assets. The purpose of hedging the risks arising from exposures to the aforementioned assets shall only be considered to be fulfilled where the use of that financial derivative instrument results in a verifiable and objectively measurable reduction of those risks at the Compartment level. Where financial derivative instruments to hedge the risks arising from the exposure to the aforementioned assets are not available, financial derivative instruments with an underlying of the same asset class may be used. The use of the financial derivative instruments aimed to provide a return for a Compartment that qualifies as an ELTIF shall not be deemed to serve the purpose of hedging the risks.

4.4.2 Collateral

(a) As the case may be, cash collateral received by each Compartment in relation to any of these above-mentioned transactions may be reinvested in a manner consistent with the investment objectives of such Compartment in (a) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent, (b) short-term bank deposits, (c) money market instruments as defined in the above referred Grand-Ducal regulation, (d) short-term bonds issued or guaranteed by an EU member state, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or worldwide scope, (e) bonds issued or guaranteed by first class issuers offering an adequate liquidity, and (f) reverse repurchase agreement transactions according to the provisions described under section I.C.a) of the above referred CSSF Circular. Such reinvestment will be taken into account for the calculation of each

concerned Compartment's market risk, in particular if it creates a leverage effect.

- (b) Use of the aforesaid techniques and instruments involves certain risks and there can be no assurance that the objective sought to be obtained from such use will be achieved.
- (c) In derogation from the above, a Compartment that qualifies as an ELTIF may re-invest cash collateral so received in a manner consistent with the investment objectives of such Compartment and in financial derivative instruments solely serving the purpose of hedging the risk inherent to other investments of such Compartment, as further described in the relevant Special Section.
- (d) Other exceptions to the above principles or additional restrictions, if any, applicable to a particular Compartment are set out in the Special Section.

4.4.3 Collateral Asset Arrangements

- (a) Subject to any terms to the contrary in the relevant Special Section, each Compartment may enter into transactions with one or more clearing brokers or other derivative or trading counterparties (each a **Trading Counterparty**). Under such arrangements, the relevant Compartment may be required to deposit and maintain cash, securities or other assets with the relevant trading counterparty in order to satisfy such Trading Counterparty's margin requirements. The securities, cash and other non-cash assets deposited as margin will generally become the absolute property of the Trading Counterparty and the Trading Counterparty will have the right to pledge, hypothecate, re-hypothecate or otherwise use such margin should the relevant Compartment fail to satisfy any margin requirement. The relevant Compartment will have a right to the return of equivalent assets. The relevant Compartment will rank as an unsecured creditor in relation thereto and, in the event of the insolvency of the relevant Trading Counterparty, may not be able to recover such equivalent assets in full. In addition, the relevant Compartment's obligations to a Trading Counterparty will generally be secured by way of a security interest over the assets deposited by the relevant Compartment with such Trading Counterparty. Upon the occurrence of certain events of default, as specified in the relevant agreement, the Trading Counterparty will be entitled to sell such of the relevant Compartment's assets as are in the Trading Counterparty's possession.

4.4.4 Cash holding

- (a) In order to maintain adequate liquidity, Compartments may hold cash on an ancillary basis.
- (b) However, some Compartments may have to hold, temporarily, cash representing fifty per cent (50%) or more of their net assets. Cash will be deposited with one or more credit institutions having their registered office in the EU.

4.4.5 Investment through Intermediary Vehicles

- (a) Investments may be made by the Compartments through Intermediary Vehicles and the General Partner will generally seek to fully control these Intermediary Vehicles through the relevant Compartment. The relevant Compartment may also hold Investments through joint ventures or co-investment arrangements and the General Partner, through the relevant Compartment, will seek to retain control over the management, sale, and financing of such Investments or, alternatively, will seek to implement a viable mechanism for realising the Investment within a reasonable period of time.
- (b) An investment into an Intermediary Vehicle shall be ignored for the purpose of assessing the investment restrictions such that the underlying Investments of the Intermediary Vehicle should be treated as if they were direct Investments made by the relevant Compartment.

4.4.6 Investments in Other Compartment(s)

- (a) A Compartment may subscribe, acquire and/or hold Shares of one or more Compartment(s) (the **Target Compartment(s)**), without it being subject to the requirements of the 1915 Act, with respect to the subscription, acquisition and/or the holding by a company of its own shares provided that:
 - (i) the Target Compartment does not, in turn, invest in the Compartment invested in this Target Compartment;
 - (ii) the voting rights, if any, which might be attached to the Shares concerned will be suspended for as long as they are held by the relevant Compartment and without prejudice to an appropriate treatment in accounting and in the periodical reports; and
 - (iii) in any case, as long as the Shares are held by the Compartment, their value shall not be taken into account for the calculation of the Compartment's NAV for the control of the minimum threshold of net assets imposed by the 2010 Act.

4.5 The investment restrictions of this Clause 4 need not be complied with during the relevant Compartment's Kick-Off Period, provided that the General Partner will endeavour to ensure, at all times, an appropriate level of diversification of risk within the investment portfolio of such Compartment.

4.6 Loan Origination Restrictions

4.6.1 The notional value of the loans originated to any single borrower by a Compartment may not exceed in aggregate 20% of the capital of the relevant Compartment where the borrower is one of the following:

- (a) a financial undertaking within the meaning of Article 13(25) of Directive 2009/138/EC;
- (b) an AIF; or

(c) a UCITS.

4.6.2 The limit of 20% in Clause 4.6.1 shall:

- (a) apply from no later than 24 months from the date of a Compartment's first subscription dealing day;
- (b) cease to apply once the AIFM begins selling assets of the relevant Compartment in order to redeem Shares as part of the liquidation of the relevant Compartment; and
- (c) be temporarily suspended where the capital of the relevant Compartment is increased or reduced provided that such suspension is limited in time to the period that is strictly necessary taking due account of the interests of the Shareholders of the Compartment and in any case, shall last no longer than 12 months (which may be extended in exceptional circumstances subject to the prior approval of the Central Bank as the competent authority to the AIFM).

4.6.3 A Compartment shall not grant loans to the following entities:

- (a) the AIFM or the staff of the AIFM;
- (b) an entity to which the AIFM has delegated functions or the staff of that entity; and
- (c) an entity within the same group of the AIFM, except where that entity is a financial undertaking that exclusively finances borrowers that are not referred to in (i) or (ii) of this Clause.

5. BORROWING AND LEVERAGE

- 5.1 Subject to any limits applicable to a Compartment as set out in the relevant Special Section, each Compartment may borrow permanently (through loans, repurchase obligations or otherwise either directly or at the level of any Intermediary Vehicle) for investment purposes and/or, to meet funding commitments in underlying Investments and secure those borrowings with liens or other security interests in, or mortgages on, its assets (or the assets of any of its Intermediary Vehicles).
- 5.2 The specific borrowing limit (if any) applicable to a Compartment will be as set out in the relevant Special Section.
- 5.3 To the extent that leverage is employed in respect of a Compartment, the maximum level of leverage will be determined in the relevant Special Section.
- 5.4 The AIFM shall calculate the exposure of each Compartment in accordance with the commitment method as set out in article 8 and the gross method as set out in article 7 of Commission Delegated Regulation. In each case, the exposure of a Compartment is the sum of the absolute values of all positions valued in accordance with the AIFMD Rules. The maximum expected levels of leverage calculated in accordance with gross method and with the commitment method will be set out for each Compartment in the relevant Special Section. Under certain circumstances (e.g. very low market volatility) the leverage may exceed the levels referred to in the Special Section.

5.5 A Compartment that qualifies as an ELTIF will comply with the requirements of the ELTIF Regulation with respect to borrowings.

6. INTEGRATION OF SUSTAINABILITY RISKS

6.1 A sustainability risk is an environmental, social or governance (**ESG**) event or condition that, if it occurs, could have an actual or a potential material negative impact on the value of the investment (sustainability risks are referred to in this Prospectus as **ESG Risks**).

6.2 The AIFM believes that consideration of ESG Risks as part of the due diligence process carried out on investment opportunities is a necessary aspect of evaluating the risk associated with the relevant investment and, accordingly, the return to each Compartment. The AIFM has appointed the Investment Manager to manage the investment and reinvestment of the assets of each Compartment and administer their respective investment programmes. The due diligence process set out below is the general approach of the Investment Manager. The Special Section for each Compartment outlines the specific processes relating to the consideration of ESG Risks taken by the Investment Manager and the Investment Advisors when carrying out due diligence on the relevant asset classes invested into by the Compartment.

6.3 To the extent that the Investment Manager concludes that there is an ESG Risk associated with an investment which could cause an actual or a potential material negative impact on the value of a Compartment, the Investment Manager will seek to assess the likelihood of that ESG Risk occurring against the potential pecuniary advantage to the Compartment of making the investment. If the potential pecuniary advantage is assessed to outweigh the actual or potential material negative impact which could be caused by the ESG Risk, then the Investment Manager may still make the investment. The consideration of ESG risks and any impact on the value of a Compartment is part of the ongoing assessment and management of investments carried out by the Investment Manager for the full life cycle of each Compartment.

6.4 ESG integration is driven by taking into account material ESG risks as part of the Investment Manager's overall investment process. The Investment Manager seeks to consider certain ESG Risks when carrying out due diligence on each investment. The relevant ESG Risks are likewise generally considered by the Investment Manager's investment committee when taking investment decisions.

6.5 The AIFM does not at this time take into account the adverse impact of its investment decisions on ESG factors in connection with its management of the Company or the Compartments. The regulatory environment in respect of sustainable investment is currently evolving and the expectations as to how an entity carrying out the same activities and offering the same types of products as the AIFM should define and evaluate ESG factors and their adverse impacts is not yet clear. As such, there is no definitive guidance available at this time in relation to the systems, controls and measures that the AIFM would need to put in place in order to track and evaluate the adverse impacts on ESG factors on the investments made for the Compartments. The AIFM will keep its approach to this matter under review.

6.6 The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

7. GENERAL PARTNER

7.1 StepStone (Luxembourg) GP S.à r.l. is the sole Unlimited Shareholder.

- 7.2 The General Partner is a private limited liability company (*société à responsabilité limitée*) incorporated under Luxembourg Law on 6 December 2021 with a share capital of EUR 12,000. The articles of association of the General Partner were published in RESA on 22 December 2021. Its registered office is at 10 rue du Château d'Eau, L-3364 Leudelange, Grand Duchy of Luxembourg. The General Partner is registered with the RCSL under B262473.
- 7.3 The General Partner is managed by a board of managers (*conseil de gérance*) and, as at the date of this Prospectus, the following persons have been appointed as managers:
- 7.3.1 Timothy Smith;
- 7.3.2 Christian Hinze; and
- 7.3.3 Ricardo Gomez.
- 7.4 The General Partner is entitled to be reimbursed for any expenses incurred in respect of the operation and management of the Company and each Compartment out of the assets of the relevant Compartment(s).
- 7.5 The General Partner shall be entitled to an annual fee of up to USD 10,000 per Compartment payable by Company out of the net assets of each Compartment. Any additional fee payable to the General Partner by a Compartment, if any, shall be set out in the relevant Special Section.

8. AIFM

Appointment – Legal information – Capital and own funds

- 8.1 The General Partner has appointed StepStone Group Europe Alternative Investments Limited as the external authorised alternative investment fund manager of the Company pursuant to the AIFM Agreement.
- 8.2 The AIFM is a private company limited by shares and was incorporated in Ireland on 17 May 2005. The AIFM, which has an authorised share capital of EUR 1,000,000 and an issued and paid up share capital of EUR 125,000, is a wholly-owned subsidiary of Swiss Capital Alternative Investments AG, and is authorised by the Central Bank as an alternative investment fund manager pursuant to the AIFMD Rules.
- 8.3 The AIFM has adopted policies and procedures to comply, *inter alia*, with the operating conditions under chapter 1 of the Irish Regulations and chapter III of the Commission Delegated Regulation, the conflicts of interest provisions under article 14 of the AIFMD and articles 30 et seq. of the Commission Delegated Regulation and the valuation of Investments provisions under article 19 of the AIFMD and articles 67 et seq. of the Commission Delegated Regulation. Where the AIFM decides to delegate functions to third parties, such delegation will comply with the requirements of chapter 3 of the Irish Regulations, article 20 of the AIFMD and articles 75 et seq. of the Commission Delegated Regulation.
- 8.4 In particular, the AIFM has adopted policies and procedures to reflect the particularities of the making of Investments and will ensure that it has proper organisational and governance structures, the necessary expertise and experience in place for the origination and appropriate technical and human resources.

- 8.5 The AIFM has adopted a remuneration policy in accordance with article 14 and Schedule 2 of the Irish Regulations and annex II of the AIFMD.
- 8.6 Information on the AIFM's capital, own funds and professional indemnity insurance is available free of charge at the registered office of the AIFM.

AIFM Agreement

- 8.7 Pursuant to the AIFM Agreement, the AIFM provides the following services to the Company in accordance with and subject to the requirements of the Irish Regulations and the AIFMD Rules:
- 8.7.1 portfolio management (and, in the case of any delegation by the AIFM of the same, the supervision and monitoring of portfolio management);
 - 8.7.2 risk management;
 - 8.7.3 valuation and pricing; and
 - 8.7.4 pre-marketing and marketing.
- 8.8 In the absence of wilful default, fraud, bad faith or negligence on the part of the AIFM or its delegates, the AIFM will not be liable to the Company (or any Compartment thereof) or to any Limited Shareholder for any act or omission in the course of, or connected with, rendering services under the AIFM Agreement. Notwithstanding the foregoing, the AIFM will have no liability for any losses that may be sustained as a result of the purchase, holding or sale of any Investment and in any circumstances for indirect, special or consequential loss or damage.
- 8.9 Subject to compliance with the requirements of the Central Bank and in accordance with the delegation requirements set down in the Irish Regulations and the AIFMD Rules, the AIFM will with the prior written consent of the General Partner (such consent not being unreasonably withheld) have full power to delegate or to sub-contract any administrative or portfolio management functions it deems necessary or appropriate to perform its obligations under the AIFM Agreement. Pursuant to Clause 8.8 and the terms of the AIFM Agreement, the AIFM's liability towards the Company and the Limited Shareholders will not be affected by such a delegation.
- 8.10 In the event that the AIFM appoints a delegate in accordance with the terms of the AIFM Agreement and pursuant to the provisions of the relevant agreement, such delegate is subject to a different standard of liability to that set out in the AIFM Agreement, such agreement will be required to provide a minimum standard of liability of wilful default, fraud, bad faith and gross negligence on the part of the relevant delegate. In the event that the AIFM enters into such agreements and to the extent that the AIFM has delegated the provision of services to be provided by the AIFM under the AIFM Agreement, the same standard of liability as provided for in the relevant agreement will be deemed to apply to the AIFM in respect of its obligations to the Company and accordingly in such circumstances the AIFM will only be liable to the Company or any Limited Shareholder for the acts or omissions of the relevant delegates in the case of the delegate's wilful default, fraud, bad faith or gross negligence.
- 8.11 The Company (out of the assets of the relevant Compartment) will hold harmless and indemnify the AIFM, its employees, delegates and agents against all actions, proceedings, claims, damages, costs and demands and expenses including, without

limitation, legal and professional expenses on a full indemnity basis which may be brought against, suffered or incurred by the AIFM, its employees, delegates or agents in the performance of its duties under the AIFM Agreement other than due to the wilful default, fraud bad faith or negligence of the AIFM, its employees, delegates or agent, as applicable, in the performance of its obligations under the AIFM Agreement.

- 8.12 The AIFM Agreement is entered into for an indefinite period of time. Any party may terminate the AIFM Agreement in writing by giving at least three (3) months' notice in writing to the other parties.
- 8.13 The AIFM Agreement may be terminated immediately by any party if:
- 8.13.1 the non-terminating party will breach any of its obligations under the AIFM Agreement and will fail to make good such breach within 30 days of receipt of written notice from the terminating party requiring it to do so; or
 - 8.13.2 the non-terminating party passes a resolution for its liquidation or winding-up (except a voluntary liquidation for the purpose of reconstruction or amalgamation on terms previously approved in writing by the terminating party) or if a court of any competent jurisdiction will order a liquidation or winding-up of the non-terminating party, or a receiver will be appointed over the non-terminating party's assets.
- 8.14 The AIFM Agreement may be terminated forthwith by the General Partner if an examiner is appointed to the AIFM pursuant to the Companies Act, 2014 as enacted in the Republic of Ireland or if the AIFM is no longer regulated by the Central Bank pursuant to the AIFMD Rules.
- 8.15 The AIFM Agreement may be terminated with immediate effect by the General Partner if, in its reasonable opinion, it considers such action to be in the best interests of the Limited Shareholders.
- 8.16 The AIFM Agreement will automatically terminate upon the closure of the liquidation of the last remaining Compartment of the Company. The obligations of the AIFM will cease in relation to any Compartment which terminates.

Remuneration

- 8.17 The AIFM will receive a fee for its services, which shall be no less than USD 25,000 (plus VAT, if any) per Compartment per annum and shall not exceed 4bp of the NAV of each Compartment, and will be entitled to receive reimbursement of certain fees and expenses in accordance with the terms of the AIFM Agreement.

9. INVESTMENT MANAGER

Appointment – Legal information

- 9.1 The AIFM has appointed the Investment Manager pursuant to the Portfolio Management Agreement to manage the investment and reinvestment of the assets of each Compartment and administer their respective investment programmes, unless provided otherwise in the Special Section of a Compartment.
- 9.2 The Investment Manager is an investment firm designed to expand access to the private markets for high net worth and mass affluent investors and is wholly owned by the

Investment Advisors. The Investment Manager seeks to create innovative, investor-centric solutions by focusing on convenience, efficiency and transparency. The Investment Manager's mission is to convert the private market advantages enjoyed by institutional investors into opportunities for individual investors. The Investment Manager is registered as an investment adviser under the Advisers Act.

- 9.3 The Investment Manager has appointed the Investment Advisors to provide it with advice, with respect to each Compartment, as is further described in Clause 10.

Portfolio Management Agreement

- 9.4 Pursuant to the Portfolio Management Agreement, the Investment Manager performs, inter alia, the following services for the AIFM:
- 9.4.1 general investment management and advisory services in respect of each Compartment and its respective Investments;
 - 9.4.2 undertaking due diligence in respect of any proposed Investments by a Compartment;
 - 9.4.3 the supervision of the Investment Advisors;
 - 9.4.4 general advice on the managing of the Compartments and Classes, including assisting the AIFM with managing the risk profile of each Compartment; and
 - 9.4.5 various administrative tasks.
- 9.5 Any additional services provided by the Investment Manager to the AIFM in respect of a specific Compartment will be disclosed in the relevant Special Section.
- 9.6 The Investment Manager will, but only with the prior written consent of the AIFM and otherwise in accordance with the requirements of the Central Bank, be entitled to delegate to any person or entity, including without limitation any associate of the Investment Manager, upon such terms and conditions as it may think fit all or any of its powers and discretions including without limitation in relation to the selection, acquisition, holding and realisation of the Investments and the application of any monies forming part of the property of each Compartment and any such other matters as the Investment Manager may deem fit. The Investment Manager's liability towards the AIFM, the Company or to any Limited Shareholders will not be affected by any such delegation. The Investment Manager will exercise due care and diligence in making any such appointments and will also review the services provided by any delegate appointed by it on an ongoing basis.
- 9.7 The Portfolio Management Agreement contains certain exclusions of liability, such that the Investment Manager will not be liable whatsoever to the, AIFM, Company (or any Compartment) or to any Limited Shareholder for any error of judgment, mistake of law or any other act or omission in the course of, or connected with, rendering services thereunder in the absence of (a) wilful misconduct, bad faith or gross negligence on the part of the Investment Manager in the performance of its obligations and duties thereunder, (b) reckless disregard by the Investment Manager of its obligations and duties thereunder, or (c) a loss resulting from a breach of fiduciary duty with respect to the receipt of compensation for services.

9.8 Under the terms of the Portfolio Management Agreement, the AIFM, on behalf of the Company, will hold harmless and indemnify out of the assets of the relevant Compartment, the Investment Manager, its employees, authorized delegates and authorized agents from and against all actions, proceedings, claims, damages, costs, taxes, judgments, settlement costs, demands and expenses including, without limitation, legal and professional expenses on a full indemnity basis, which may be brought against, suffered or incurred by the Investment Manager, its employees, authorized delegates or authorized agents in the performance of its duties under the Portfolio Management Agreement except to the extent that a court of competent jurisdiction determines that wilful misconduct, bad faith, gross negligence, or reckless disregard of the duties or breach of fiduciary duties on the part of the Investment Manager, its employees, authorized delegates or authorized agents, as applicable, has given rise to the matter at issue. This indemnity will extend to any loss arising as a result of any error of judgement, third party default or any loss, delay, misdelivery or error in transmission of any communication to the Investment Manager or as a result of acting in good faith upon any forged document or signature and the AIFM acknowledges that in discharging its obligations under the Portfolio Management Agreement the Investment Manager may, in the absence of manifest error and acting in good faith, rely without enquiry upon all information supplied to it by the AIFM or any persons appointed by the AIFM.

9.9 The Portfolio Management Agreement will continue for an undetermined period of time. Any party to the Portfolio Management Agreement will be entitled to terminate the Portfolio Management Agreement at the end of each calendar quarter by giving not less than three (3) months' notice in writing to the other parties (or such shorter notice as may be agreed by the parties). The Portfolio Management Agreement may be terminated with immediate effect by the AFIM if, in its reasonable opinion, it considers such action to be in the best interests of the Limited Shareholders. The Portfolio Management Agreement may also be terminated on one month's notice if the AFIM ceases to be authorised and regulated by the Central Bank as an alternative investment fund manager pursuant to Part 2 of the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. 257 of 2013). The Portfolio Management Agreement may further be terminated without prior notice by any party if:

9.9.1 a non-terminating party breaches any of its material obligations under the Portfolio Management Agreement and fails to remedy such breach within thirty (30) calendar days of receipt of written notice from the terminating party requiring it to do so; or

9.9.2 a non-terminating party passes a resolution for its winding-up (except a voluntary liquidation for the purpose of reconstruction or amalgamation on terms previously approved in writing by the terminating party) or if a court of competent jurisdiction will order a winding-up of the non-terminating party, or a receiver will be appointed over the non-terminating party's assets or if some event having an equivalent effect occurs.

The Portfolio Management Agreement will automatically terminate upon the termination, howsoever arising, of the AIFM Agreement; in the event of (i) its "assignment" (as to the Investment Manager, as such term is defined in Section 202(a)(1) of the Advisers Act); and will also terminate on the termination of the Company. For the avoidance of doubt, if one Compartment terminates but another or others remain, the Portfolio Management Agreement will not terminate but will remain in place with regard to the remaining Compartment(s) until such time as it is terminated.

Remuneration

- 9.10 Pursuant to the Portfolio Management Agreement, the Investment Manager will be entitled to receive an Investment Management Fee paid out of the assets of the relevant Compartment. The details of the Investment Management Fee and any other fees, including any Performance Fees, payable by the Company out of the net assets of the relevant Compartment to the Investment Manager are contained in the relevant Special Section.

10. INVESTMENT ADVISORS

- 10.1 The AIFM or the Investment Manager, as applicable, has appointed the Investment Advisors to provide private markets investment advice and services to the Investment Manager in respect of the Investment Manager's portfolio management of the Company and each of its Compartments unless provided otherwise in the Special Section of a Compartment.
- 10.2 The Investment Advisors are each consolidated subsidiaries of StepStone Group, a Nasdaq-listed global private markets investment firm focused on providing customized investment solutions and advisory and data services to its clients. As of September 30, 2025, the Investment Advisors oversaw approximately \$771 billion of private markets allocations, including \$209 billion of assets under management. The Investment Advisors' clients include some of the world's largest public and private defined benefit and defined contribution pension funds, sovereign wealth funds and insurance companies, as well as prominent endowments, foundations, family offices and private wealth clients, which include high-net-worth and mass affluent individuals. The Investment Advisors partners with its clients to develop and build private markets portfolios designed to meet their specific objectives across the private equity, infrastructure, private debt and real estate asset classes.

Advisory Agreement

- 10.3 Pursuant to the Advisory Agreement, the Investment Advisors performs, inter alia, the following services for the Investment Manager:
- 10.3.1 employing asset allocation and diversification strategies in respect of each Compartment;
 - 10.3.2 identifying and managing private markets portfolio risk;
 - 10.3.3 tracking and monitoring the continuing operations, management, financial condition and other pertinent details information and conducting ongoing due diligence as to Compartment allocations of assets to Investments; and
 - 10.3.4 the provision of marketing services.
- 10.4 The Advisory Agreement contains certain exclusions of liability, such that respectively the Investment Advisors will not be subject to any liability whatsoever to the Company (or any Compartment), the Investment Manager or to any Limited Shareholder for any error of judgment, mistake of law or any other act or omission in the course of, or connected with, rendering services thereunder in the absence of (a) wilful misconduct, bad faith or gross negligence on the part of the Investment Advisors in the performance of its obligations and duties thereunder, (b) reckless disregard by the Investment Advisors of its obligations and duties thereunder, or (c) a loss resulting from a breach of

fiduciary duty by the Investment Advisors with respect to the receipt of compensation for services.

- 10.5 Under the terms of the Advisory Agreement, the Investment Advisors and each officer, director, shareholder, partner, owner, member, manager, principal, employee or agent thereof, or any person who controls, is controlled by or is under common control with, the Investment Advisors, and their respective executors, heirs, assigns, successors or other legal representatives is entitled to an indemnity(out of the assets of the relevant Compartment) against all losses, claims, damages, liabilities, costs and expenses arising by reason of being or having been providing investment advisory services to the Investment Manager in respect of each Compartment in accordance with the Advisory Agreement by the indemnitee, or the past or present performance of services to the Investment Manager in respect of each Compartment, except to the extent that the loss, claim, damage, liability, cost or expense has been finally determined in a judicial decision on the merits from which no further appeal may be taken in any action, suit, investigation or other proceeding to have been incurred or suffered by the indemnitee by reason of wilful misconduct, bad faith, gross negligence, or reckless disregard of its duties, or breach of its fiduciary duties, by the indemnitee.
- 10.6 Expenses, including counsel fees and expenses, incurred by an indemnitee (but excluding amounts paid in satisfaction of judgments, in compromise, or as fines or penalties) may be paid from time to time by the Company (from the assets of the relevant Compartment) in advance of the final disposition of any action, suit, investigation or other proceeding upon receipt of an undertaking by or on behalf of the indemnitee to repay to the Company (for the account of the relevant Compartment) amounts paid if a determination is made that the indemnification of the expenses is not authorised under the Advisory Agreement, so long as certain conditions are satisfied as set out therein. In the event of the disposition of any action, suit, investigation or other proceeding (whether by a compromise payment, pursuant to a consent decree or otherwise) without an adjudication or a decision on the merits by a court, or by any other body before which the proceeding has been brought, that an indemnitee is liable on grounds of wilful misconduct, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of the indemnitee's office, indemnification will be provided in accordance with the terms of the Advisory Agreement if (i) approved as being in the best interests of the Company and its Limited Shareholders by the General Partner, and (ii) the General Partner secures a written opinion of independent legal counsel based upon a review of readily available facts (as opposed to a full trial-type inquiry) to the effect that indemnification would not protect the indemnitee against any liability to which the indemnitee would otherwise be subject by reason of wilful misconduct, bad faith, gross negligence or reckless disregard of the duties, or breach of its fiduciary duties, involved in the conduct of the indemnitee's office.
- 10.7 The Advisory Agreement will continue for an initial two-year term and will continue thereafter so long as such continuance is specifically approved at least annually by the Investment Manager. The Advisory Agreement may be terminated by one party giving to the other, at any time and without the payment of any penalty, not less than three months' written notice (or such shorter notice as may be agreed between the parties). The Advisory Agreement will automatically and immediately terminate in the event of (i) its "assignment" (as to the Investment Advisors, as such term is defined in the Advisers Act) or (ii) the termination of the Portfolio Management Agreement (unless otherwise agreed between the General Partner, the Investment Manager and the Investment Advisors).

Remuneration

- 10.8 Pursuant to the Advisory Agreement, the Investment Manager will be responsible for any fee paid to the Investment Advisors.

11. DEPOSITARY

Appointment – Legal information

- 11.1 The Depositary is Northern Trust Global Services SE, a public company limited by shares incorporated in Luxembourg under RCSL number B232281 and is an investment business firm duly authorised in Luxembourg. The General Partner on behalf of the Company in respect of each Compartment and with the approval of the AIFM appoints Northern Trust Global Services SE as the depositary of each Compartment (the **Depositary**).
- 11.2 The Depositary is responsible for ensuring the segregation of assets as between each Compartment and for the safekeeping of each Compartment's assets, including securities and cash, directly held by the Depositary or indirectly by other financial institutions under the Depositary's responsibility, such as correspondents, nominees, agents, and representatives of the Depositary in accordance with the AIFMD, the 2010 Act and subject to the terms of the Depositary Agreement.
- 11.3 The Depositary Agreement may be terminated in writing by the parties within a period of six months and is governed by the laws of Luxembourg.

Services

- 11.4 The Depositary has been entrusted with the following three main duties:
- 11.4.1 monitoring of each Compartment's cash;
 - 11.4.2 safe-keeping of each Compartment's assets held in custody by the Depositary pursuant to Article 21(8)(a) of the AIFMD;
 - 11.4.3 oversight of certain transactions and operations relating to the Company and each Compartment, such as:
 - (a) ensuring that the sale, issue, redemption, conversion and cancellation of Shares effected by the Company or on its behalf are carried out in accordance with applicable law and the Articles;
 - (b) ensuring that in transactions involving the assets of the Company, any consideration is remitted to it within the customary settlement dates; and
 - (c) ensuring that the income attributable to the Company is applied in accordance with the Articles.
- 11.5 These main duties, as well as any additional duties which the Depositary has been entrusted with, are more fully described in the Depositary Agreement, a copy of which is available at the registered office of the General Partner.

- 11.6 The Depositary has power to appoint sub-custodians, agents and delegates (each a **Correspondent**) to hold the assets of the Company. The Depositary's liability will not be affected by the fact that it has entrusted some or all of the assets in its safekeeping to a Correspondent. The Depositary will be liable to the Company and the Investors in respect of:
- 11.6.1 any loss of Custody Assets (as defined in the Depositary Agreement) by the Depositary or a Correspondent, except if it can prove that such loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary; and
 - 11.6.2 any loss (other than loss of Custody Assets) suffered by the Company as a direct result of the Depositary's fraud, negligent or intentional failure to perform its obligations pursuant to the AIFMD.
- 11.7 The Depositary will have no liability to the Company, the AIFM or any other person for any:
- 11.7.1 indirect, incidental or consequential losses;
 - 11.7.2 losses arising from the insolvency or any similar event affecting any broker, dealer, bank or other agent (other than a Correspondent) engaged in connection with the provision of the services under the Depositary Agreement;
 - 11.7.3 losses arising from the acts, omissions or insolvency of a settlement system; or
 - 11.7.4 losses arising in the absence of any of the circumstances referred to in Clause 11.6 above.
- 11.8 The Company has not appointed, and does not intend to appoint, a prime broker.
- 11.9 Information about the safekeeping functions which have been delegated, the identification of the relevant delegates, the conflicts of interest that may arise from these delegations and more generally the potential conflicts of interest between the Company, the Limited Shareholders, the AIFM and the Depositary is available at the registered office of the AIFM.
- 11.10 Except for Compartments which qualify as ELTIF and which are marketed to Retail Investors, the Depositary may discharge its liability in case of loss of assets held in custody with delegates provided that:
- 11.10.1 all requirements for the delegation of its safe-keeping services set forth above are met;
 - 11.10.2 the written contract between the Depositary and the relevant delegate expressly transfers the liability of the Depositary to that delegate and makes it possible for the AIFM acting on behalf of the Company to make a claim against that delegate in respect of the loss of assets or for the Depositary to make such a claim on behalf of the Company; and
 - 11.10.3 there is objective reasons for such discharge of liability which are:

- (a) limited to precise and concrete circumstances characterising a given activity; and
- (b) consistent with the Depositary's policies and decisions.

- 11.11 Such objective reasons shall be established each time the Depositary intends to discharge itself of liability. As at the date of this Prospectus, the Depositary has not contractually discharged its liability under the Depositary Agreement. Information regarding any discharge by the Depositary of its liability, as well as any material change to this information, will be made available to Limited Shareholders.
- 11.12 In accordance with the AIFMD Rules, a loss of a financial instrument held in custody by the Depositary will be notified immediately to the Limited Shareholders in writing once it has been ascertained.
- 11.13 To the extent permitted by the AIFMD Rules, the Company (out of the assets of the relevant Compartment where applicable to such Compartment or pro rata out of the assets of each Compartment based on the NAV applicable to the Company as a whole) and the AIFM will jointly but not severally indemnify and hold harmless the Depositary, its affiliates and their respective directors, officers and employees from all losses and any claim arising out of or in connection with any matter for which, pursuant to the Depositary Agreement, the Depositary is protected, not liable or not responsible, or otherwise with respect to any act or omission taken by the Depositary in the absence of any loss of Custody Assets or the fraud, negligent or intentional failure to perform its obligations pursuant to the AIFMD for which the Depositary is liable in accordance with the terms of the Depositary Agreement.
- 11.14 Unless otherwise agreed in writing between the parties, the Depositary Agreement may be terminated at any time upon 6 months' written notice from the General Partner to the Depositary or the Depositary to the General Partner. Notwithstanding the foregoing, the General Partner or the Depositary may at any time during the term of the Depositary Agreement acting reasonably, immediately terminate the Depositary Agreement:
- 11.14.1 in the event that the Depositary or the Company will go into insolvency (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the non-defaulting party) or the appointment of an administrator, liquidator, examiner or receiver to the other or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction; or
 - 11.14.2 if fraud is proven against the Company, the AIFM or the Depositary; or
 - 11.14.3 if the continued performance of the Depositary Agreement for any reason ceases to be lawful.

Remuneration

- 11.15 The fees and costs of the Depositary for the above functions are payable by the Company out of the assets of the relevant Compartment where such fees are applicable to such Compartment or pro rata out of the assets of each Compartment based on NAV where the fees are applicable to the Company as a whole, as further described in the Depositary Agreement.

12. ADMINISTRATOR

Appointment – Legal information

- 12.1 The General Partner for the account of the Company and the AIFM has appointed the Administrator as the administrator, corporate and domiciliary agent, and registrar and transfer agent of the Company pursuant to the Administration Agreement.
- 12.2 The relationship between the General Partner, for the account of the Company, the Administrator and the AIFM is subject to the terms of the Administration Agreement.
- 12.3 The Administrator is a public company limited by shares incorporated in Luxembourg under RCSL number B232281 and is an investment business firm duly authorised in Luxembourg. Its registered and head office is at the address specified in the Directory. The Administrator's principal business is the provision of fund administration, accounting, registration, transfer agency and related shareholder services to collective investment schemes and investment funds subject to the oversight and control of the AIFM. The Administrator also acts as corporate and domiciliary agent of the Company and the General Partner. The Administrator may sub-delegate certain of its functions to third parties in accordance with Luxembourg law.
- 12.4 The duties and functions of the Administrator will include, inter alia, the calculation of the NAV, the preparation and maintenance of the Company's books, records and accounts, preparation of the financial statements and reports of the Company (and filing the same as required by Luxembourg Law), corporate and domiciliary agency services and registration and transfer agency services. Upon request by the Company, the Administrator and/or its delegate(s) will also provide assistance in connection with communicating with the investors and other persons with respect to the Company.
- 12.5 The Administration Agreement will continue for an unlimited duration unless termination in accordance with its terms. The Administration Agreement may be terminated by any party by a notice in writing delivered or posted, postage pre-paid, to the other party, such termination to take effect not sooner than three (3) months after the date of such delivery or posting. The Administration Agreement may be terminated immediately by notice from one party to the other parties:
- 12.5.1 in the event of the winding up of or the appointment of an administrator, examiner or receiver to the other or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction; or
 - 12.5.2 if the other will commit any breach of the provisions of the Administration Agreement and will if capable of remedy not having remedied the same within thirty (30) days after the service of notice requiring it to be remedied; or
 - 12.5.3 if fraud is proven by a court against a non-terminating Party; or
 - 12.5.4 if the continued performance of the Administration Agreement for any reason ceases to be lawful.
- 12.6 The Company and/or the AIFM may also terminate the Administration Agreement with immediate effect if the Company and/or the AIFM considers this to be in the best interests of the Limited Shareholders under the conditions provided by applicable law.
- 12.7 Pursuant to the Administration Agreement, the Administrator will not be liable to the Company, the AIFM, or any other persons for any loss whatsoever and howsoever

incurred by any of them as a result of the performance or non-performance by the Administrator of its obligations and duties under the Administration Agreement save where (i) such loss is the direct result of the Administrator's gross negligence, fraud, wilful default or material breach of the Administration Agreement, or (ii) the Company (or a Compartment) has suffered a direct loss (including satisfying a claim for indemnification) as a result of an investor dealing error caused by the Administrator resulting in a shortfall in or overpayment of subscription funds paid by a Shareholder or redemption funds paid to a Shareholder.

- 12.8 Under the terms of the Administration Agreement, the Company and the AIFM will jointly but not severally indemnify the Administrator, out of the relevant Compartment's assets, and each of its directors, officers, employees, and agents against, and hold them harmless from, any liabilities, losses, claims, costs, damages, penalties, fines, obligations, or expenses of any kind whatsoever (including reasonable fees and legal expenses) that may be imposed on, incurred by or asserted against any of the indemnitees in connection with or arising out of the Administrator's performance in accordance with the terms of the Administration Agreement, the Administrator's reliance on information provided to the Administrator by or on behalf of the Company, the AIFM, a target fund or any asset pricing, valuer or market data providers selected by the Company or the AIFM, any action or omission taken by the Administrator in accordance with any proper instruction or other directions upon which the Administrator is authorised to rely under the terms of the Administration Agreement, the actions or omissions of any broker, dealer, bank, depositary, custodian or other person engaged by the Company and any claim arising out of the investment activities of the Company or the relevant Compartment (as applicable), including an action, suit, claim or demand brought or threatened against or suffered or sustained by the Administrator by a Limited Shareholder or a person who holds a charge or other security interest over any property comprised in the Company or a Compartment (as applicable), including a claim under an external complaints resolution procedure; provided that the foregoing indemnifications will not apply if such liabilities are the direct result of the Administrator's gross negligence, fraud, wilful default or material breach of the Administration Agreement.
- 12.9 The Administrator may, upon prior written notice to the Company, sub-delegate certain of its functions to third parties in accordance with Luxembourg Law. The Administrator will remain liable for the acts or omissions of any such delegate as if such acts or omissions were its own.
- 12.10 The Administration Agreement is governed by the laws of Luxembourg.

Remuneration

- 12.11 The fees and costs of the Administrator for the above functions are payable by the Company (out of the net assets of the relevant Compartment where such fees are applicable to such Compartment or pro rata out of the assets of each Compartment based on NAV where the fees are applicable to the Company as a whole) and the General Partner (as applicable), as further described in the Administration Agreement.

13. AUDITOR

- 13.1 Ernst & Young S.A. (Luxembourg) (the **Auditor**) has been appointed as the statutory auditor (*réviseur d'entreprises agréé*) and will fulfil the duties required under the 2013 Act and the 2010 Act.

13.2 The fees of the Auditor for its services will be payable by the Company at normal commercial rates, to be approved by the General Partner annually, and the Auditor is also entitled to reimbursement of its out-of-pocket expenses.

14. LEGAL ADVISORS

14.1 Maples and Calder (Luxembourg) (**Maples Lux**) and Dechert (Luxembourg) LLP are counsel to the Company with respect to matters of Luxembourg Law, Maples and Calder (Ireland) LLP (**Maples LLP**) is counsel to the Company with respect to matters of Irish law and Dechert LLP is counsel to the Company with respect to matters of English law and U.S. law. Maples Lux, Maples LLP, Dechert (Luxembourg) LLP and Dechert LLP may also act as counsel to other funds managed by the AIFM, the Investment Manager, the Investment Advisors and any of their affiliates now or in the future. Maples Lux and Dechert (Luxembourg) LLP act as counsel to the General Partner with respect to matters of Luxembourg Law. Conflicts could arise due to these multiple representations. Potential investors are urged to consult their own counsel.

14.2 In connection with their representation, Maples Lux, Maples LLP, Dechert (Luxembourg) LLP and Dechert LLP act as counsel solely in respect of the specific matters on which they have been consulted, and their involvement with respect to any particular matter is limited by the actual knowledge of the Maples Lux, Maples LLP, Dechert (Luxembourg) LLP and Dechert LLP lawyers who provide substantive attention to that matter.

14.3 As counsel to the Company, neither Maples Lux, Maples LLP, Dechert (Luxembourg) LLP nor Dechert LLP is involved in, and neither has discretion with respect to, the Company's business, investments, management or operations, such as responsibility for compliance. In giving advice in connection with the preparation of this Prospectus, Maples Lux, Maples LLP, Dechert (Luxembourg) LLP and Dechert LLP have advised solely in a professional capacity and each has relied upon information furnished to it by the General Partner, the AIFM, the Investment Manager and/or their respective affiliates.

15. OTHER SERVICE PROVIDERS

15.1 To assist in its responsibility for voting proxies on behalf of the relevant Compartment, the Investment Manager may from time to time retain, for its own account, experts in the proxy voting and corporate governance area as proxy research providers (**Research Providers**). The services provided to the Investment Manager by the Research Providers may include in depth research, global issuer analysis, and voting recommendations. While the Investment Manager may review and utilise recommendations made by the Research Providers in making proxy voting decisions, it is in no way obligated to follow any such recommendations. In addition to research, the Research Providers may provide vote execution, reporting and recordkeeping. The Investment Manager will carefully monitor and supervise the services provided by any Research Providers.

15.2 The Company may appoint other service providers in respect of one or more Compartments from time to time, including but not limited to trading counterparties, brokers and execution and settlement agents, registered office service providers and tax advisers and accountants. A list of such service providers is available upon request to the Investment Manager.

15.3 The Company's other service providers shall be paid fees at normal commercial rates, as may be agreed from time to time by the relevant service provider and the AIFM and/or the General Partner, as applicable.

16. ACCEPTANCE OF SUBSCRIPTIONS

16.1 The General Partner is entitled to accept subscriptions from Investors in accordance with the terms of the Articles, this Prospectus and, in particular, the relevant Special Section, as well as the relevant Investor's Subscription Document and any additional contractual arrangement.

16.2 Each Investor subscribing for Shares must execute the relevant Subscription Document.

16.3 In respect of certain Compartments, Shares may be available for subscription by certain US Persons. If allowed, Investors who are US Persons will be required to submit a duly completed Supplement for US Persons.

16.4 Investors may commit to subscribe for Shares on one or more dates or periods as determined by the General Partner in the relevant Special Section. The modes of payment for subscriptions shall be determined in the relevant Subscription Document and in accordance with the relevant Special Section.

16.5 The General Partner may determine any other additional subscription conditions, such as minimum initial subscription amounts, minimum subsequent subscription amounts, default interests or restrictions on ownership (if any). Such conditions shall be disclosed and more fully described in the relevant Special Section. The General Partner may also impose restrictions on the frequency at which subscriptions are accepted. The General Partner may, in particular, decide that subscriptions shall only be accepted during one or more offering periods or at such other frequency as provided for in the Special Section.

17. REDEMPTION OF SHARES

17.1 Shares of a relevant Compartment may be redeemed upon request of a Limited Shareholder in accordance with the terms set out in the relevant Special Section.

17.2 In the event that a Compartment qualifies as an ELTIF, that Compartment will comply with (i) the requirements of the ELTIF Regulation regarding the redemption policy and (ii) the redemption policy specified for such Compartment in the relevant Special Section.

17.3 Depending on the development of the NAV per Share of the relevant Class or series of Shares in the relevant Compartment, Shares may be redeemed at a higher or lower price than the dealing price paid for subscription of such Shares.

17.4 Payments for redeemed Shares will be made only if no legal provision, such as exchange controls or other circumstances outside the control of the Depositary, prohibit the making of a payment.

17.5 The AIFM shall use its best efforts to maintain an appropriate level of liquidity in the assets of each Compartment so that redemption of the Shares of the Compartment under normal circumstances may be made without undue delay after request by Shareholders. The AIFM shall however, in exceptional circumstances when sufficient liquidity is not available, be entitled, subject to obtaining the approval of the Depositary, to implement redemption orders only after the sale of corresponding assets of the

relevant Compartment shall have been effected without delay. In particular, redemption requests above a certain limit may be deferred for specific Compartments as disclosed in the relevant Special Section, as the case may be. In the event of such deferral, unsatisfied redemption requests must be resubmitted by the investors before the next available redemption opportunity, as disclosed in the relevant Special Section.

17.6 If, as a result of any request for redemption, the aggregate NAV of the Shares held by the redeeming Shareholder in a Class or series of Shares within a Compartment would fall below the minimum applicable holding requirement, the Company may treat such request as a request to redeem the entire shareholding of such Shareholder in such Class or series of Shares.

18. SWITCHING AND CONVERSION OF SHARES

18.1 Unless otherwise provided in a relevant Special Section, Shares of one Compartment cannot be converted into Shares of another Compartment unless approved by the General Partner, which shall determine the terms and the conditions of any such conversion.

18.2 Except otherwise specified in the relevant Special Section, switching of Shares of one Class or series into Shares of another Class or series of Shares within the same Compartment can take place on the Business Day following any Valuation Date upon receipt by the AIFM or the Administrator of an application for switching.

18.3 Applications for the switching of Shares may be given by email, by fax, by post, by way of SWIFT or other electronic means (including by way of the Switch Form contained in the Subscription Document submitted in portable document format (.PDF) as an attachment to an email sent to the email addresses indicated in the Subscription Document) or other means as deemed suitable by the AIFM but not by phone for the time being. In switching Shares of a Class or series for Shares of another Class or series of Shares within the same Compartment, a Limited Shareholder must meet any applicable minimum investment requirement imposed in the relevant Class or series of Shares.

18.4 The switching from one Class or series of Shares to another Class or series of Shares is effected on the Business Day following any Valuation Date on the basis of the respective NAV per Share of the relevant Class or series of Shares in the two Classes or series of Shares calculated on such Valuation Date and using the applicable market rates prevailing at the time of calculation of such NAV.

19. GENERAL OWNERSHIP RESTRICTIONS

19.1 The General Partner may restrict or prevent the ownership of Shares by any Person:

19.1.1 if, in the opinion of the General Partner, such ownership may be detrimental to the Company, a Compartment or an Intermediary Vehicle;

19.1.2 if such ownership (either by such Person individually or together with other Investors in the same circumstances) may, in the opinion of the General Partner, result in the Company or a Compartment:

(a) violating any Luxembourg Law or any other law or regulation (including, without limitation, anti-money laundering and terrorism financing laws and regulations and ERISA);

- (b) suffering material taxation or other pecuniary or fiscal disadvantages which may not have been suffered had such Person not been a Shareholder;
- (c) being deemed to constitute (or any portion of its assets being deemed to constitute) assets of any plan (or other Benefit Plan Investor) for the purposes of ERISA, Section 4975 of the Code or any similar law; or
- (d) being required to be registered or to register its Shares under the laws of any jurisdiction other than Luxembourg (including, without limitation, under the US Securities Act or the US Investment Company Act).

19.2 Such Persons are to be determined by the General Partner and are defined herein as **Restricted Persons**.

19.3 The General Partner may:

19.3.1 decline to accept any subscription applications, issue any Shares and decline to register any Transfer, where such subscription, issuance or Transfer would result in legal or beneficial ownership of such Shares by a Restricted Person; and

19.3.2 at any time, require any Person whose name is entered in the Register or who seeks to register a Transfer in the Register to deliver to the General Partner any information, supported by affidavit, which the General Partner may consider necessary for the purpose of determining whether or not the beneficial ownership of such Shareholder's Shares is held by a Restricted Person, or whether such registration will result in beneficial ownership of such Shares by a Restricted Person.

19.4 If it appears that a Shareholder is a Restricted Person, the General Partner shall be entitled, in its absolute discretion, to:

19.4.1 Transfer the Shares of the Restricted Person to a Person that is not a Restricted Person;

19.4.2 decline to accept the vote of the Restricted Person;

19.4.3 retain all distributions to be paid or other sums to be distributed with regard to the Shares held by the Restricted Person;

19.4.4 notify the Restricted Person to sell its Shares and to demonstrate to the General Partner that this sale was made within thirty calendar days of the sending of the notice requiring such sale, subject each time to the applicable restrictions on Transfer as set out in the Articles and this Prospectus; and/or

19.4.5 compulsorily redeem all Shares of the Restricted Person reimbursing such Person at a price based on the lesser of:

- (a) the latest available NAV or the NAV at the date on which the General Partner became aware that the relevant Limited Shareholder was a Restricted Person; and

- (b) the subscription price paid by the Restricted Person, less an amount equal to the higher of (i) 30% of the applicable subscription price and (ii) the costs incurred by the Company as a result of the holding of Shares by the Restricted Person (including all costs linked to the compulsory termination).

20. TRANSFER RESTRICTIONS ON SHARES

General rules

- 20.1 Ordinary Shares can be transferred in accordance with the Articles, which require, *inter alia*, the approval of the General Partner, and, where applicable, any further provisions set out in the relevant Special Section or the relevant Subscription Document.
 - 20.2 No Transfer of an Ordinary Share will be effective if:
 - 20.2.1 the Transferee (as defined below) is a Restricted Person;
 - 20.2.2 the Transfer violates any applicable law, including the 2010 Act or any applicable regulation including, without limitation, the US Securities Act or ERISA;
 - 20.2.3 the Transfer results in the Company or any Compartment becoming subject to any adverse tax, legal or regulatory consequences; or
 - 20.2.4 the Transfer results in the Company, the General Partner, any Compartment or the AIFM being required to register as an investment company under the US Investment Company Act.
 - 20.3 If a Limited Shareholder (a **Transferor**) shall Transfer all or any part of its Shares (including any undrawn commitments) to any Person (a **Transferee**) under the terms of this Prospectus and the Articles, no such Transfer shall be made or shall be effective to make such Transferee a Limited Shareholder or entitle such Transferee to any benefits or rights hereunder until:
 - 20.3.1 the Transferee enters into the relevant Subscription Document (including, as applicable, a Supplement for US Persons) to assume and be bound by all the obligations of the Transferor arising from the date of such Transfer, and to be subject to all the restrictions to which the Transferor is subject under the terms of the Articles and the Prospectus with respect to the Shares transferred; and
 - 20.3.2 the Transferee is recorded as a Limited Shareholder in the Register.
 - 20.4 The failure of any Transferee, including by operation of law or otherwise, to fulfil the requirements set forth in Clauses 20.3.1 and 20.3.2 shall result in the Transfer being void.
- ## 21. COMPULSORY REDEMPTIONS AND TRANSFER
- 21.1 The General Partner may at any time, in its sole discretion, compulsorily redeem or require the Transfer of any or all Shares for any or no reason whatsoever, including where the General Partner determines that:

- 21.1.1 the Shares have been Transferred to, or have vested in, any Person other than by operation of law as the result of the death, bankruptcy, insolvency, adjudicated incompetence or dissolution of a Limited Shareholder or with the consent of the General Partner, as described above;
- 21.1.2 ownership of Shares by a Limited Shareholder or other Person is likely to cause the Company to be in violation of, require registration of any Shares under, or subject the Company, the General Partner, the AIFM, the Investment Manager or the Investment Advisors to additional registration or regulation under the securities, commodities or other laws of the United States or any other relevant jurisdiction;
- 21.1.3 continued ownership of Shares by a Limited Shareholder may:
 - (a) be harmful or damaging to the business or reputation of the Company, the AIFM, the General Partner, the Managers or any of their respective affiliates, or
 - (b) subject the General Partner, the AIFM, the Company or any Limited Shareholder to an undue risk of adverse tax or other fiscal or regulatory consequences;
- 21.1.4 any of the representations and warranties made by a Limited Shareholder or other person in connection with the acquisition of Shares were not true when made or have ceased to be true;
- 21.1.5 the Limited Shareholder is subject to special regulatory or compliance requirements, such as those imposed by the US Bank Holding Company Act of 1956, as amended, certain Federal Communications Commission regulations, or ERISA, and/or the General Partner determines that the Limited Shareholder is likely to be subject to additional regulatory or compliance requirements under such requirements by virtue of continuing to hold the Shares; or
- 21.1.6 it would be in the best interests of the Company for the General Partner to redeem the Shares.

22. PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING

- 22.1 Measures aimed towards the prevention of money laundering and terrorist financing as provided by Luxembourg Law, including the AML Law and CSSF Regulation No 12-02, are the responsibility of the Company (represented by the General Partner) and have been delegated (under its supervision) to the Administrator.
- 22.2 The Company is also required by AML Law to apply, on a risk-based approach, due diligence measures on the investments of the Compartments. To the extent an Investor is purchasing Shares in a Compartment on behalf of, or as an intermediary for, one or more of its clients, the Company, in accordance with CSSF Regulation No 12-02, will obtain a representation that the intermediary has collected and maintains recorded evidence for its end investors in accordance with article 3-2 of the AML Law and article 3 of CSSF Regulation No 12-02.
- 22.3 These measures require, amongst others, that the Administrator requests the verification of the identity of any Investor and its ultimate beneficial owner (if applicable).

By way of example, a natural person will be required to provide a copy of his/her passport or identification card duly certified by a competent authority (e.g. embassy, consulate, notary, police officer, solicitor, financial institution domiciled in a country imposing equivalent identification requirements or any other competent authority) and corporate applicants will be required, amongst other things, to produce a certified copy of the certificate of incorporation (and any change of name), the Limited Shareholder's information memorandum or similar document (if any) and its articles of association (or equivalent), a recent list of its shareholders showing a recent stake in its capital, printed on the letterhead of the Limited Shareholder duly dated and signed, an authorised signature list and an excerpt of the trade register. It should be noted that the above list is not exhaustive and that the Limited Shareholder may be required to provide further information to the Administrator in order to ensure the identification of such Limited Shareholder and its ultimate beneficial owner (if applicable).

- 22.4 No redemption payment may be made to an Investor, or transfer of Shares completed, until all documentation required by the Administrator, including any document in connection with any anti-money laundering procedures, have been completed, sent to and received by the Administrator.
- 22.5 Further details on the information and documents to be provided by a Limited Shareholder for the purpose of the prevention of money laundering and terrorist financing as required by Luxembourg Law are contained in the relevant Subscription Document. Any additional requirements that may be applicable to a Limited Shareholder may be requested by the Administrator from time to time.
- 22.6 In addition to the above requirements, the Company has the obligation to perform anti-money laundering verifications in relation to the underlying investments of the Company.

23. VALUATION OF INVESTMENTS

- 23.1 Unless otherwise provided for in respect of a relevant Compartment in that Compartment's Special Section, the following rules apply in respect of the valuation process of Investments.

General

- 23.2 The value of the Investments will be determined as follows:
- 23.2.1 Securities and instruments of an issuer that are not listed on a stock exchange, dealt or traded on a Regulated Market are determined at the Fair Market Value determined prudently and in good faith by the Company (or its agent), referring to professional valuation guidelines as further described in this Prospectus and including amortised costs;
- 23.2.2 Securities and instruments which are listed on a stock exchange or dealt or traded on an Other Regulated Market will be valued on the basis of the last available price on that stock exchange or market unless this price is not representative, in which case the value of that Investment will be determined on the basis of its Fair Market Value estimated by the Company (or its agent) with good faith;
- 23.2.3 The value of cash and cash equivalents, including any cash on hand or on deposit, bills and demand notes and accounts, receivables, prepaid expenses, cash dividends and interest declared or accrued but not yet

received shall be deemed to be the full amount thereof, unless it is unlikely to be received, in which case the value thereof shall be determined by making such discount as the AIFM (or its agent) may consider appropriate in such case to reflect the true value thereof;

23.2.4 Units, interests or other instruments issued by undertakings in collective investment will be valued at their last official and available net asset value, as reported or provided by these undertakings or their agents, or at their latest estimated net asset value;

23.2.5 All other Investments are valued at Fair Market Value as determined in good faith pursuant to procedures established by the Company and/or the relevant Compartment (or its agents) and including amortised costs.

23.3 The AIFM may permit some other method of valuation to be used if it considers that such valuation better reflects the Fair Market Value of any Investment or liability of the Company in compliance with Luxembourg Law and, if applicable, the relevant Special Section. This method will then be applied in a consistent way.

23.4 The AIFM is responsible for ensuring that the valuation of all assets and liabilities of a Compartment and the calculation of the NAV of a Compartment is conducted in a manner consistent with applicable law and this Prospectus. In accordance with the 2013 Act, the valuation and the portfolio management functions within the AIFM are functionally independent from each other, and the AIFM ensures through its remuneration policy and other measures, that conflicts of interest are mitigated and that undue influence upon employees is prevented.

23.5 For the purposes of appraising the Fair Market Value of Investments, the AIFM may use valuations provided by one or more Valuation Agents selected and appointed by the AIFM (or with the consent of the AIFM) on the basis of their expertise and knowledge on the relevant Investments. Valuation Agents will not be affiliated to the AIFM, the General Partner, the Investment Manager or the Depositary, and will fulfil the conditions of article 17 of the 2013 Act. The name of each Valuation Agent will be published in the Annual Report and available, upon request, at the registered office of the General Partner or the AIFM.

23.6 The Valuation Policy in place for each Compartment and the identity of the Valuation Agents, if any, shall be available to Investors at the registered office of the AIFM.

Valuations of Investments

23.7 The Investments will be valued at least annually in accordance with local laws, regulations and customary market practice, depending on the location of the relevant Investment (the **Annual Valuation**) as further described in the Valuation Policy.

23.8 The Annual Valuation will be used for valuing the relevant Investment in connection with calculating the NAV on each Valuation Date during the following twelve-month period unless the AIFM considers that, based on material changes that have occurred since the Annual Valuation, an updated valuation is required in accordance with Clause 23.7 above.

24. CALCULATION OF THE NAV

- 24.1 The NAV of the Company, each Compartment, each Class, each series of Shares and each Share shall be determined in accordance with Luxembourg Law, subject to any adjustment required to ensure that Limited Shareholders are treated fairly (including as described in Clause 44.5) and in accordance with the Articles, as at the close of business of each Valuation Date and at such other times as the General Partner may determine. The NAV may be rounded up or down to the nearest thousandth of a cent of the Reference Currency of those shares.
- 24.2 The Reference Currency of the Company is USD. The Reference Currency of a Compartment or Class or series of Shares may be different from the Reference Currency of the Company, as determined in the relevant Special Section.
- 24.3 Investments denominated in a currency other than the Reference Currency of the respective Compartment or Class or series of Shares will be converted at the New York close exchange rates between the Reference Currency and the currency of denomination as at the Valuation Date. The Company may not enter into foreign exchange transactions with the aim of enhancing or maintaining the value of each Compartment's portfolio in absolute terms, and so the value of each Compartment's portfolio will fluctuate with exchange rates as well as with price changes of the Investments in the relevant markets and currencies.
- 24.4 In addition, as certain Classes and/or series of Shares are denominated in currencies other than the Reference Currency, and unless otherwise permitted pursuant to the relevant Special Section, the Company may not engage in foreign exchange hedging transactions for such Class(es) and/or series of Shares with a view to mitigating the effect of currency movements between the currency in which such Class or series of Shares is denominated and the base currency, the value of a Limited Shareholder's Shares may fluctuate with exchange rates.
- 24.5 For the avoidance of doubt, the provisions in this Clause 24 are the rules for determining the NAV and are not intended to affect the treatment for accounting or legal purposes of the Investments and the liabilities of the Company or any Compartment.
- 24.6 Assets and liabilities will be allocated as follows:
- 24.6.1 Assets and liabilities and income and expenses applied to a Compartment will be attributable to such Compartment;
- 24.6.2 Where any asset is derived from another Investment, that asset will be attributable in the books of the relevant Compartment(s) to the same extent as the Investment from which it is derived and on each revaluation of that Investment, the increase or decrease in value will be applied to the relevant Compartment(s);
- 24.6.3 Where the Company incurs a liability in relation to any Investment or in relation to any action taken in connection with an Investment, that liability will be allocated to the relevant Compartment(s) of the Investment generating the liability;
- 24.6.4 In the case where any asset or liability of the Company cannot be considered as being attributable to a particular Compartment, such asset or liability will be allocated to all Compartments *pro rata* to their respective NAV, or in such other manner as determined by the General Partner acting in good faith, *provided* that:

- (a) where assets of several Compartments are held in one account or are co-managed as a segregated pool of assets by an agent of the Company, the respective right of the Company for the account of that Compartment shall correspond to the prorated portion resulting from the contribution of such Compartment to the relevant account or pool;
- (b) such allocation shall vary in accordance with the subscriptions and distributions made for the account of the relevant Compartment, as described in this Prospectus;
- (c) all liabilities, to whichever Compartment they are attributable, shall, unless otherwise agreed by the relevant creditors, be solely binding upon that Compartment in accordance with article 181 of the 2010 Act; and
- (d) upon the payment of distributions to the Shareholders, the NAV of the relevant Compartment will be reduced by the amount of such distributions.

25. TEMPORARY SUSPENSION OF CALCULATION OF THE NAV

25.1 The General Partner or the AIFM may, from time to time and in accordance with the Articles, suspend the determination of the NAV of, and/or subscriptions for the whole or any part of any period for, the Company, a Compartment, a Class or series of Shares and suspend the issuance or, where permitted, the repurchase or redemption of Shares:

- 25.1.1 during any period when any of the principal stock exchanges, regulated market or other markets on which a substantial portion of the investments of the Company attributable to a Compartment from time to time is quoted or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of the Compartment is denominated are closed otherwise than for ordinary holidays or during which dealings are substantially restricted or suspended;
- 25.1.2 political, economic, military, monetary or other emergency beyond the control, liability and influence of the Company makes the disposal of the assets of any Compartment impossible under normal conditions or such disposal would be detrimental to the interests of the Shareholders;
- 25.1.3 during any breakdown in the means of communication network normally employed in determining the price or value of any of the investments of such Compartment or the current price or value on any stock exchange or market in respect of the assets attributable to such Compartment;
- 25.1.4 during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares of such Compartment or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the General Partner or the AIFM, be effected at normal rates of exchange;
- 25.1.5 during any period when for any other reason the prices of any investments owned by the Company attributable to such Compartment cannot promptly or accurately be ascertained;

- 25.1.6 during any period when the General Partner, in consultation with the AIFM, so decides, provided all Shareholders are treated on an equal footing and all relevant laws and regulations are applied (i) as soon as an extraordinary general meeting of Shareholders of the Company or a Compartment has been convened for the purpose of deciding on the liquidation or dissolution of the Company or a Compartment and (ii) when the General Partner is empowered to decide on this matter, upon its decision to liquidate or dissolve a Compartment;
- 25.1.7 following a decision to merge, liquidate or dissolve the Company or any of its Compartments or upon the order of the CSSF.
- 25.2 When exceptional circumstances might adversely affect Limited Shareholders' interests or in the case that significant requests for subscription, redemption or switching are received, the General Partner reserves the right to set the value of Shares in one or more Compartments only after having sold the necessary securities, as soon as possible, on behalf of the Compartment(s) concerned. In this case, subscriptions, redemptions and switches that are simultaneously in the process of execution will be treated on the basis of a single NAV per Share in order to ensure that all Limited Shareholders having presented requests for subscription, redemption or switching are treated equally.
- 25.3 Any such suspension of the calculation of the NAV shall be notified to the subscribers and Limited Shareholders requesting redemption, subscription or switching of their Shares on receipt of their request for subscription, redemption or switching.
- 25.4 Suspended subscriptions, redemptions and switches will be taken into account on the first Valuation Date after the suspension ends.
- 25.5 Such suspension as to any Class or series of Shares shall have no effect on the calculation of the NAV per Share, the issue, redemption and switching of Shares of any other Class or series of Shares.
- 25.6 Any request for subscription, redemption or switching shall be irrevocable except in the event of a suspension of the calculation of the NAV.
- 25.7 The General Partner will take all reasonable steps to bring any period of suspension to an end as soon as possible.
- 26. PUBLICATION OF THE NAV**
- The NAV of the Company, each Compartment, each Class, each series of Shares and each Share is available from the AIFM upon request.
- 27. GENERAL MEETINGS**
- 27.1 The annual General Meeting will be held each year in Luxembourg at the date and time decided by the General Partner no later than the end of the sixth month following the end of the Accounting Year. Shareholders will be informed on the day, time and place of the annual General Meeting by registered mail or e-mail.
- 27.2 The annual General Meeting may be held abroad if, in the opinion of the General Partner, exceptional circumstances so require.

- 27.3 In addition to the annual General Meeting, other General Meetings may be held at such place and time as may be specified in the respective convening notices of the General Meeting.
- 27.4 The General Partner or Limited Shareholders representing at least ten per cent (10%) of the capital of the Company or, as the case may be, of the relevant Compartment, may convene other meetings of Shareholders or other General Meetings in addition to annual General Meetings.
- 27.5 Limited Shareholders representing at least ten per cent (10%) of the capital of the Company may require the entry of one or more items on the agenda of any General Meeting; provided that such requirement is communicated to the Company at least five (5) days before the relevant General Meeting.
- 27.6 Notices for each General Meeting will be sent to the Limited Shareholders by registered mail, courier or email (or any other electronic means such as an electronic platform or online investor portal with a corresponding email notification to Limited Shareholders) in accordance with the Articles and the 1915 Act, at least eight (8) calendar days prior to the date of the relevant General Meeting at their respective addresses set out in the Register. Such notices will include the agenda and specify the time and place of the General Meeting. If all Shareholders meet and declare having had notice of the General Meeting or waiving the notice, the General Meeting may be validly held despite noncompliance with the aforesaid formalities. The requirements as to attendance, quorum and majorities at all General Meetings are those set in the 1915 Act and the Articles.
- 27.7 Any Limited Shareholder may act at a General Meeting by appointing another person, who does not need to be a Limited Shareholder, as its proxy in writing whether in original or by email to which an electronic signature (which is valid under Luxembourg Law) is affixed.
- 27.8 Any Shareholder may participate in a General Meetings by conference call, video conference or similar means of communications equipment whereby (i) the Shareholders attending the General Meeting can be identified, (ii) all persons participating in the General Meeting can hear and speak to each other, (iii) the transmission of the General Meeting is performed on an on-going basis and (iv) the Shareholders can properly deliberate, and participating in a General Meeting by such means shall constitute presence in person at such General Meeting.
- 27.9 Unless otherwise stated in the relevant Special Section, General Meetings for a specific Compartment, Class, or series of Shares for matters which solely concern this Compartment, Class, or series of Shares may be convened and held as mentioned under Clauses 27.3 to 27.8 for matters which solely concern such Compartment, Class, or series of Shares; *provided* that, for the purposes of Clause 27.5, Limited Shareholders representing at least ten per cent (10%) of the capital of the relevant Compartment may require the entry of one or more items on the agenda.
- 27.10 Shareholders may vote in writing on resolutions submitted to the General Meeting, provided that the written vote includes (i) the surname, first name, address and the signature of the relevant Shareholder, (ii) an indication of the Shares for which the Shareholder wishes to exercise their voting rights, (iii) the agenda as set forth in the convening notice and (iv) the voting instructions (approval, refusal, abstention) for each point of the agenda. In order to be taken into account (including in the quorum), the

original vote must be received by the Company forty-eight (48) hours before the relevant General Meeting. If the written vote does not clearly show the voting instructions, it will be void in respect of the relevant resolution(s).

28. ACCOUNTING YEAR –REPORTS – DOCUMENTS AVAILABLE FOR INSPECTION

Accounting Year

- 28.1 The Accounting Year will begin on 1 January and end on 31 December of each year, except for the first Accounting Year, which began on the date of the formation of the Company as a RAIF and ended on 31 December 2022.

Annual Report – Half-Yearly Report – Additional reports specific to Compartments

- 28.2 The Company shall prepare the Annual Report which covers its activities, its Investments and the management of these Investments. The Annual Report shall include, *inter alia*, audited financial statements, a description of the assets and liabilities, including those of the Investments, a report from the Auditor and a calculation of the value of the assets of the Company as per the Accounting Year end. A separate Annual Report may be established for each Compartment provided that it contains, in addition to the information on the Compartment concerned, the collected data of all Compartments. The Company shall also prepare and publish Half-Yearly Reports on its activities including, *inter alia*, a description of the assets of the Company and the number of Shares issued and redeemed since the last publication.
- 28.3 Luxembourg Generally Accepted Accounting Principles will be applied in preparing the Annual Report and the Half-Yearly Report. Furthermore, in accordance with article 96a of the 2010 Act, any Intermediary Vehicle the Company may use for the implementation of its Investments will not be consolidated.
- 28.4 The above reports will be available to the Shareholders within six months for the Annual Reports and three months for the Half Yearly Reports of the date thereof at the registered office of the Company. Upon request, a paper copy of these reports will be sent free of charge to any Shareholder and copies may be obtained free of charge by any person at the registered office of the Company.
- 28.5 The Company must also report financial information for each Compartment to the CSSF within 10 calendar days after each month-end. These monthly reports shall include general information on each Compartment, financial information on the Compartment in the base currency of the Compartment, general information on the Class, financial information on the Class for the reference month, information on investment income and expenses for the reference month in the base currency of the Compartment.
- 28.6 The Company must submit a self-assessment questionnaire for each year or period in respect of which a statutory audit was carried out in accordance with Article 154(1) of the 2010 Act. When an audit report drawn up by the Auditor includes a modified audit opinion at the level of a Compartment and/or of the Company as a whole, the General Partner must, on its own initiative, explain to the CSSF the reason of this modified audit opinion.
- 28.7 Further reports shall be drawn up by the Company to the Depositary, distributor and the CSSF in case of occurrence of a material NAV calculation error or a non-compliance with applicable investment rules. The Company will comply with CSSF Circular 02/77 (and CSSF Circular 24/856 which will enter into force on 1 January 2025 and will repeal

CSSF Circular 02/77) with regard to the protection of investors in case of NAV calculation errors and correction of the consequences resulting from non-compliance with the investment rules applicable to the Company.

Documents available for inspection

28.8 The following documents shall be available for inspection by all Investors free of charge during usual business hours on any Business Day at the registered office of the General Partner:

28.8.1 the Articles;

28.8.2 the latest available Annual Report and the latest Annual Report for a Compartment, if established;

28.8.3 the latest available Half-Yearly Report and the latest Half-Yearly Report for a Compartment, if established;

28.8.4 the allocation policy of the AIFM in relation to the Classes and series of Shares of a Compartment;

28.8.5 the following agreements:

(a) the Depositary Agreement;

(b) the Administration Agreement;

(c) the AIFM Agreement;

(d) the Portfolio Management Agreement;

(e) the Advisory Agreement; and

(f) the engagement letter of the Auditor.

28.9 Documents available for inspection by the Investors of a relevant Compartment free of charge during usual business hours on any Business Day at the registered office of the General Partner are:

28.9.1 the latest available NAV of the relevant Compartment (or Class or series of Shares therein) and the NAV per Share (as soon as reliable data is available);

28.9.2 the Valuation Policy applicable to the relevant Compartment; and

28.9.3 the risk management process (including the risk profile) applicable to the relevant Compartment.

29. LEGAL IMPLICATIONS

29.1 Shareholders are legally bound by the Articles, the terms of their Subscription Document, (including, as applicable, the Supplement for US Persons), the terms of any applicable side letter and the terms of this Prospectus.

29.2 The relationship between the Shareholders and the Company shall be governed and construed in all respects in accordance with Luxembourg Law. Any dispute or

controversy between a Shareholder and the Company shall be submitted to the exclusive jurisdiction of the Courts of Luxembourg City.

- 29.3 In as far as applicable, the recognition and enforcement of a judgment given by the courts of an EU member state within the scope of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) (the **Regulation 1215/2012**) will be refused by the Luxembourg courts if on the application of (i) any interested party (in case of recognition) or (ii) the person against whom enforcement is sought (in case of enforcement), the Luxembourg courts find that any of the circumstances set out in articles 45 or 46 of Regulation 1215/2012 exist. No re-examination of the merits of any claim resulting in such foreign judgment would be made, save for the examination of the compliance of such judgment with Luxembourg public order (*ordre public*).
- 29.4 The EU (including each of its member states) is a party to the Convention of 30 October 2007 on jurisdiction and the enforcement of judgments in civil and commercial matters (the **Lugano Convention**). Judgments obtained in the courts of the EEA member states, Iceland, Norway or Switzerland would therefore be recognised and enforceable by the Luxembourg courts in accordance with the applicable enforcement proceedings provided for in the Lugano Convention.
- 29.5 The EU is also party to the Convention of 30 June 2005 on Choice of Court Agreements (**HCCH 2005 Choice of Court Convention**). Judgments obtained in the courts of another contracting state to the HCCH 2005 Choice of Court Convention on the basis of an exclusive choice of court provision would therefore be recognised and enforceable by the Luxembourg courts in accordance with the applicable enforcement proceedings provided for in the HCCH 2005 Choice of Court Convention.
- 29.6 The courts of Luxembourg will recognise as valid, and will enforce, without reconsideration of the merits, any final, conclusive and enforceable civil judgment obtained against the Company in the courts of a competent jurisdiction outside the scope of the Brussels Recast Regulation, HCCH 2005 Choice of Court Convention, or Lugano Convention, subject to and in accordance with article 677 et seq. of the Luxembourg New Code of Civil Procedure (*Nouveau Code de procédure civile*) as well as articles 2123 and 2128 of such code. Luxembourg courts may refuse to recognise and enforce such a judgment if one or several of the following requirements defined by case law are not met, such as, amongst others:
- 29.6.1 the foreign court judgment must be enforceable in the country in which it was rendered;
 - 29.6.2 the foreign court must have had jurisdiction according to Luxembourg conflict of jurisdictions rules;
 - 29.6.3 the foreign procedure must have been regular in light of the laws of the country in which the judgment was rendered, in particular with respect to the rights of defence; and
 - 29.6.4 the judgment of the foreign court must not be contrary to Luxembourg international public policy.
- 29.7 Luxembourg is party to the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the **New York Convention**) signed on 10 June

1958. The New York Convention requires that courts of contracting states recognise private agreements to arbitrate and to enforce arbitration awards made in other contracting states. Luxembourg is also party to the European Convention on International Commercial Arbitration which entered into force on 7 January 1964 which relates to arbitration agreements concluded for the purpose of settling disputes arising from international trade between the persons in the contracting states and which has the purpose of organising all steps of the arbitral procedure and arbitral awards.

30. DATA PROTECTION

30.1 This Clause explains how the Company processes personal data about Investors (which may include non-individual investors subscribing in their capacity as nominees, intermediaries, authorised participants or in other such capacities) and, if applicable, individuals who invest in the Company or who apply to invest in the Company in accordance with the Data Protection Legislation. For such purposes, the Company is the data controller.

30.2 Where the Investor is a non-individual investor, then the Company will process personal data about the directors, officers, trustees, employees, representatives, shareholders, investors, clients and ultimate beneficial owners or agents of the non-individual investor. This Clause also explains how the Company processes personal data about these individuals and the Investor should transmit this notice to such individuals or otherwise advise them of its content.

Personal Data processed by the Company

30.3 When applying to invest, and when making an investment, in the Company, the Investor will provide the Company with information that qualifies as personal data within the meaning of the Data Protection Legislation.

30.4 This includes information such as name, address, email address, date of birth, telephone numbers, business contact information, current employment, career history, current investments, historic investments, investment preferences and credit history, details relating to investment activity, contact and payment details, from which a data subject can be directly or indirectly personally identified, and includes information such as identification and account numbers and online identifiers.

30.5 Please note that the Company may also process personal data obtained by the Company through public sources.

Processing of Personal Data

30.6 The Company processes personal data:

30.6.1 where this is required by law:

- (a) in relation to the prevention of money laundering and terrorism financing and the prevention and detection of crime and fraud that require the Company (either directly or through its alternative investment fund manager or administrator) to screen the Investor's application against sanctions lists, as well as against other information obtained from publicly available sources and including information about criminal convictions;

- (b) to disclose information to regulators, government bodies and tax authorities. This includes the disclosure to the CSSF, the Central Bank of Ireland, the US Securities and Exchange Commission and the US Internal Revenue Service and other regulators and authorities as may be required from time to time for compliance with FATCA and the Directive;
- 30.6.2 where the processing is necessary for the Company to perform a contract with the Investor, or to take steps at the Investor's request prior to entering into a contract:
- (a) to process the Investor's Subscription Document, administer its holding of Shares and maintain the Register to reflect its ownership;
 - (b) to inform the Investor from time to time about its investment in the Company; and
 - (c) to fulfill the terms and conditions of, and any services required by, the Investor in relation to the account application form and the holding of the Shares and to execute all tasks that are carried out under the relevant Subscription Document and in relation to its Shares;
- 30.6.3 where the processing is in the legitimate interests of the Company, or another person, unless the Investor's interests, fundamental rights or freedoms outweigh these interests and provided that the Company is acting in a fair, transparent and accountable manner and has taken appropriate steps to prevent such activity having any unwarranted impact on the Investor and also noting the Investor's right to object to such uses. These interests are:
- (a) protecting the rights and property of the Company or its affiliates;
 - (b) carrying out statistical analysis and market research, including for direct marketing purposes (providing information on products and services);
 - (c) protecting the security of the Company and its service provider information technology; and
 - (d) preventing and detecting fraud.

Sharing of personal data

30.7 The Company may share the Investor's personal data with:

30.7.1 the AIFM;

30.7.2 the board of managers of the General Partner;

30.7.3 the Service Providers and the companies which such Service Providers appoint to assist them in servicing the Company. These service providers may each further process personal data, acting as a data processor, for the provision to the Company of the services agreed under the relevant agreements;

30.7.4 the service provider which carries out sanctions checks on the Company's behalf. This service provider may also keep personal data which the Company provides, or which the Investor provide to it direct, in order for it to provide identity verification services to other organisations; and

30.7.5 regulators, government bodies and tax authorities.

30.8 The Company may transfer the personal data collected about a Limited Partner to Guernsey, Switzerland and the United Kingdom where the parties (including any affiliates or delegates thereof) referred to in the Directory above are based for the purposes outlined above and as further described in the relevant Subscription Document. Those countries may not have the same standard of data protection laws as the EEA. Where this is the case, the Company will (or will require a data processor to) put in place appropriate safeguards such as approved standard contractual clauses to ensure that a Limited Partner's personal data is treated in a manner that is consistent with and respects the EEA laws on data protection. Limited Shareholders can obtain further information about this from the Administrator's website at <https://www.northerntrust.com/united-states/privacy/emea-privacy-notice>.

Personal data protection measures

30.9 The Company applies data security measures aimed at protecting personal data from unauthorised third-party access under any form. The Company will inform the Investor in case of personal data breach in relation to the Investor's personal data or in case a communication of personal data to the Investor is required by law.

Duration of processing of personal data

30.10 The Company keeps the Investor's personal data for the purposes outlined above and for as long as the Investor is invested in the Company. After the Investor has fully redeemed its investment in the Company and unless the Company is obliged to hold it for a shorter or longer period under applicable law, the Company may keep the Investor's personal data for up to 10 years after that date in order to maintain records in accordance with laws and regulations which apply to the Company and to respond to any regulatory requests or questions.

30.11 To the extent the Company is not permitted to delete the Investor's data for legal, regulatory or technical reasons the Company may keep its data for longer than 10 years. In such circumstances, the Company will ensure the Investor's data and privacy is protected.

Investor's rights

30.12 The Investor has a right to access the Investor's personal data and, if it is inaccurate, to request corrections to it. The Investor may also ask the Company to transfer some of its personal data to other organisations, in structured and machine readable form.

30.13 The Investor has a right to ask the Company to erase or 'restrict' personal data in some circumstances. Where the Company has asked for consent to process personal data the Investor may withdraw its consent at any time. Where the Company processes personal data because the processing is in its, or a third party's, legitimate interests, then the Investor may object to this processing. However, if the objection or withdrawal means that the Company cannot carry out its obligations to conduct sanctions checks, then it will not be able to process an application. If the Investor withdraws consent or

objects to legitimate interest processing, this will not affect the lawfulness of any processing which the Company has already carried out.

- 30.14 Investors also have a right to complain to a supervisory authority for data protection. This may either be the supervisory authority in the place of their habitual residence, their place of work, or the place where they consider that there has been a breach of data protection law. In Luxembourg, the supervisory authority is the *Commission nationale pour la protection des données*. These rights may be limited – for example, where the Company is required by law to process the Investor's personal data. Where the Company must process personal data in order to comply with law or in order to perform or enter into a contract with the Investor, then the Company will not be able to process the application unless the personal data are provided.

Contact information

- 30.15 To exercise any of these rights the Investor should contact the Company.
- 30.16 The Investor should also carefully read and consider the privacy disclosures contained in the relevant Subscription Document and in this Prospectus.

31. CONFIDENTIALITY

- 31.1 Limited Shareholders hereby acknowledge that the Company will be in possession of confidential information, the improper use or disclosure of which could have a material adverse effect upon the Company or upon one or more Investors and/or Investments.
- 31.2 Limited Shareholders acknowledge and agree that, save for the information contained in this Prospectus, all information provided to them by the General Partner concerning the Company, other Shareholders or an Investment shall be deemed confidential and shall not, without the prior consent of the General Partner, be (a) disclosed to any Person (other than a Shareholder) or (b) used by a Limited Shareholder other than for the purpose of its investment in the Company or a purpose reasonably related to protecting the Shareholders' interest in the Company.
- 31.3 The requirements of this Clause 31 shall not apply to a Limited Shareholder with regard to any information that is currently or becomes:
- 31.3.1 required to be disclosed pursuant to applicable law or a securities exchange or market rule (but in each case only to the extent of such requirement and only to the extent that such requirement cannot be avoided or eliminated via commercially reasonable efforts on the part of such Limited Shareholder);
 - 31.3.2 required to be disclosed in order to protect such Limited Shareholder's interest in the Company (but only to the extent of such requirement and only after consultation with the General Partner);
 - 31.3.3 publicly known or available in the absence of any improper or unlawful action on the part of such Limited Shareholder; or
 - 31.3.4 known or available to such Limited Shareholder via legitimate means other than through the General Partner.
- 31.4 The General Partner hereby consents to the following:

- 31.4.1 Disclosure by any Limited Shareholder of information on the Company to such Limited Shareholder's accountants, attorneys and similar advisers bound by a duty of confidentiality; and
 - 31.4.2 Use by any Limited Shareholder of information about the Company solely for such Limited Shareholder's internal purposes to assess investment and other similar opportunities and circumstances, so long as such use causes no material harm to the Company, any other Shareholder or to an Investment and so long as, in any event, such use conforms to the requirements of all applicable laws (including laws and regulations relating to insider trading).
- 31.5 The General Partner, for its own account or for the account of the Company, may disclose information to the extent necessary or appropriate in connection with the formation, operation, winding-up or termination of the Company or of any Compartment, Class or series of Shares (as determined by the General Partner in its reasonable discretion).
- 31.6 To the extent permitted by applicable law, and notwithstanding the provisions on accounting and reporting in this Prospectus, the Articles and applicable laws and regulations, the General Partner may, in its reasonable discretion, keep confidential from any Limited Shareholder information to the extent the General Partner reasonably determines that:
- 31.6.1 disclosure of such information to such Limited Shareholder would be likely to have a material adverse effect upon the Company, a Shareholder or an Investment due to an actual or likely conflict of business interests between such Limited Shareholder and one or more other parties or an actual or likely imposition of additional statutory or regulatory constraints upon the Company, a Shareholder or an Investment; or
 - 31.6.2 in the case of a Limited Shareholder that the General Partner reasonably determines cannot or will not adequately protect against the disclosure of confidential information, the disclosure of such information to a non-shareholder would be likely to have a material adverse effect upon the Company, a Shareholder or an Investment.

32. DISSOLUTION – LIQUIDATION

Dissolution and liquidation of the Company

- 32.1 The Company shall commence winding up upon the first to occur of the following events:
- 32.1.1 There being no Compartment that is either being actively marketed or is actively pursuing an investment strategy;
 - 32.1.2 The withdrawal, bankruptcy or dissolution of the General Partner; provided that the Company shall not be dissolved if, within ninety (90) calendar days after such event, a substitute Unlimited Shareholder has been appointed by the General Meeting in accordance with the Articles to replace the General Partner;
 - 32.1.3 In accordance with the 2010 Act, the decision of the Limited Shareholders representing a simple majority of Shares at a General Meeting (with no

quorum requirement) in the event that the capital of the Company falls below two thirds of EUR 1,250,000 (or the USD equivalent);

32.1.4 In accordance with the 2010 Act, the decision of the Limited Shareholders representing a quarter of Shares at a General Meeting (with no quorum requirement) in the event that the capital of the Company falls below one quarter of EUR 1,250,000 (or the USD equivalent); or

32.1.5 The resolution taken by the General Meeting with the consent of the General Partner to dissolve the Company in accordance with the 1915 Act.

32.2 In the event of a voluntary liquidation, the Company is, upon its dissolution, deemed to continue to exist for the purposes of the liquidation. The operations of the Company will be conducted by one or several liquidators who will be appointed by the General Meeting with the consent of the General Partner.

32.3 Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities, duly approved by the CSSF and appointed by the general meeting of the Limited Shareholders that shall determine their powers and their composition.

32.4 If the Company is compulsorily liquidated, the 2010 Act will be exclusively applicable.

32.5 The issue of new Shares by the Company shall cease as of the date to convene a General Meeting to vote on the dissolution of the Company.

32.6 The proceeds of the liquidation of the Company, net of all liquidation expenses, will be distributed by the liquidator(s) among the holders of Shares in each Compartment in accordance with their respective rights. The amounts not claimed by Shareholders at the end of the liquidation process will be deposited, in accordance with Luxembourg Law, with the *Caisse de Consignation* in Luxembourg until the statutory limitation period has lapsed.

Termination of a Compartment, a Class or a series of Shares

32.7 In the event that, for any reason, the value of the total net assets in any Compartment, any Class or series of Shares has decreased to, or has not reached, an amount which is considered by the General Partner to be the minimum level for such Compartment, Class or series of Shares to be operated in an economically efficient manner or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic efficiency, the General Partner may decide to redeem or convert the Share of any Limited Shareholder and to dissolve the Compartment, Class or series of Shares. The General Partner will serve a notice to the relevant Limited Shareholder prior to the effective date for this redemption or switching of the Share.

32.8 Further dissolution events relating to a specific Compartment, Class or series of Shares may be included in the relevant Special Section.

32.9 Notwithstanding the powers conferred on the General Partner by Clause 32.7, in any other circumstances, the General Partner may convene a general meeting of Limited Shareholders to dissolve a Compartment in accordance with the terms and conditions as laid down in the relevant Special Section.

- 32.10 Assets which may not be distributed to the Shareholders upon the implementation of the redemption will be deposited with the *Caisse de Consignation* in Luxembourg on behalf of the persons entitled thereto.

Merger, division or transfer of Compartments

- 32.11 Under the same circumstances as provided under Clause 32.7, the General Partner may decide to allocate the assets of any Compartment to those of another Compartment within the Company or to another UCI. Such decision will be communicated in the same manner as described under Clause 32.7 before its effectiveness to enable Shareholders to request to redeem their Shares, free of charge, during such period.
- 32.12 Furthermore, a contribution of assets and liabilities attributable to any Compartment to another UCI referred to in this Clause 32 (or to a compartment within such other UCI) will require the votes of Limited Shareholders holding at least two thirds of the Shares, *provided* that if such contribution is effected by way of a merger with a Luxembourg common investment fund (*fonds commun de placement*) or a foreign based UCI, in which case any resolution will be binding solely on such Shareholders who have voted in favour of such merger.

33. DISTRIBUTIONS

- 33.1 Unless otherwise stated in a relevant Special Section, distributable cash of a Compartment shall be used first to pay the Operating Expenses of that Compartment. Further details relating to distributions are set out in the relevant Special Section.

Limitations on distributions

- 33.2 The General Partner shall not be obliged to cause the Company/any Compartment to make any distribution if:
- 33.2.1 there is not enough cash available;
 - 33.2.2 the Company or the relevant Compartment is at risk of becoming insolvent;
 - 33.2.3 the distribution relates to cash that the General Partner decides to retain within the Company pursuant to the terms of this Prospectus; or
 - 33.2.4 in the reasonable opinion of the General Partner, the distribution would or might leave the Company with net assets of less than EUR 1,250,000 (or the USD equivalent) or insufficient funds or profits to meet any future contemplated obligations, expenses, liabilities or contingencies, including obligations to the Indemnified Persons or to an Investment.
- 33.3 Distributions shall be made only to Shareholders who are recorded on the Register as of the date of a distribution as having made a subscription and no sums shall be treated as being due prior to actual payment. None of the Company, the General Partner, the AIFM or the Managers will incur any liability for distributions made in good faith to any Shareholder in accordance with the last bank account details/at the last address provided by it prior to the registration of any Transfer of all or any of its Shares in the Company.

Distribution in kind

- 33.4 The General Partner may for the account of a Compartment distribute assets in kind to the extent a Compartment receives in kind distributions from an Investment. To the extent practicable, however, such assets will not be distributed unless they are readily marketable.
- 33.5 The General Partner may for the account of a Compartment distribute assets in kind to Limited Shareholders, subject to the conditions of this Prospectus, provided the distribution in kind will be valued in good faith in accordance with the Articles and Luxembourg Law by taking into account the fair treatment of Shareholders. Should a Limited Shareholder be prevented from holding the relevant assets as (i) determined in the relevant Subscription Document or any side letter or (ii) evidenced by an opinion of a reputable law firm, the Company will liquidate the assets and distribute the liquidation result to the relevant Limited Shareholder.
- 33.6 When distributions are made in kind, they will be treated as cash distributions for purposes of applying the distribution provisions.
- 33.7 Further details relating to distributions in kind may be included in the Special Sections.

34. TAXATION

Introduction

- 34.1 Tax and other matters described in this Prospectus do not constitute, and should not be considered as, legal or tax advice to any Investor. Each Investor should consult its own counsel regarding tax laws and regulations of any other jurisdiction which may be applicable to it.
- 34.2 Operating the Company is based on laws and regulations which may be subject to changes through legislative, judicial or administrative actions. In addition, other legislation could be enacted that could subject the Company to taxes or subject Investors to taxes.

Taxation in Luxembourg of the Company

- 34.3 The Company is subject to the Luxembourg subscription tax (*taxe d'abonnement*) at a rate of 0.05% per annum. However, an exemption of subscription tax applies in particular for UCIs, as well as individual compartments thereof, that are authorized as ELTIF within the meaning of the ELTIF Regulation.
- 34.4 In addition, under the 2010 Act, a subscription tax exemption also applies to:
- 34.4.1 the value of the assets represented by units in other Luxembourg funds, as well as individual compartments thereof, subject themselves to the Luxembourg subscription tax;
 - 34.4.2 UCIs, as well as individual compartments thereof, (i) whose securities are reserved for institutional investors, and (ii) that are authorised as short-term money market funds in accordance with Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017, and (iii) that have obtained the highest possible rating from a recognised rating agency;
 - 34.4.3 UCIs, as well as individual compartments thereof, whose securities are reserved for (i) institutions for occupational retirement pension or similar

investment vehicles, set up on one or more employers' initiative for the benefit of their employees and (ii) companies of one or more employers investing funds they hold, to provide retirement benefits to their employees and (iii) savers in the framework of a pan-European personal pension product governed by Regulation (EU) 2019/1238 of the European Parliament and of the Council of 20 June 2019 on a pan-European Personal Pension Product (PEPP);

- 34.4.4 UCIs, as well as individual compartments thereof, whose main objective is the investment in microfinance institutions; and
- 34.4.5 UCIs, as well as individual compartments thereof, whose securities are listed or traded on a stock exchange and whose exclusive object is to replicate the performance of one or more indices.
- 34.5 In order to qualify for these exemptions, UCIs are required to state the value of the eligible net assets separately in the periodic statements they address to the Registration Duties, Estates and VAT Authority.
- 34.6 A UCI may also benefit from a reduced subscription tax, ranging from 0.04% to 0.01% per annum, to the extent it has certain percentages of its investments in "*environmentally sustainable economic activities*" within the meaning of article 3 of the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the **Taxonomy Regulation**) and disclosed in accordance with that regulation but except for the proportion of the assets invested in economic activities related to nuclear energy and fossil gas as referred to in sections 4.26, 4.27, 4.28, 4.29, 4.30 and 4.31 of the Annexes I and II to Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing the Taxonomy Regulation.
- 34.7 A reduced subscription tax rate of 0.01% per annum is also applicable to (1) UCIs, as well as individual compartments thereof, that are authorised as money market funds in accordance with Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds and (2), individual compartments of UCIs, as well as for individual classes of securities issued within a UCI or within a compartment of a UCI with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.
- 34.8 The Luxembourg subscription tax is calculated and payable quarterly, on the basis of the aggregate net assets of the Company, as valued on the last day of each calendar quarter.
- 34.9 The Company is not currently subject to Luxembourg stamp, withholding, municipal business, net worth or estate tax, or taxes on income, profits or capital gains. However, it may be subject to a 20% real estate levy applicable on income and gains derived, directly or indirectly, from real estate located in Luxembourg, in case the Company holds such kind of asset directly or indirect through one or several Luxembourg tax transparent entities or mutual funds.
- 34.10 The Company may benefit from certain double tax treaties signed by Luxembourg or certain provision thereof.

Taxation in Luxembourg of the Shareholders

- 34.11 Under current legislation, non-Luxembourg resident Shareholders are not subject to any capital gains, income or withholding taxes in Luxembourg by reason of their shares in the Company (except for those having a permanent establishment in Luxembourg to which the shares can be attributed and except also with respect to Luxembourg gift tax but only in the event that a gift is made pursuant to a deed signed before a Luxembourg notary or is registered in Luxembourg). However, an investment in the Company may have tax implications in the jurisdictions in which the Shareholder are residents.
- 34.12 Luxembourg resident Shareholders may be liable to Luxembourg taxes with respect to their investment in the Company and should consult their tax advisors for further advice.

Luxembourg VAT

- 34.13 As a taxable person established in Luxembourg, the Company will be obliged, in principle, to self-assess Luxembourg VAT on services received from suppliers established outside Luxembourg unless such services benefit from a VAT exemption under Luxembourg VAT law. The receipt of non-VAT exempt services from non-Luxembourg established suppliers would also trigger a Luxembourg VAT registration obligation for the relevant entity as well as an obligation to actually pay such VAT to the Luxembourg Treasury as a final unrecoverable cost. Certain fees (including depositary fees) shall be subject to the intermediary VAT rate.
- 34.14 The Company should benefit from a VAT exemption applicable to certain services rendered for their benefit which qualify as fund management services within the meaning of the Luxembourg VAT Law. Services qualifying as supervision and control do not benefit from the exemption.

Withholding Tax

- 34.15 Distributions made by the Company are not subject to Luxembourg withholding taxes.
- 34.16 Interest, dividend and other income realised by the Company may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced. It is impossible to predict the rate of foreign tax that the Company (or any Compartment thereof) will pay, since the amount of the assets to be invested in various countries and the ability of the Company to reduce such taxes is not known.

CRS

- 34.17 The Luxembourg amended Law of 18 December 2015 on the automatic exchange of tax information of financial accounts (the **Luxembourg CRS Act**) implements Directive 2014/107 as regards mandatory automatic exchange of information in the field of taxation and the OECD Common Reporting Standards (the **CRS**). The Luxembourg CRS Act entered into force on 1 January 2016.
- 34.18 The CRS were agreed at the Global Forum meeting held in Berlin on 29 October 2014 where the Multilateral Competent Authority Agreement was signed by 51 jurisdictions, including Luxembourg.
- 34.19 The Company is a Luxembourg-resident financial institution that needs to comply with the requirements of the Luxembourg CRS Act. Accordingly, the Company may require the Investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status. Responding to CRS-related questions is mandatory.

- 34.20 The Company qualifies as a reporting financial institution and hence will report annually to the Luxembourg tax authorities (*Administration des contributions directes*) the value of Shares held by, and related payments made to:
- 34.20.1 individuals resident of a reportable jurisdiction, i.e. an EU member state or a third country listed in a Grand-Ducal Regulation;
 - 34.20.2 certain entities resident of a reportable jurisdiction (unless exempt from reporting); and
 - 34.20.3 certain entities controlled (as defined in the Luxembourg CRS Act) by a person resident of a reportable jurisdiction.
- 34.21 Such information will be onward reported by the Luxembourg tax authorities (*Administration des contributions directes*) to the competent foreign authorities of the reportable jurisdictions.

FATCA and tax information

- 34.22 The Foreign Account Tax Compliance Act (**FATCA**) contains provisions representing an expansive information reporting regime enacted by the US which aims at ensuring that US Persons holding financial assets outside the US will be reported by financial institutions to the US Internal Revenue Service (the **IRS**), as a safeguard against US tax evasion. As a result of FATCA, and to discourage non-US financial institutions from staying outside this regime, all US securities held by a financial institution that does not enter and comply with the regime will be subject to a US tax withholding of 30% on certain US source income (**FATCA Withholding**). This regime has become effective in phases and started on 1 July 2014.
- 34.23 The intergovernmental agreement between the Government of Luxembourg and the Government of the US dated 28 March 2014 (the **Luxembourg IGA**) has been ratified in Luxembourg by the amended law of 24 July 2015 (the **Luxembourg FATCA Act**). Luxembourg domiciled financial institutions that comply with the Luxembourg IGA requirements are not subject to FATCA Withholding. The Company is a Luxembourg-domiciled financial institution that has to comply with the requirements of the Luxembourg FATCA Act and, as a result of such compliance, the Company should not be subject to FATCA Withholding.
- 34.24 Under the Luxembourg FATCA Act, the Company qualifies as foreign financial institution and therefore will report to the Luxembourg tax authorities (*Administration des contributions directes*) the value held by, and related payments made to:
- 34.24.1 certain US Investors;
 - 34.24.2 certain US controlled (as defined by the Luxembourg FATCA Act) foreign entity investors; and
 - 34.24.3 non-US financial institution investors that do not comply with the terms of the Luxembourg FATCA Act.
- 34.25 Under the Luxembourg FATCA Act, such information will be onward reported by the Luxembourg tax authorities (*Administration des contributions directes*) to the IRS.

- 34.26 Additional intergovernmental agreements (each an **IGA**) similar to the Luxembourg IGA have been entered into or are under discussion by other jurisdictions with the US. Investors holding investments via distributors that are not in Luxembourg or in another IGA country should check with such distributor as to the distributor's intention to comply with FATCA. Additional information may be required by the Company or distributors from certain investors in order to comply with their obligations under FATCA or under an applicable IGA.
- 34.27 The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the IGAs is subject to review by the US, Luxembourg and other IGA governments, and the rules may change. Investors should contact their own tax advisors regarding the application of FATCA to their particular circumstances.

Disclosure of Investor Information Relating to FATCA and CRS

- 34.28 Investors are informed that that their personal data (including, but not limited to, their name, their address, their tax identification number) as well as the personal data of their controlling persons (as the case may be) and financial information may be exchanged with the Luxembourg tax authorities (*Administration des contributions directes*) that can in turn forward that information to the relevant foreign tax authorities, including the IRS.
- 34.29 In this context Investors are informed that to ensure an efficient service, the data may be processed and the reporting may be prepared either by the Company, or any authorised third party which will then transmit them to the Luxembourg tax authorities (*Administration des contributions directes*).
- 34.30 Investors must provide any additional information that might be required from time to time by the Company for the purposes of the Luxembourg FATCA Act and Luxembourg CRS Act, and failure to do so within the prescribed timeframe may trigger a reporting to the Luxembourg tax authorities (*Administration des contributions directes*), and/or being declined to invest or having their Shares being subject to mandatory redemption/disposal.
- 34.31 Investors have a right of access to the data that is collected with respect to the Shares held in the Company and that Investors have a right to rectify them in case of error. The Company (or any authorised third party), acting as CRS and FATCA data controller, will in no circumstances use the compiled data other than for CRS and FATCA purposes.
- 34.32 Investors shall also refer to the data protection section.

Professional Advisors

- 34.33 The General Partner is free to consult advisors bound by professional obligations of confidentiality in the context of fulfilling any of its obligations above. The Investor acknowledges that the General Partner itself does not have, and shall not be obliged to have, the resources needed to perform the actions that may be required under this Clause 34.33. Therefore, for the avoidance of doubt, the General Partner's obligations under this letter are fulfilled by appointing (and delegating any such obligations to) an advisor who is reputable and fit to carry such obligation out.

35. EXPENSES

Operating Expenses

- 35.1 The Company (and each Compartment) is responsible for all of the fees, costs, charges, expenses, liabilities and obligations relating to the Company (and each such Compartment) and/or its activities, business, and actual or potential investments, including but not limited to:
- 35.1.1 government, tax (including any subscription tax) and regulatory fees and charges; business, printing and mailing costs; costs of restructuring, winding-up and liquidating the Company or a Compartment; costs of preparation of and amendments, modifications, revisions or restatements to, and filing, translation and publication of, the constituent documents of the Company and all other documents relating to the Company or a Compartment; insurance premiums to cover the Company, the General Partner and its directors and officers; the costs of compliance with any law or regulation related to activities or other matters of the Company or a Compartment (including reporting pursuant to laws and regulations with respect to the Company or a Compartment) costs of the issue of Shares, subscriptions and the making of distributions or redemptions from the Company; indemnification expenses; costs related to any actual, threatened or otherwise anticipated governmental inquiry, investigation or proceeding or litigation or other dispute resolution process involving the Company and any judgments or settlements paid in connection therewith; costs of forming and maintaining alternative investment funds, feeder funds, special purpose vehicles and subsidiaries of the Company (including all costs and expenses of compensation and benefits for any employees of the Company, any Compartment, the AIFM, the Investment Manager or their affiliates who, and to the extent that, provide such services to the Company, any Compartment or any subsidiaries);
 - 35.1.2 costs of due diligence of investments (including discovery, evaluation, investigation); costs of acquisition and structuring of investments (including the costs of bidding, negotiation or execution of transactions which are not reimbursed by the borrower, and the legal, audit, consulting, financing and accounting fees and expenses and out-of-pocket expenses of transactions (including all costs and expenses of compensation and benefits for any employees of the Company, any Compartment, the AIFM, the Investment Manager or their affiliates who, and to the extent that, provide any services to the Company, any Compartment or any subsidiaries)); the costs of maintenance, development and monitoring of investments (including extraordinary expenses, such as litigation costs if any); costs of re-organisations, restructurings and workouts involving the investments; costs of disposition of investments (including brokerage, sales and underwriting commissions, private placement, syndication, solicitation and arranger costs); broken/unconsummated deal costs; all fees, costs and expenses payable in respect of investments in collective investment schemes including, without limitation, subscription, redemption, management, performance, distribution, administration and/or custody fees, costs and expenses in respect of each collective investment fund in which a Compartment invests; travel expenses; custody, depositary and transfer expenses; costs of valuation (including costs of calculating the NAV and preparing financial statements) of a Compartment's assets; clearing and settlement charges, brokerage commissions, initial and variation margin and other fees with respect to transactions; fees, costs and expenses incurred in connection with hedging any interest rate, foreign exchange or other risks associated with the business

and affairs of the Company or of a Compartment; and financing and leverage costs (including interest, borrowing and facility fees);

- 35.1.3 all costs and expenses of compensation and benefits for any employees of the Company, any Compartment, the AIFM, the Investment Manager or their affiliates who, and to the extent that, provide any services to the Company, any Compartment or any subsidiaries;
- 35.1.4 costs related to Investor subscriptions, including fund documentation and side letter negotiation costs; costs of preparation and distribution of reporting to Investors (including tax reporting); costs of distributions to Investors; costs of communications to and meetings of Investors (including costs of preparation, translation and distribution of all prospectuses, reports, certificates (if any), confirmations of purchase of Shares); unreimbursed costs relating to a transfer of Shares by Investors; the cost of any activities with respect to protecting the confidential or non-public nature of any information or data with respect to the Company and its Compartments; and

asset management and advisory fees, costs and expenses; administration and operational fees, costs and expenses (including all costs and expenses of compensation and benefits for any employees of the Company, any Compartment, the AIFM, the Investment Manager or their affiliates who, and to the extent that, provide such services to the Company, any Compartment or any subsidiaries; prime brokerage fees, costs and expenses; external valuer fees, costs and expenses; valuation agent fees, costs and expenses; directors' fees, costs and expenses; transfer agent fees, costs and expenses; legal and compliance fees, costs and expenses (including lawyer's and consultant's fees, and all costs and expenses of compensation and benefits for any legal or compliance professional employed by or seconded to the Company, any Compartment, the AIFM, the Investment Manager or their affiliates who provides such services to the Company, any Compartment or any subsidiaries); secretary fees, costs and expenses; accounting fees, costs and expenses (including all costs and expenses of compensation and benefits for any employees of the Company, any Compartment, the AIFM, the Investment Manager or their affiliates who, and to the extent that, provide such services to the Company, any Compartment or any subsidiaries); tax and audit preparation fees, costs and expenses; the fees, costs and expenses of auditors and tax and financial advisors; financial advisory fees, costs and expenses; commissions and fees payable to any placing agent, structuring agent, paying agent, correspondent bank or distributor of the Shares; merchant banking, stockbroking or corporate finance fees, costs and expenses (including interest on borrowings, index calculation, performance attribution, risk control and similar services' fees and expenses, costs, fees and charges of clearing agents and interest on debit balances and other bank charges); custody and depositary fees, costs and expenses; fees, costs and expenses payable to any other service provider to the Company or other professional advisers and consultants retained to advise the AIFM, the Investment Manager or their respective affiliates in respect of the Company; out-of-pocket expenses payable to the Company's service providers; consulting, expert and other professional fees, costs and expenses relating to the ongoing operation of the Company; the fees, costs and expenses of data providers including virtual data room providers; and the costs of developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the Company or the investors; together, the **Operating Expenses**.

- 35.2 In each case the Operating Expenses will be paid plus any applicable VAT.
- 35.3 If any Operating Expenses are incurred for the account or for the benefit of the Company and one or more Other Accounts, the General Partner will allocate such Operating Expenses (including any fee discounts given by service providers to the Company and each such Other Account) among the Company and each such Other Account in such manner as the General Partner in good faith determines is fair and reasonable.
- 35.4 Operating Expenses will be borne by all Compartments in proportion to the NAV of the relevant Compartment or on any other reasonable basis given the nature of the charges (e.g. the time spent by any employees of the Company, any Compartment, the AIFM, the Investment Manager or their affiliates providing services to the Company, any Compartment or any subsidiaries). Fees and expenses directly or indirectly attributable to a particular Compartment, Class or series of Shares will be borne solely by the relevant Compartment, Class or series of Shares.
- 35.5 In each case the costs and expenses of compensation and benefits for any employees of the Company, any Compartment, the AIFM, the Investment Manager or their affiliates will (i) be borne by the Company and each relevant Compartment as from September 2023 and (ii) not exceed the rate that would be payable by the Company or the relevant Compartment if the relevant services were provided by third parties in the business of providing comparable services on an arm's length basis.

Set-Up and Conversion Costs

- 35.6 The Company will be responsible for all of the fees, costs, charges, expenses, liabilities and obligations incurred in relation to or in connection with the establishment of the Company, the initial Compartment and the General Partner, the marketing and offering of the Shares (including drafting and negotiating the Prospectus, the initial Special Section, the Articles, the AIFM Agreement, the Portfolio Management Agreement, the Advisory Agreement, any Subscription Documents, any side letters and any related agreements contemplated hereby or thereby (including fees, costs and expenses of legal and tax advisers)), and the establishment, organisation and creation of the operational structure of the Company and the General Partner, including travel, lodging, meals, entertainment, legal, accounting, regulatory compliance, fees of professional advisors printing, postage and other costs of establishment (**Organisational Expenses**), whether incurred by the General Partner, the AIFM, the Investment Manager, any of their respective affiliates or any third party at the direction of such persons. For the avoidance of doubt, Organisational Expenses exclude any placement or finders' fees or commissions payable to placement agents, finders or brokers.
- 35.7 Such fees will be borne by the Company for the account of the initial Compartment and paid out of the assets of the initial Compartment. As further Compartments are created, costs relating to their establishment and organisation (including all costs and expenses of compensation and benefits for any employees of the Company, any Compartment, the AIFM, the Investment Manager or their affiliates who, and to the extent that, provide services in relation to the establishment and organisation of such further Compartments) will be borne by such additional Compartment and disclosed in the relevant Special Section, and each such Compartment may be allocated its pro-rated share of the costs and expenses incurred in relation to the establishment and organisation of the Company which have not already been amortised or written off at the time of the creation of the new Compartment on such basis as the General Partner may determine using a

methodology that the General Partner believes to be fair and equitable (and therefore the share borne by the initial Compartment may be reduced accordingly).

- 35.8 Organisational Expenses are expected to be approximately USD 920,000 and will be amortised on a time and money weighted basis over the first five financial years from the incorporation of the Company under the form of a RAIF or over such other period and in such manner as the General Partner in its absolute discretion deems fair. Organisational Expenses incurred in connection with the creation of any additional Compartment may also be amortised on a time and money weighted basis over the first five financial years of the Compartment or over such other period and in such manner as the General Partner in its absolute discretion deems fair as disclosed in each relevant Special Section.
- 35.9 Each Limited Shareholder will bear its *pro rata* share of the Organisational Expenses. Notwithstanding the foregoing, in circumstances where the General Partner reasonably believes that an allocation of such costs and expenses would produce an inequitable result to any Investor, the General Partner may allocate such costs and expenses in an alternative manner that it reasonably considers fair and equitable, including, without limitation, where certain costs and expenses are attributable to a specific Limited Shareholder, but not the entire Company.
- 35.10 In addition, to the Organisational Expenses, the Company will be responsible for all of the fees, costs, charges, expenses, liabilities and obligations incurred in relation to or in connection with the conversion of the Company from a RAIF into a UCI subject to Part II of the 2010 Act (**Conversion Expenses**). Such fees will be borne by the Company for the account of the three existing Compartments and paid out of the assets of these Compartments. Conversion Expenses will be amortised on a time and money weighted basis over the first five financial years from the date of the Conversion.

36. PREFERENTIAL TREATMENT

- 36.1 Subject to Clause 36.2, the General Partner or the AIFM may, in their absolute and sole discretion, decide from time to time to grant to one or more Limited Shareholders a preferential treatment, or a right to obtain a preferential treatment (a **Preferential Treatment**), subject to and in compliance with applicable laws and regulations and in this Clause 36. A Preferential Treatment may be a contractual arrangement incorporated in the relevant Subscription Document or in a side letter.
- 36.2 The General Partner or the AIFM will generally grant a Preferential Treatment on the basis of the following objective criteria:
- 36.2.1 The size, nature, timing or any feature of the Limited Shareholder's investment in the Company;
 - 36.2.2 The type, category, nature, regulatory obligations, legal structure or other characteristic of the Limited Shareholder;
 - 36.2.3 The Limited Shareholder's participation in the Company's activities (whether past, present and/or future), and/or
 - 36.2.4 Such other objective criteria as the General Partner or the AIFM may in their sole discretion adopt from time to time.
- 36.3 A Preferential Treatment may include one or more of the following:

- 36.3.1 "Most favoured nations" treatment;
- 36.3.2 Rights or terms necessary in light of particular internal policies or particular legal, regulatory or public policy characteristics of a Limited Shareholder;
- 36.3.3 Rights or terms necessary or desirable in light of the legal form or the structure of a Limited Shareholder;
- 36.3.4 Reporting or notice obligations of the Company, including enhanced transparency, more granular information and position reporting;
- 36.3.5 Rights with respect to confidentiality of the Company's and/or the relevant Limited Shareholder's information;
- 36.3.6 Waiver of certain confidentiality obligations;
- 36.3.7 Consent to Transfers;
- 36.3.8 Rights applicable to particular investments (which may increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, such investments), in limited regulatory and/or policy related circumstances;
- 36.3.9 Preferential redemption rights;
- 36.3.10 Reduction, waiver, reimbursement or rebate of any fees including more favourable Investment Management Fees, Performance Fees and/or arrangements in relation to Operating Expenses;
- 36.3.11 Terms relating to distributions from the Company, including cash or in kind;
- 36.3.12 Voting or veto rights relating to certain Company matters;
- 36.3.13 Terms confirming the General Partner's or the AIFM's interpretations of this Prospectus or other relevant agreement, the relevant Subscription Document or other agreements or documents related to the Company;
- 36.3.14 Rights with respect to dispute resolution;
- 36.3.15 Rights with respect to the Investors' Subscription Document; and
- 36.3.16 Such other provisions as the General Partner or the AIFM may in their sole discretion determine from time to time.

37. FAIR TREATMENT AND LIMITED SHAREHOLDER RIGHTS

- 37.1 Limited Shareholders will have the rights and obligations set out under Luxembourg Law, this Prospectus, the Articles and their Subscription Document. Except as specifically set out therein and as described further below, the rights of each Limited Shareholder in relation to the relevant Compartment will be the same, proportionate to the size of its relative investment. In considering any decision which may affect the interest of any particular Limited Shareholder, the AIFM shall consider the impact and fairness of such decision in relation to the treatment of all other Limited Shareholders in the relevant Compartment or holding the same Class or series of Shares. The AIFM will ensure, to

the best of its ability, that all Shareholders receive materially similar information concerning the management of the Company and the relevant Compartment.

- 37.2 None of the agreements appointing the AIFM, the Investment Manager, the Investment Advisors, the Administrator, the Depositary, the Auditor or legal counsel provide for any third-party rights for Limited Shareholders. Absent a direct contractual relationship between a Limited Shareholder and a Service Provider, Limited Shareholders generally have no direct rights against the relevant Service Provider and there are only very limited circumstances in which an investor may potentially bring a claim against a Service Provider.

38. INFORMATION FOR THE LIMITED SHAREHOLDERS

- 38.1 Audited Annual Reports and unaudited Half-Yearly Reports will be mailed free of charge by the AIFM to the Limited Shareholders upon request and will be available at the registered office of the Company, AIFM/distributor or agents (if any) as well as at the offices of the distributors of the Company in any country where the Company is marketed.

- 38.2 Information listed in Article 23 of the AIFMD and any other financial information concerning the Company or the AIFM, will be provided to the investors via the investor portal before their investment in the Company and will remain available and updated if necessary. This information includes:

- the periodic calculation of the NAV per Share,
- the issue, switching and the redemption prices,
- historical performance,
- risk profiles,
- description of risk management (including, in case a Compartment qualifies as an ELTIF, additional information relating to the quantitative limits that apply to its risk management, the methods chosen to that end, and the recent evolution of the main risks and yields of the categories of assets),
- leverage,
- identification of situations with potential conflicts of interest,
- voting rights policy,
- the composition of the originated loan portfolio of each Compartment,
- on an annual basis, all fees, charges and expenses that were directly or indirectly borne by Shareholders,
- on an annual basis, any parent undertaking subsidiary or special purpose vehicle utilized in relation to a Compartment's investments by or on behalf of the AIFM,
- information listed in Section B of the Annex of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency

of securities financing transactions and of reuse, for a Compartment that uses securities financing transactions, and

- the jurisdictions in which a Compartment that qualifies as an ELTIF has invested, in accordance with Article 23 (4) (i) of the ELTIF Regulation Limited Shareholders will be notified of any material changes to the abovementioned information.

39. CONFLICTS OF INTEREST

39.1 The following inherent or potential conflicts of interest should be considered before investing in the Company or any Compartment thereof. Prospective investors should also consider the inherent and potential conflicts of interest related to each Compartment's investment strategy as set out in the relevant Special Section.

39.2 The AIFM has established a conflict of interest policy to set up guidelines for minimising and handling conflicts of interest.

Other Clients

39.3 The General Partner and the Service Providers may act as general partner, manager, investment manager, adviser, broker, administrator, depositary, custodian, prime broker, auditor, registered office provider, legal adviser or investor or provide other services to other clients (including funds) now or in the future. The investment objectives, policies and/or strategies of such clients may be identical, similar or different to those of one of more Compartments. The General Partner and the Service Providers may engage in other business activities and are not required to refrain from any other activity, to account for any profits from any such activity, whether as partners of additional investment companies or otherwise, or to devote all or any particular part of the time and effort of any of its partners, members, officers, directors or employees to the Company and its affairs.

39.4 The General Partner and the Service Providers may additionally serve as directors to, consultants to, or partners or shareholders in, other investment funds, companies and investment firms. There can be no assurance that the investment returns of any Compartment will be similar or identical to the investment returns of any other fund managed by the AIFM and/or the Managers.

Valuation of Fund Assets

39.5 The AIFM with the assistance of the Investment Manager will value some or all of the assets of a Compartment on each Valuation Date where required. Such valuations may be verified on an annual basis by an independent third party. Certain securities and other assets in which a Compartment may directly or indirectly invest may not have a readily ascertainable market value and will be valued by the AIFM with the assistance of the Investment Manager in accordance with its established valuation policies, which may involve receiving prices from the Investment Manager or the Investment Advisors. Such securities and other assets may constitute a substantial portion of a Compartment's investments. There is a conflict of interest between any involvement of the Investment Manager or the Investment Advisors in this valuation process and with the Investment Manager's or the Investment Advisors' entitlement to any proportion of fees which are calculated by reference to the NAV.

39.6 In particular, a potential conflict of interest arises from the likely increase in the Investment Manager's fees on the admission of new investors to a Compartment as a

result of the marketing efforts of the AIFM, the Investment Manager and their delegates and that prospective investors may be encouraged to invest on the basis of increases in a Compartment's assets and/or their value.

Interested Party Transactions

- 39.7 The General Partner and the Service Providers and/or any of their directors, officers, employees, secondees, agents and connected persons (each an **Interested Party**) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and will not be liable to account for any profit earned from any such services. For example, an Interested Party may acquire investments (on behalf of clients) in which one or more Compartments may invest.
- 39.8 One or more Compartments may acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to the Company (but no Interested Party will act as auditor to the Company) or hold Shares and buy, hold and deal in any investments for its own accounts notwithstanding that similar investments may be held by a Compartment. An Interested Party may contract or enter into any financial or other transaction with any shareholder or with any entity any of whose securities are held for the account of a Compartment, or may be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which such Interested Party is contractually entitled in relation to any sale or purchase of any investments of the Company effected by it for the account of one or more Compartments, if in each case the terms are no less beneficial to the relevant Compartment(s) than a transaction involving a disinterested party and any commission is in line with market practice.

The Managers

- 39.9 The Managers or their affiliates provide or may provide investment management, investment advisory and other services to various entities. The Managers, and certain of their investment professionals and other principals, may also carry on substantial investment activities for their own accounts, for the accounts of family members and for Other Accounts. The Company has no interest in these activities. As a result of the foregoing, the Managers and the investment professionals who, on behalf of the Managers, will manage each Compartment's investment portfolio will be engaged in substantial activities other than on behalf of the relevant Compartment(s), may have differing economic interests in respect of such activities, and may have conflicts of interest in allocating their time and activity between the relevant Compartment(s) and Other Accounts. Such persons will devote only so much of their time as in their judgment is necessary and appropriate.
- 39.10 The Company, out of the assets of the relevant Compartment, or the Investment Manager, out of its own resources, may compensate third-party securities dealers, other industry professionals and any affiliates thereof (the **Financial Intermediaries**) in connection with the distribution of Shares or for their ongoing servicing of Shares acquired by their clients. Such compensation may take various forms, including a fixed fee, a fee determined by a formula that takes into account the amount of client assets invested in the relevant Compartment, the timing of investment or the overall NAV of the Compartment, or a fee determined in some other method by negotiation between the

Managers and such Financial Intermediaries. Financial Intermediaries may also charge Investors, at the Financial Intermediaries' discretion, a placement fee based on the purchase price of Shares purchased by the investor. As a result of the various payments that Financial Intermediaries may receive from Investors and the Managers, the amount of compensation that a financial intermediary may receive in connection with the sale of Shares may be greater than the compensation it may receive for the distribution of other investment products. This difference in compensation may create an incentive for a financial intermediary to recommend the Company over another investment product.

Other Accounts Managed by the Managers

- 39.11 Since the Managers may manage assets for Other Accounts (including institutional clients, pension plans and certain high net worth individuals), there may be an incentive to favour one client over another, resulting in conflicts of interest. For instance, the Managers may receive fees from certain accounts that are higher than the fee it receives from each Compartment, or it may receive a performance-based fee on certain accounts. In those instances, the Managers may have an incentive to favour the higher and/or performance-based fee accounts over the relevant Compartment. In addition, a conflict of interest could exist to the extent the Managers have proprietary investments in certain accounts, where its portfolio managers have personal investments in certain accounts or when certain accounts are investment options in the Managers' employee benefits and/or deferred compensation plans. Such a portfolio manager may have an incentive to favour these accounts over others. If the Managers manage accounts that engage in short sales of securities of the type in which a Compartment invests, the Managers could be seen as harming the performance of the relevant Compartment for the benefit of the accounts engaging in short sales if the short sales cause the market value of the securities to fall. The Managers have adopted allocation and other policies and procedures that it believes are reasonably designed to address these and other conflicts of interest.

Allocation of Investment Opportunities

- 39.12 The Company expects to invest alongside one or more Other Accounts and their successors in certain investments that are appropriate for a Compartment and such Other Accounts. Where a Compartment invests alongside one or more Other Accounts, investments are expected to be allocated among a Compartment and such Other Accounts in accordance with the Investment Manger's allocation policy.
- 39.13 There can be no assurance that investment opportunities that are appropriate for a Compartment and Other Accounts will be allocated to such Compartment. The Other Accounts may have different investment timelines from the Compartment and may exit a position when the Compartment remains invested, or vice versa, potentially having an impact on the Compartment's investments (for example, on their interim mark-to-market valuations).
- 39.14 Moreover, the composition of the assets of a Compartment is expected to differ from that of Other Accounts, because the Other Accounts have made and may in the future make investments not made by the Compartment and vice versa.

Expense Allocations

- 39.15 Where a Compartment invests alongside Other Accounts, the Investment Manager will determine the appropriate allocation of investment-related expenses, including broken-

deal expenses incurred in respect of unconsummated investments, among the Compartment and such Other Accounts. The allocation of such expenses may not be pro rata based on the portion of a particular investment that each vehicle makes or would have made had the deal closed. For example, in a situation where Other Accounts seek to participate in an investment on an overflow basis, such Other Accounts may not bear broken deal or other expenses related to the investment, in which case the Compartment may bear a disproportionately large share of such expenses.

Differing Interest

- 39.16 A Compartment may invest alongside Other Accounts, and one or more of such Other Accounts may be given certain governance or other rights or may be subject to terms and conditions that are more favourable than those applicable to the Compartment. Such Other Accounts may make decisions that are more beneficial to themselves than to the Compartment. Further, investments may benefit one or more of the Other Accounts disproportionately to their benefit to the Compartment. Conversely, the interests of one or more of the Other Accounts in one or more investments may, in the future, be adverse to that of the Compartment, and the Investment Manager may be incentivised not to undertake certain actions on behalf of the Compartment in connection with such investments, including the exercise of certain rights the Compartment may have, in view of the investment of one or more of the Other Accounts in such investments.
- 39.17 Although it is expected that a Compartment will, when it invests alongside an Other Account, generally dispose of its interest in an investment in the same proportion as, and on the same terms as, the Other Account, subject to legal, tax, regulatory or other considerations, as determined by the General Partner in its sole discretion, there can be no assurance that the interests in an investment held by the Compartment will be realised on as favourable terms as the interests in such investment held by the Other Account. Further, the disposal by Other Accounts may depress the market value of the continuing investment of the Compartment or may reduce the price available to the Compartment, which may also be disposing of its investment.

Participation in Investment Activities

- 39.18 Directors, principals, officers, employees and affiliates of the Managers may buy and sell securities or other investments for their own accounts and may have actual or potential conflicts of interest with respect to investments made on behalf of a Compartment or an Investment in which a Compartment invests. As a result of differing trading and investment strategies or constraints, positions may be taken by directors, principals, officers, employees and affiliates of the Managers, or by the Managers for the Other Accounts, or any of their respective affiliates on behalf of their own other accounts that are the same as, different from or made at a different time than, positions taken for the relevant Compartment or an Investment.

Investment in Different Parts of the Capital Structure of a Portfolio Company

- 39.19 Conflicts may arise where a Compartment invests in a Portfolio Company in which Other Accounts also have an investment, particularly where such investments are in different parts of such Portfolio Company's capital structure. Decisions relating to actions to be taken in respect of the Portfolio Company may raise conflicts of interest between such holders as to what actions the Portfolio Company should take. Questions as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced, whether or not to enforce claims, whether or not to advocate

or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring may raise conflicts of interest. The Managers will resolve such conflicts on a case-by-case basis, taking into account the interests of a Compartment and the relevant Other Accounts, but there can be no assurance that any such conflict will be resolved in favor of a Compartment. The Managers may cause a Compartment and Other Accounts to cast different or conflicting votes relating to a Portfolio Company. The Managers may also decide it is in the best interests of a Compartment or Other Accounts to abstain from casting a vote or there may be a situation where some but not all of their clients are entitled to vote with respect to a particular matter concerning the Portfolio Company. In addition, a conflict may arise in allocating any investment opportunity arising out of any work-out, restructuring or other special situation if the potential investment could be made by either a Compartment or Other Accounts. There can be no assurance that the return of a Compartment participating in a transaction would be equal to and not less than Other Accounts participating in the same transaction or that it would have been as favorable as it would have been had such conflicts not existed.

Investment in Other Accounts; Investments by the Managers and Other Accounts in a Compartment

- 39.20 From time to time, a Compartment may invest in Other Accounts. In such cases, the interests of a Compartment may not be aligned in all circumstances with the interests of such other investment vehicles. Such investment may give rise to conflicts of interest. Actions may be taken by the Manager in respect of such Other Account that are adverse to a Compartment. In the event that a Compartment makes any investment in entities managed by the Managers with respect to which a Compartment bears the cost of any additional management fees or performance-based compensation to the Managers, the Shareholders may indirectly bear such incremental management fees or performance-based compensation. In addition, the Managers and Other Accounts may from time to time purchase Ordinary Shares.

Other Matters

- 39.21 The Managers and their affiliates will not purchase securities or other property from, or sell securities or other property to a Compartment, except that a Compartment may engage in transactions with accounts that are affiliated with the Company as a result of common officers, directors, advisers, members or managing general partners. These transactions would be effected in circumstances in which the Managers determined that it would be appropriate for one or more Compartments to purchase and another client to sell, or one or more Compartments to sell and another client to purchase, the same security or instrument on the same day.
- 39.22 Future investment activities of the Managers and their affiliates and their principals, partners, members, directors, officers or employees may give rise to conflicts of interest other than those described above and in the relevant Special Section.

General

- 39.23 The AIFM and the Investment Manager will maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify, manage and monitor potential conflicts of interest that may arise, and will ensure that any such potential conflicts of interest are disclosed to investors. Further the AIFM and the Investment Manager will use their reasonable

endeavours to ensure that the performance of their duties will not be impaired by any such involvement they may have and to prevent conflicts of interest from adversely affecting the interests of the investors and to ensure that any conflicts which may arise will be resolved fairly.

40. RISK FACTORS

General risk factors

- 40.1 An investment in the Company involves a significant degree of risk. Investment in the Company is only suitable for those persons who are able to bear the economic risk of the investment, understand the high degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs, and have no need for liquidity of investment. There can be no assurance that the Company's objectives will be achieved or that there will be any return of capital.
- 40.2 Before making a decision to join the Company, Investors should carefully consider all of the information set out in this Prospectus, including the information set out in the relevant Special Section, as well as their own personal circumstances. Investors should have particular regard to, among other matters, the considerations set out in this Clause and under "Specific Risk Factors" in the relevant Special Section. The risk factors referred to therein, and in this document, alone or collectively, may reduce the return on the Shares and could result in the loss of all or a portion of an Investor's investment in the Shares. The value of the Shares of any Compartment can go down as well as up and their value is not guaranteed. Investors may not receive, at liquidation or otherwise, the amount that they originally invested.
- 40.3 The risks may include or relate to equity markets, foreign exchange rates, interest rates, credit risk, counterparty risk, market volatility and political risks. The risk factors set out in the General Section and the relevant Special Section are not exhaustive. There may be other risks that an Investor should consider that are relevant to its own particular circumstances or generally.
- 40.4 Becoming a Shareholder is only suitable for a Person who is capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result from this investment, including loss of the Investor's entire investment into the Company.
- 40.5 Before making a decision to join the Company, Investors should consult their own stockbroker, bank manager, lawyer, solicitor, accountant and/or financial adviser and carefully review and consider such an investment decision in the light of this Prospectus, in particular the foregoing, the relevant Special Section and the prospective investor's personal circumstances.

General Economic and Market Conditions

- 40.6 The value of the Company's and each Compartment's total net assets should be expected to fluctuate. To the extent that a Compartment's portfolio is concentrated in securities of a single issuer or issuers in a single sector, the risk of any investment decision is increased. Using leverage for an Investment is likely to cause the relevant Compartment's average net assets to appreciate or depreciate at a greater rate than if leverage were not used.

40.7 An investment in any Compartment of the Company involves a high degree of risk, including the risk that the Shareholder's entire investment may be lost. The Company's (and each Compartment's) performance depends upon the Managers' selection of Investments, the allocation of offering proceeds thereto and the performance of the Investments. The Company's investment activities involve the risks associated with private market investments generally. Risks include adverse changes in national or international economic conditions, adverse local market conditions, the financial conditions of Portfolio Companies, changes in the availability or terms of financing, changes in interest rates, exchange rates, corporate tax rates and other Operating Expenses, environmental laws and regulations, and other governmental rules and fiscal policies, energy prices, changes in the relative popularity of certain industries or the availability of purchasers to acquire companies, and dependence on cash flow, as well as acts of God, uninsurable losses, war, terrorism, earthquakes, hurricanes or floods, and other factors which are beyond the control of the Company or the Investments. Unexpected volatility or lack of liquidity, such as the general market conditions that prevailed in 2008, could impair the relevant Compartment's profitability or result in its suffering of losses.

General Partner

40.8 The General Partner is a newly established company with no track record upon which the Investors may base an evaluation. Although the General Partner will devote such time and effort as it determines to be reasonably required to implement the objectives of the Company, there can be no guarantee that its undertaking will be successful.

40.9 Limited Shareholders will not participate in the external management of the Company, will have no direct interest in any Investment, will have no voting rights in any Investment or their affiliates and will have no standing or recourse against any portfolio fund, Investment or their affiliates.

40.10 Although the General Partner has ultimate authority and responsibility with respect to the operation and management of the Company, decisions relating to the day-to-day investment of the Company's assets are, in accordance with AIFMD, entrusted to the AIFM which will be in charge of the risk and the portfolio management of the Company. The AIFM has appointed the Investment Manager to provide delegated portfolio management services in relation to the Company. The Company's performance is therefore largely dependent on the continuation of the AIFM Agreement and the Portfolio Management Agreement and the services and skills of the officers and employees of the AIFM and the Investment Manager.

Restrictions on redemption of Shares and on Transfer

40.11 Shares are furthermore subject to stringent restrictions on withdrawal and Transfer as set out in respect of each Compartment in its Special Section.

Incentive Remuneration

40.12 Certain Compartments may provide that the General Partner, any of its managers, the AIFM, any Managers or any other Person may be entitled to receive incentive compensation including carried interest, performance fee or similar remuneration schemes. The fact that these incentive compensations are based on the performance of the relevant Compartment may create an incentive for the beneficiary to cause the

Compartment to make Investments that are riskier or more speculative than would be the case in the absence of performance-based compensation.

Limited Operating History

- 40.13 The Company is recently formed with limited performance history that Shareholders can use to evaluate the Company's investment performance. The initial operating expenses for a new fund, including start-up costs, which may be significant, may be higher than the expenses of an established fund. In addition, Investments may, in some cases, be newly organised with limited operating histories upon which to evaluate their performance.
- 40.14 Each Compartment has been recently created and has therefore no significant operating history.

Fees and Expenses

- 40.15 The Company pays, out of the assets of each of the Compartments, fees, costs and Operating Expenses incurred in its operation, including, without limitation, taxes, expenses for legal, auditing, administration, registration fees and other expenses due to supervisory authorities, insurance, interest, the fees of service providers and the cost of the publication of such Compartment's and the Company's NAV. The fees, allocations and expenses to which each Compartment will be subject could be substantial and will dilute the returns realised by Shareholders.

Insufficient Risk Diversification

- 40.16 Other than the limitations on investments set forth herein or in the relevant Special Section, there is no assurance as to the degree of diversification that will actually be achieved in a relevant Compartment either by the exposure to the different asset classes, geographic regions or number of Investments.
- 40.17 A Compartment may participate in a limited number of Investments and, as a consequence, the aggregate return experienced by Investors may be substantially adversely affected by the unfavourable performance of one or more single Investments. In addition, the diversification of the Compartment's Investments could be further limited and proportionately more capital could be employed to the extent the Compartment invests a significant portion of its capital in a small number of transactions.
- 40.18 In particular, during the Kick-off Period, a relevant Compartment may be exposed to a single Investment and, as a result, be fully exposed to any adverse economic, legal or any other type of occurrence affecting that single Investment.

No Segregation of Risks between Classes and series of Shares

- 40.19 The Company has the power to issue Shares in Classes and series of Shares within each Compartment. While a Compartment's assets and liabilities are segregated from each other under article 181 of the 2010 Act, Classes and/or series of Shares of a Compartment share in the overall risks and liabilities. Consequently, a Shareholder's investment in a Compartment remains exposed to liabilities of other Classes or series of Shares. In practice, cross-class liability is only expected to arise where liabilities referable to one Class or one series of Shares is in excess of the assets referable to such Class or series of Shares within the relevant Compartment and it is unable to meet all liabilities attributed to it. In such a case, the assets of the relevant Compartment

attributable to other Classes or series of Shares within such Compartment may be applied to cover such liability excess and the value of the contributing Classes or series of Shares will be reduced as a result.

Foreign Currencies and Exchange Rates

- 40.20 The Company directly or indirectly may hold Investments for the account of a relevant Compartment in currencies different from the Reference Currency or the currency applicable to the Class or series of Shares held by a Limited Shareholder. Changes in foreign currency exchange rates may therefore have a separate effect, favourable or unfavourable, on the gain or loss otherwise made on the instruments held by such Compartment. Accordingly, the value of an investment in a Compartment may be affected favourably or unfavourably by fluctuations in exchange rates. In addition, prospective Investors whose assets and liabilities are primarily denominated in currencies other than the currency of investment should take into account the potential risk of loss arising from fluctuations in the rate of exchange between the relevant currencies.

Availability of Investment Opportunities

- 40.21 The business of identifying and structuring Investments of the types contemplated by each Compartment is competitive and involves a high degree of uncertainty. The availability of investment opportunities generally is subject to market conditions as well as, in some cases, the prevailing regulatory or political climate. No assurance can be given that the Company (on behalf of its respective Compartments) will be able to identify and complete attractive investments in the future or that it will be able to fully invest the subscriptions made to one or more Compartments.

Illiquidity

- 40.22 Investments may be illiquid and consequently it may not be possible to sell these Investments at a price that reflects the General Partner's assessment of the fair value.
- 40.23 The nature of the Investments may also require a long holding period prior to profitability. Consequently, disposals of Investments may require a lengthy time period or may result in distributions in kind of Investments in lieu of or in addition to cash. In the event the General Partner makes distributions of Investments in kind upon the dissolution of a relevant Compartment or upon the liquidation of the Company, these Investments could be illiquid or subject to legal, contractual and other restrictions on transfers; in addition, payment in kind shall be made with the consent of the Shareholder receiving this in kind consideration and shall be determined on an equitable basis amongst the Investors.

Valuation

- 40.24 Certain of the Investments may be highly illiquid and will not be publicly-traded or readily marketable. The General Partner and the AIFM will therefore not have access to readily ascertainable market prices when establishing valuations of the Investments and the General Partner and the AIFM can provide no assurance that any given Investment could be sold at a price equal to the Fair Market Value ascribed to such Investment in connection with the General Partner's or the AIFM's or the Valuation Agent's valuation thereof.

- 40.25 Actual realised returns will depend on various factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale.

Use of Estimates

- 40.26 In calculating the NAV of the Company, each Compartment, each Class and each series of Shares thereof, reliance may be placed on the use of estimates and assumptions. There is a risk that the NAV finalised using these estimations or assumptions may differ from actual values and accordingly that NAV may be overstated or understated, as the case may be. There is a risk that an Investor may overpay if the actual value of Shares is lower than the NAV as calculated and at which they subscribed for such Shares.

Inadequate Return

- 40.27 No assurance can be given that the returns on any Compartment's investments will be commensurate with the risk of investment in such Compartment. Limited Shareholders should not commit money to any Compartment unless they have the resources to sustain the loss of their entire investment in such Compartment.

Indemnification

- 40.28 Under the Articles and this Prospectus, the Indemnified Persons are entitled to be indemnified out of the assets of the Company against costs, losses and expenses which such Indemnified Persons may incur or become liable in connection with affairs and operations of the Company. These obligations could require the Company to make substantial indemnification payments.

Inside Information

- 40.29 From time to time, the Company or its affiliates may come into possession of material, non-public information concerning an entity in which one or more Compartments has invested or proposes to invest. Possession of that information may limit the ability of the relevant Compartment(s) to buy or sell securities of the entity.

Compulsory Redemption and Transfer

- 40.30 The General Partner may compulsorily redeem or require the transfer of all or some of a Limited Shareholder's holding of Shares as more specifically disclosed in this Prospectus and the Articles.

Limitations on Transfer: Shares Not Listed; No Market Shares

- 40.31 The transferability of Shares is subject to certain restrictions contained in this Prospectus and the Articles. Shares are not traded on any national securities exchange or other market. No market currently exists for Shares, and the Company contemplates that one will not develop. The Shares are, therefore, not readily marketable.

Side Letter Risk

- 40.32 Subject to the requirements of the AIFMD, the General Partner and the AIFM may from time to time enter into side letter agreements or other similar agreements with one or more investor(s) (as the General Partner may determine in its sole discretion from time to time) which provide such investor(s) with additional and/or different rights than such

investor(s) would otherwise have under this Prospectus. As a result of such side agreements, certain Investors may receive additional benefits which other Investors will not receive. The other Investors will have no recourse against the Company, any Compartment thereof, the General Partner, the AIFM and/or any of their affiliates in the event that certain Limited Shareholders receive additional and/or different terms as a result of such side agreements.

Counterparty Risk

- 40.33 The Company will be subject to the risk of the inability of any trading counterparty to perform with respect to transactions, whether due to its own insolvency or that of others, bankruptcy, market illiquidity or disruption or other causes and whether resulting from systemic or other reasons. Systemic risk may arise through a default by one of several large institutions that are dependent upon one another to meet their liquidity or operational needs, such that a default by one institution causes a series of defaults by the others. This may adversely affect financial intermediaries such as clearing agencies, clearing houses, brokers and listed companies in certain countries.

Fraud and Misconduct Risk

- 40.34 The Company will be exposed to the risk of fraud or misconduct by Service Providers, employees, and third-party service providers to, or the directors, officers or agents of, an investment entity in which the Company is invested. The Company will adopt measures to select reliable service providers and prevent and deter employee misconduct, and intend to seek to obtain transparency and monitor the activities of service providers and other agents of investment entities in which the Company invests. However, there is no guarantee that the measures taken will be effective in eliminating the risk of fraud or other bad faith acts or practices.

Cyber Crime and Security Breaches

- 40.35 With the increasing use of the internet and technology in connection with the operations of the Service Providers, the Company is susceptible to greater operational and information security risks through breaches in cyber security. Cyber security breaches include, without limitation, infection by computer viruses and gaining unauthorised access to the Service Providers' systems through 'hacking' or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operations to be disrupted. Cyber security breaches may also occur in a manner that does not require gaining unauthorised access, such as denial-of-service attacks or situations where authorised individuals intentionally or unintentionally release confidential information stored on the Service Providers' systems. A cyber security breach may cause disruptions and impact the Company's business operations, which could potentially result in financial losses, inability to determine the NAV of the Company, violation of applicable law, regulatory penalties and/or fines, compliance and other costs. The Company and Shareholders could be negatively impacted as a result. Further, indirect cyber security breaches at an issuer of securities in which the Company invests may similarly negatively impact the Company and Shareholders. While the Service Providers have established risk management systems designed to reduce the risks associated with cyber security breaches, there can be no assurances that such measures will be successful.

Handling of Post

- 40.36 Postal mail addressed to the Company received at its registered office will be forwarded unopened to the forwarding address supplied by the Administrator. None of the Company, the General Partner, its managers, advisers or service providers will bear any responsibility for any delay howsoever caused in mail reaching the forwarding address.

Contingent liabilities on dispositions

- 40.37 In connection with the disposition of an Investment, the Company for the account of a relevant Compartment may be required to make warranties or representations about the business and financial affairs of the Portfolio Company (or an Intermediary Vehicle) typical of those made in connection with the sale of any business.
- 40.38 The Company for the account of a Compartment may also be required to indemnify the purchasers of the Portfolio Company (or an Intermediary Vehicle) to the extent that any such representation turns out to be inaccurate, or for other matters.
- 40.39 These arrangements may result in contingent liabilities, which might ultimately have to be funded by the Investors making contributions to the relevant Compartment.

Use of Liquidity Management Tools (LMTs)

- 40.40 As outlined in the section 44 of the Prospectus entitled "Liquidity Risk Management", the AIFM has the ability to activate various liquidity management tools ("**LMTs**") in order to manage the liquidity risk of each Compartment and to protect the interests of Shareholders, particularly in periods of market stress or exceptional circumstances.
- 40.41 The use of LMTs is intended to ensure the fair treatment of Shareholders and the orderly management of each Compartment's assets and liabilities. However, the activation of one or more LMTs may have a material impact on Shareholders and involves certain risks, including but not limited to the following:
- 40.42 *Restriction or Delay of Redemptions:* The use of LMTs such as redemption gates or temporary suspension of redemptions may restrict or delay a Shareholder's ability to redeem their Shares. Shareholders may not be able to access their investment within the expected timeframe, which could adversely affect their liquidity position.
- 40.43 *Additional Costs:* The imposition of swing pricing may result in additional costs to redeeming or subscribing Shareholders. These measures are designed to protect the interests of remaining Shareholders but may reduce the amount received by redeeming Shareholders or increase the cost of subscriptions.
- 40.44 *Uncertainty and Market Impact:* The activation of LMTs may create uncertainty regarding the timing and amount of redemptions or subscriptions, and may affect the market value or liquidity of the Shares.
- 40.45 *Discretion and Fair Treatment:* The AIFM has discretion in the activation, calibration, and deactivation of LMTs, subject to applicable law and the requirements of the CSSF. While LMTs are applied with the aim of ensuring fair treatment of Shareholders, there can be no assurance that all Shareholders will be affected equally or that the use of LMTs will not disadvantage certain Shareholders in particular circumstances.
- 40.46 Investors should carefully consider the risks associated with the use of LMTs and the potential impact on their ability to redeem or access their investment, as well as the possibility of incurring additional costs.

Legal and tax risks in general

Legal

- 40.47 The General Partner and the Company must comply with various legal requirements, including the 1915 Act, the 2013 Act, and securities laws and tax laws as imposed in Luxembourg as well as by laws and regulations imposed in other jurisdictions under which the Company operates. Should any of those laws change over the life of the Company, the legal requirements and permissions to which the Company and its Limited Shareholders may be subject could differ materially from the current situation.
- 40.48 Following the global financial crisis, global financial markets experienced considerable declines in the valuations of equity and debt securities, an acute contraction in the availability of credit, and the failure of a number of leading financial institutions. As a result, certain government bodies and central banks worldwide have undertaken unprecedented intervention programmes, the long-term effects of which remain uncertain. Concerns continue regarding the sovereign debt of various Eurozone countries, the possibility that one or more countries might leave the Eurozone or, following the United Kingdom's referendum vote to leave the European Union, the European Union. Further developments and outcomes in relation to these issues cannot be predicted and could have material adverse effects on the Company's ability to make investments for the account of the relevant Compartment(s) and on the Investments, while further measures introduced in order to limit or contain these issues may themselves lead to economic contraction and resulting adverse effects for one or more Compartment(s) and their Investments.
- 40.49 Following the global financial crisis, many of the regulators to which the Company is expected to be subject globally, including governmental agencies and self-regulatory organisations, are empowered to conduct investigations and administrative proceedings that can result in fines, suspensions of personnel or other sanctions, including censorship, the issuance of cease-and-desist orders or the suspension or expulsion of applicable licences and members. There is also a material risk that regulatory agencies may adopt burdensome new laws or regulations (including tax laws or regulations), or change existing laws or regulations, or enhance the interpretation or enforcement of existing laws and regulations. Any such events or changes could occur during the Company's term and may adversely affect the Company or its Compartments and its ability to operate and/or pursue the investment strategies. Such risks are often difficult or impossible to predict, avoid or mitigate in advance. In summary, regulation generally as well as regulation more specifically addressed to the private funds industry, including tax laws and regulation, could increase the cost of acquiring, holding or divesting of investments in Portfolio Companies, the profitability of enterprises and the cost of operating the Company or its Compartments. There can be no assurance that any such enhanced scrutiny will not have an adverse impact on the Company or its Compartments or not otherwise impede their activities.

AIFMD 2.0

- 40.50 On 26 March 2024, Directive (EU) 2024/927 of 13 March 2024 amending AIFMD and the UCITS Directive (Directive 2009/65/EC) as regards delegation arrangements, liquidity risk management, supervisory reporting, the provision of depositary and custody services and loan origination by alternative investment funds (**AIFMD 2**), was published. It entered into force on 15 April 2024. EEA member states will have 24 months to implement the provisions into law, with the AIFMD 2 applying from 16 April 2026.

- 40.51 There are a number of provisions that, when implemented, could adversely impact the ability of the Investment Manager to manage the investments of the Company or its Compartments and may materially adversely affect the Company or its Compartments' ability to implement their investment approaches and achieve their investment objectives, as well as the ability of the Company and its Compartments to conduct their operations.
- 40.52 Provisions in AIFMD 2 include, but are not limited to, increased disclosure requirements, increased reporting obligations, and mandated liquidity management mechanisms. Delegation arrangements remain permissible under AIFMD 2 but there will be additional reporting requirements associated with delegation.
- 40.53 The changes to AIFMD, occurring as a result of AIFMD 2, may have an adverse effect on the Company and/or one or more Compartments by, among other things, increasing the regulatory and compliance burden in the EEA without materially improving the Company or its Compartments' ability to carry out their investment approach and achieve their investment objective. The Investment Manager will continue to monitor the position and reserves the right to adopt such arrangements as it deems necessary or desirable to comply with any changes in the applicable requirements of AIFMD II.

ELTIF Regulation and ELTIF Delegated Regulation

- 40.54 The investment opportunities for a fund are subject to the ELTIF Regulation and specifically the eligible assets requirements of the ELTIF Regulation. Therefore, there can be no guarantee as to the number of investment opportunities that are eligible for investment by such fund. Furthermore, compliance with such requirements will be monitored during the life of the investments and in circumstances where a potential or actual breach of such requirements occurs, the AIFM will need to take mitigating or remedial actions to ensure compliance with the ELTIF Regulation. Such actions may include the divestment of an asset at a non-optimal point which may have an impact on returns.

Anti-Money Laundering, Know Your Client, Tax and Other Information Reporting Regimes.

- 40.55 In order to facilitate compliance with applicable anti-money laundering regulations and laws, each prospective Investor must make certain disclosures and provide certain information to the Company, the General Partner, the AIFM, the Investment Manager, the Administrator and their respective affiliates. In particular, the Company, the General Partner, the AIFM, the Investment Manager and the Administrator may require Investors to provide information to comply with any request for information by courts, tribunals, central banks, exchanges, or governmental or regulatory authorities. In addition, one or more information exchange regimes are likely to apply to the Company, which may require the General Partner, the AIFM, the Investment Manager and/or the Administrator to collect and share information with applicable taxing and other authorities concerning Limited Shareholders (including identifying information and amounts of certain income allocable or distributable to them). In the future, the Company may be required to conduct additional verification of both the identity of any investor (including the source of such investor's funds used for making an investment, the bank accounts used for remitting capital contributions or receiving distribution proceeds) and its beneficial owners. Current and future information disclosed may be provided to government and regulatory authorities of various jurisdictions, without necessarily providing prior notification (or any notification) to the Investors. It is unclear what additional steps the

General Partner, the AIFM, the Investment Manager, the Administrator and the Company may be required to take to comply with future laws, rules, and regulations; however, these steps may include prohibiting investors from making further purchases of Shares, depositing distributions and other proceeds in an escrow account and/or causing the withdrawal of investors. Furthermore, a Limited Shareholder may be required to indemnify the Company, the General Partner, the AIFM, the Investment Manager, the Administrator and their respective affiliates for any losses or damages incurred as a result of such Limited Shareholder's failure to provide any such information. In addition, such a failure may result in certain other adverse consequences (including expulsion from the Company and/or the imposition of penalties or, if applicable, withholding taxes attributed to such Limited Shareholder).

Data Protection Legislation

- 40.56 The Company's, the General Partner's and the Service Providers' processing of personal data entails legal and regulatory risks and the legal and regulatory requirements relating to the collection, storage, handling and transfer of personal data continue to develop. The Company, the General Partner, the Service Providers and/or their affiliates may become subject to new legislation or regulation concerning the personal information they may store or maintain. In addition, they may have obligations under existing laws and regulations.
- 40.57 The Company, the General Partner, the Service Providers and their affiliates may also be subject to data protection laws and regulations of other jurisdictions (whether as controllers or processors or both) including, without limitation, those of Luxembourg. Compliance with these laws and regulations may entail substantial expense. Any failure to comply with these laws and regulations by the Company, the General Partner, the Service Providers or their affiliates could result in negative publicity and may subject the Company and its directors to significant costs or penalties associated with litigation and/or regulatory action.

Regulatory Developments with Respect to Private Funds and Advisers

- 40.58 In August 2023, the SEC adopted new rules and amendments to existing rules under the Advisers Act (collectively, the **SEC Private Fund Rules**) imposing new restrictions on investment advisers and their activities with respect to private funds. The SEC Private Fund Rules impose a wide range of new obligations and restrictions, including: expansive reporting requirements (with accelerated reporting timeframes) by advisers to private fund investors concerning fund performance, fees and expenses; a requirement for advisers to obtain an annual audit for private funds and to require such fund's auditor to notify the SEC upon the occurrence of certain material events; requirements in connection with adviser-led secondary transactions to obtain a fairness opinion and make certain disclosures; prescriptive disclosure and consent requirements for investment advisers seeking to engage in certain practices; and limitations on preferential treatment of investors in private funds through side letters or other arrangements (including prohibitions on providing favourable redemption rights and differential information rights in certain situations), as well as disclosure requirements for other forms of preferential treatment. The SEC Private Fund Rules represent a significant departure from the longstanding, disclosure-based regulatory framework applicable to investment advisers, and the full extent of the implications on the operation of the Company and the AIFM's, the Manager's broader business remains uncertain at this time. The SEC Private Fund Rules will generally phase in over the 12-18 months following publication in the Federal Register (which was in September 2023). While the

Private Fund Rules contain certain limited exceptions for legacy funds that had commenced operations before the relevant compliance dates, certain aspects of the rules are expected to apply to, and therefore to impact, the activities of the Company. Although the full impact of the SEC Private Fund Rules on the Company's operations is uncertain, the implementation of these rules will increase the overall administrative burden of the AIFM and the Managers, which may divert their time, attention and resources from portfolio management activities to responding to inquiries, examinations and enforcement actions (or threats thereof). In addition, the SEC Private Fund Rules will restrict the Company's ability to accommodate certain investor requests and increase the Company's overall operational expenses, which costs will ultimately be borne by investors.

Reliance on CFTC No-Action Relief

- 40.59 While certain of the Compartments may directly or indirectly trade commodity interests (commodity futures contracts, commodity options contracts and/or swaps), including security futures products, each of the General Partner and the AIFM intends to remain exempt from registration with the CFTC as a CPO pursuant to temporary no-action relief available to funds of funds with commodities exposure (the **No-Action Relief**). The No-Action Relief is available until six months after the CFTC releases amended guidance on a fund of funds' ability to rely on the so-called "de minimis exemption" of CFTC Rule 4.13(a)(3). When the No-Action Relief expires, each of the General Partner and the AIFM may be required to register as a CPO and operate the relevant Compartments in its registered capacity or alter its holdings in order to qualify for the de minimis exemption based on CFTC forthcoming guidance.

The European Market and Infrastructure Regulation

- 40.60 EMIR has been in force since 2012 and imposes requirements on derivatives for in-scope entities which can be split into three categories: (i) that certain OTC derivative contracts are submitted for clearing to central clearing counterparties or so called **CCPs** (the clearing obligation); (ii) that details of all derivatives (both OTC and exchange-traded (**ETD**)) are reported to registered or authorised trade repositories (the reporting obligation); and (iii) for uncleared OTC derivatives only, requirements as to appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty credit risk (the risk mitigation requirements). The most significant requirement in the final category is the requirement to exchange collateral for uncleared OTC derivatives, which in certain cases extends to initial as well as variation margin.
- 40.61 Following the U.K.'s exit from the EU, EMIR was on-shored into U.K. legislation and the two EMIR regimes, so called "EU EMIR" and "U.K. EMIR". Unless expressly stated otherwise, references to EMIR capture both regimes.
- 40.62 An entity's EMIR counterparty category and its OTC derivatives activity measured against certain prescribed "clearing thresholds" determine its EMIR obligations. The EMIR clearing obligation and risk mitigation requirements apply to varying degrees to entities established in the EU or the U.K. (and sometimes to both). In certain cases, the requirements also apply to entities established outside the EU or the U.K.. Each Compartment will be an EU EMIR "Financial Counterparty" or "FC" and will be subject to the clearing obligation, where applicable (EMIR FCs whose OTC derivatives activity is below the relevant thresholds prescribed by EMIR (so called "Small FCs") are exempted from the EMIR mandatory clearing obligation), the reporting obligation and the risk mitigation requirements. Despite not itself being directly in-scope of U.K. EMIR,

where any Compartment enters into derivatives with a U.K. counterparty which is itself subject to U.K. EMIR, that counterparty may require the relevant Compartment, as a term of doing business, to comply with certain of U.K. EMIR's obligations which may ultimately result in that Compartment being required to comply with aspects of both EU EMIR and U.K. EMIR.

- 40.63 Although EMIR requirements are well established, the regimes are evolving and divergence between the EU and U.K. regimes is starting to happen. 2024 saw significant changes to the EMIR reporting obligations; the changes across the two EMIR regimes were not identical. Further changes with respect to EU EMIR, so called "EMIR 3" or "EMIR 3.0", which include changes to the clearing obligation and clearing threshold calculations, took effect on 24 December 2024, although various aspects require secondary legislation and are subject to phase in periods. The effects of these changes, differences across the EMIR regimes and any future divergence, when taken together with the general cost of compliance with EMIR, could result in an increase in the overall cost to a Compartment or entering into and maintaining any OTC and ETD derivative contracts.
- 40.64 Both EMIR and the Dodd-Frank Wall Street Reform and Consumer Protection Act (**Dodd-Frank**) can apply extraterritorially i.e. to entities outside of the EU (or U.K., as the case may be) and the U.S. respectively by virtue of provisions in each that seek to impose certain requirements on entities located, or on transactions executed, overseas. Given the potentially global nature of a Compartment's trading activities, and the potentially overlapping extraterritorial reach of EMIR and Dodd-Frank, subject to rules on substituted compliance and equivalence, conflict and overlap may occur between certain regulations adopted under EMIR and Dodd-Frank. Where any such conflict and overlap means a Compartment must comply with both regimes, compliance costs may increase.

EU Bank Recovery and Resolution Directive

- 40.65 Pursuant to the EU Bank Recovery and Resolution Directive (2014/59/EU, as amended by the BRRD II Directive, Directive 2019/879/EU) (the **BRRD**) EU member states were required to introduce a recovery and resolution framework for banks and significant investment firms (**Institutions**) giving national competent and resolution authorities powers of intervention where such an Institution is deemed to be failing or likely to fail. EU member states were required to transpose the BRRD into national law by January 2015 or in certain cases January 2016.
- 40.66 Among other things, the BRRD provides for the introduction of a "bail-in tool" under which resolution authorities may write down claims of the Institution's shareholders and creditors and/or convert such claims into equity. Exceptions to this include secured liabilities, client assets and client money. If following a bail-in it is determined, based on a post-resolution valuation, that shareholders or creditors whose claims have been written down or converted into equity have incurred greater losses than they would have done had the Institution had been wound up under normal insolvency proceedings, the BRRD provides that they are entitled to payment of the difference. With the exception of one aspect which took effect in November 2024, other amendments to BRRD (**BRRD3**) are progressing through the European legislative process. The precise form BRRD3 will take when it does take effect is unknown. The proposed amendments relate to issues including early intervention measures, the use of national deposit guarantee scheme funds in resolution, and depositor preference in the hierarchy of claims.

- 40.67 Other powers of intervention include the power to close out open derivatives positions, temporarily to suspend payment or delivery obligations, restrict or stay the enforcement of security interests and suspend termination rights. Other similar regimes are in place globally. When the U.K. left the EU, the BRRD framework as implemented by the U.K. was already in place and is principally found in the Banking Act 2009 (with some differences to the EU regime). While not introducing the same changes as proposed by BRRD3, the U.K. has introduced some changes to its BRRD framework by way of the Bank Resolution (Recapitalisation) Act 2025. This act, which took effect in July 2025, introduces amendments to the UK's special resolution regime for failing financial institutions through changes to both the Banking Act 2009 and the Financial Services and Markets Act 2000. There have also been some changes introduced by the Bank of England, as the UK resolution authority, in relation to their policy on preferred resolution strategies and the minimum requirement for own funds and eligible liabilities. These changes are largely effective from 1 January 2026.
- 40.68 The implementation of a resolution process in relation to an Institution which is a counterparty to, or obligor of, the Company could result in a bail-in being exercised in respect of any unsecured claims of the Company, derivatives positions being closed out, and delays in the ability of the Company to enforce its rights in respect of collateral or otherwise against the Institution concerned. Any payment of compensation due to the Company as a result of the Company being worse off as a result of a bail-in is likely to be delayed until after the completion of the resolution process and prove to be less than anticipated or expected.
- EU Short Selling Regulation*
- 40.69 Regulation (EU) No 236/2012 on Short Selling and Certain Aspects of Credit Default Swaps (as supplemented by Commission Delegated Regulations 918/2012, 919/2012, 826/2012 and Commission Implementing Regulation 827/2012) (the **SSR**) applies directly (i.e., without national implementation) in all member states of the EU. Following the U.K.'s exit from the EU, the SSR was on-shored into U.K. legislation. For the purposes of this risk factor, the term "SSR" refers to the original "EU" SSR and the "U.K." SSR" unless expressly stated otherwise.
- 40.70 The SSR imposes certain private and public disclosure obligations on all natural or legal persons, irrespective of regulatory status, located inside or outside the EU (or U.K. for U.K. SSR), who have net short positions (as calculated in accordance with the SSR) in EU (or U.K.)-listed shares and EU (but soon no longer the U.K.) sovereign debt, which reach or fall below the specified thresholds.
- 40.71 The SSR also contains prohibitions on uncovered short sales of EU (or U.K.) listed shares and EU (but no longer U.K.) sovereign debt (a short sale is "uncovered" unless the specified conditions under the SSR are met for such short sale). In addition, the SSR prohibits uncovered positions in credit default swaps referencing EU (but soon no longer U.K.) sovereign debt issuers.
- 40.72 National regulators (for U.K. SSR the Financial Conduct Authority (FCA)), and in certain circumstances ESMA (for the original EU SSR), are able to take certain additional emergency measures (including complete bans on short-selling activities) if certain conditions are met.
- 40.73 In line with wider amendments introduced as part of the U.K.'s post-Brexit strategy, the U.K. is making changes to the U.K. SSR. The private notification threshold with respect

to net short positions in shares has already been increased to 0.2% with effect from 5 February 2024. Other changes (but which are not in effect as of the date hereof) include requiring the FCA to publish anonymised aggregated net short positions based on all individual position notifications it receives – whereas previously firms were required to publish individual net short positions above 0.5% of issued share capital. The restrictions on uncovered short sales of UK sovereign debt and credit default swaps referencing UK sovereign debt including the related reporting requirements will be removed in their entirety. The FCA is working on rules to implement the changes introduced by the UK legislature. Sovereign debt and credit default swaps remain in scope of the FCA's emergency intervention powers for short selling.

- 40.74 Further changes to the U.K. SSR are planned, with many of the detailed requirements being moved to FCA rules. The FCA expects these changes to be implemented during 2026.
- 40.75 Regulation on short selling is not confined to the SSR and similar regulations exist in other markets internationally. These rules may be more restrictive than the SSR, or as a practical matter result in short selling being materially more difficult to do.
- 40.76 The SSR may prevent the Investment Manager from fully expressing negative views in relation to in-scope listed shares and/or sovereign debt and may also restrict the ability of the Investment Manager to hedge certain risks through EU or U.K., as the case may be, sovereign credit default swaps.
- 40.77 Accordingly, the ability of the Investment Manager to implement the investment approach and to fulfil the investment objective of the Company's Compartments may be constrained.

Tax

- 40.78 Applicable taxation laws, treaties, rules or regulations, or the interpretation thereof, may change and possibly with retrospective effect. Accordingly, it is possible that the Company (or any Compartment thereof) could become subject to taxation (including by way of withholding tax) in respect of its investments and the income, profit and gains derived therefrom in a manner that is not currently anticipated. Any such change may have an adverse effect on the NAV of one or more Compartments. Although the AIFM and the Managers intend that, so far as it is within their control, the affairs of each Compartment will be conducted so that such Compartment does not become subject to corporation tax or income tax on its profits, there can be no guarantee that all of the requirements to ensure this will at all times be satisfied.
- 40.79 An investment in the Company involves complex tax considerations in Luxembourg, in the countries in which Investment assets are located, in countries in which a relevant Investor is domiciled or resident, and possibly in other countries. Some of these tax considerations will differ for particular Investors. Among other things, Investors may be subject to tax on income even if the Company or Compartment did not make any distribution.
- 40.80 Fees payable by a Compartment to service providers may be increased by VAT. Such VAT could typically not be recovered by a Compartment. This could also create additional payment obligations of a Compartment if the relevant tax administration takes a different interpretation on the tax exempt character of certain services.

- 40.81 Depending on individual circumstances, the taxation treatment for direct or indirect Investors may differ from the guidance of this Prospectus and the relevant Special Section and Investors should obtain advice from their own tax advisers regarding the tax implications for them of holding and disposing of Shares and receiving distributions in respect of the Shares.
- 40.82 In 2013 the OECD published its report on Addressing Base Erosion and Profit Shifting (BEPS) and its Action Plan on BEPS. The aim of the report and Action Plan was to address and reduce aggressive international tax planning. The OECD then published its final reports, analyses and sets of recommendations (deliverables) with a view to implementing internationally agreed and binding rules which could result in material changes to relevant tax legislation of participating OECD countries. The final package of deliverables was subsequently approved by the G20 Finance Ministers. In order to implement the tax treaty-related BEPS recommendations in an efficient manner, the OECD introduced the multilateral instrument which amends the tax treaties of participating jurisdictions without the need to bilaterally negotiate each tax treaty. The multilateral instrument entered into force on 1 July 2018. The multilateral instrument will then enter into effect for a specific tax treaty at certain times after all parties to that treaty have ratified the multilateral instrument. The final actions to be implemented in the tax legislation of the countries in which the Company or any intermediate holding company will have investments, in the countries where the Company, any intermediate holding company or the Limited Shareholders are domiciled or resident, or changes in tax treaties negotiated by these countries, could adversely affect the returns from the Company to its Limited Shareholders. BEPS remains an ongoing project.

Tax Reporting and Withholding

- 40.83 Certain countries have adopted tax laws which require reporting and/or withholding in certain circumstances in connection with an investor's acquisition, holding and/or disposal of an investment in a Compartment of the Company. Depending on the nature of the requirements, these tax laws impose (or will impose in the future) reporting and/or withholding obligations. To the extent that the Company determines to incur the costs of compliance with tax or other laws for the account of the relevant Compartment(s), the General Partner may require that Investors whose acquisition, holding or disposal triggers the compliance requirements to share pro rata the cost to the relevant Compartment(s) of doing so with other such Investors.

Uncertain Tax Treatment

- 40.84 A prospective investor should be aware that the accounting standards applicable to the Company or a Compartment may include provisions regarding the recognition of uncertain tax positions in the accounts and these could have a material adverse effect on the periodic calculations of the net asset value of the Company or a Compartment, including reducing the net asset value of the Company or a Compartment to reflect reserves for income taxes that may have accrued or be payable in respect of prior periods by the Company or a Compartment. This could cause benefits or detriments to investors, depending upon the timing of their entry and exit from the Company or a Compartment.

DAC 6 and U.K. MDR

- 40.85 DAC 6 stands for the Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the

field of taxation in relation to reportable cross-border arrangements (**DAC 6**) which aims to: (i) increase transparency on transactions that cross EU borders, (ii) reduce the scope for harmful tax competition within the EU and (iii) to deter taxpayers from entering into a particular scheme if it has to be disclosed.

- 40.86 DAC 6 imposes mandatory disclosure requirements on intermediaries and taxpayers in respect of reportable cross-border arrangements (in short, transactions that meet one of the hallmarks set out in DAC6).
- 40.87 Luxembourg has transposed DAC 6 into Luxembourg Law by the Law of 25 March 2020 on reportable cross-border arrangements.
- 40.88 The scope of DAC 6 is very wide-reaching and, while some of the hallmarks target arrangements that provide a tax advantage as the main benefit, there are other hallmarks not linked to this "main benefit test" meaning that there may not be a safe harbour for common commercial arrangements. Although pre-Brexit the U.K. implemented DAC 6 in full, following Brexit the U.K. adopted a much narrower DAC 6 reporting regime covering only a limited number of the DAC 6 hallmarks applicable in the EU. With effect from 28 March 2023, new regulations revoked DAC 6 in the U.K. and replaced it with the U.K. Mandatory Disclosure Rules (MDR), which is designed to meet OECD standards of transparency rather than the broader EU standards but which, in practice, apply by reference to substantially similar rules and hallmarks to the narrower DAC 6 regime previously applied by the U.K. after Brexit.
- 40.89 The Company or other intermediaries based in the EU or the U.K. who design, market, organise, make available for implementation or manage the implementation of potentially aggressive cross-border tax-planning arrangements, as defined in DAC 6 and MDR, could be legally obliged to file information in respect of arrangements qualifying as reportable under DAC 6 or MDR and involving the Company's investments with the competent Luxembourg or other EU/U.K. tax authorities which will in turn automatically exchange such information with other relevant EU member states. If the intermediary is located outside the European Union or is bound by legal professional privilege which has been confirmed by the relevant implementation of DAC 6 into domestic law, the obligation to report passes to the taxpayer. As long as the Company or any intermediary complies with its reporting requirements, DAC 6 and MDR are not expected to have a material impact on the Company or its investments. Findings from the DAC 6 or MDR disclosures may subsequently determine future tax policy across the EU or the U.K.

ATAD 1 and ATAD 2

- 40.90 As part of its anti-tax avoidance package, two anti-tax avoidance directives have been issued, Council Directives EU 2016/1164 and EU 2017/952 (**ATAD 1** and **ATAD 2** respectively). Luxembourg has implemented both Directives into its domestic law. ATAD 1 was implemented with effect from 1 January 2019. This includes rules to limit tax deductions in respect of interest payments as well as other anti-avoidance measures such as intra-EU anti-hybrid rules. ATAD 2 was implemented largely with effect from 1 January 2020 and extends the anti-hybrid rules to cover hybrid mismatches involving non-EU countries. In addition, ATAD 2 includes specific provisions which could have adverse tax implications for "reverse hybrid entities". A reverse hybrid entity is an entity treated as tax transparent in its country of incorporation but considered to be non-transparent in the country of residence of its partners. A Luxembourg corporate type vehicle as the Company does not fall into the scope of the reverse hybrid rules.

- 40.91 While ATAD 1 and ATAD 2 have been implemented into Luxembourg Law, guidance is awaited from the Luxembourg tax authorities in relation to certain aspects of the law and its interpretation. The extent to which these rules could have application to the Company or any intermediary vehicle is therefore currently uncertain and so could affect the returns from the Company to its Shareholders.
- 40.92 Finally, on 22 December 2021, the European Commission published a proposal for a Directive "laying down rules to prevent the misuse of shell entities for tax purposes and amending Directive 2011/16/EU." This Directive is also referred to as ATAD 3 or DAC 9 or as the Unshell Directive and is, broadly, designed to target EU based shell entities that do not meet a minimum substance threshold. The rules contained in the ATAD 3 / DAC 9, if enacted and implemented, could adversely impact the use of an Intermediary Vehicle.

Pillar Two

- 40.93 A legislative proposal by the European Commission was published on 22 December 2021 for another EU Directive setting forth rules to ensure a global minimum level of taxation for multinational groups (the **Pillar Two**). The Pillar Two aims at implementing among all 27 EU member states the 'Model Rules' published on 20 December 2021, that are consistent with the agreement reached by the 'Inclusive Framework' on BEPS on 8 October 2021 (the **Inclusive Framework**) and include an 'Income Inclusion Rule' (**IIR**) and an Under Taxed Payments Rule (**UTPR**; collectively **GloBE rule**). In addition, Pillar Two makes use of an option contemplated by the Inclusive Framework whereby the EU member state of a constituent entity applying the IIR is required to ensure effective taxation at the minimum agreed level not only for foreign subsidiaries but also for all constituent entities resident in that EU member state. The agreed Pillar Two design also includes the 'Subject to Tax Rule' (**STTR**), which is to be implemented through bilateral tax treaties and is not included in Pillar Two.
- 40.94 On 14 December 2022, Council Directive (EU) 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union was adopted to implement the GloBE Rules in the EU with effect for fiscal years beginning from 31 December 2024 (with certain elements of the GloBE Rules into effect from 1 January 2024). The EU directive proposes to introduce the GloBE Rules for MNEs (or large-scale domestic groups) which have revenues of at least €750 million operating in the EU's internal market and beyond. It provides a common framework for implementing the GloBE Rules into EU member states' national laws. On 20 December 2023, a bill of law to transpose this directive under Luxembourg law was voted. The main top-up tax rule and the domestic minimum top-up tax will therefore apply in tax years starting on or after 31 December 2023. The effect and applicability of the GloBE Rules on and to the Company and/or its Investments is currently uncertain, and investors are encouraged to seek their own advice on the potential impact of these rules on their investment in the Company.

US Tax Risks relating to Effectively Connected Income and Withholding Taxes

- 40.95 It is possible that a Compartment may make certain investments that may generate income which is effectively connected with a US trade or business. Alternative structures, including one or more corporations, may be used to manage any resulting tax exposure. Any such structures would be designed to reduce or eliminate the exposure of the Compartment to effectively connected income. It is expected that any such structures would themselves be subject to US federal, and potential state and local,

income taxation. Furthermore, any US source dividends or interest received by a Compartment would be subject to a US withholding tax at a rate of 30% unless, with respect to interest income, the tax is eliminated by reason of the interest income qualifying for a statutory exemption for "portfolio interest." There can be no assurance that the portfolio interest exemption will be available. The portfolio interest exemption will not be available in respect of US source interest paid to a non-US beneficial owner (including a Compartment that is treated as a corporation for US federal income tax purposes) if such beneficial owner is considered to be a "10% shareholder" of the obligor. Accordingly, the Compartment (and, in turn, its Shareholders) may incur a level of US taxation, indirectly through such structures, that is higher than that of a non-US investment fund investing in a manner that is not subject to such taxation. It is possible that, notwithstanding the intentions expressed above, certain investments or other activities of a Compartment may cause the Compartment to be deemed to be engaged in a US trade or business.

Economic, political and other uncertainties

General political risks

- 40.96 Investment's returns could suffer as a result of political changes or instability in a country or a region. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers or military control. Political risk is also known as "geopolitical risk" and becomes more of a factor as the time horizon of an investment gets longer. Political risks are hard to quantify because there are limited sample sizes or case studies when discussing an individual nation or a region.
- 40.97 The rise of populist political parties and economic nationalist sentiments has led to increasing political uncertainty and unpredictability throughout the world that may adversely affect the price, validity and/or liquidity of each Compartment's Investments.

Terrorist Action and Catastrophe Risk

- 40.98 There is a risk of terrorist attacks causing significant loss of life and property and damage and disruptions in global markets. Economic and diplomatic sanctions may be in place or imposed on certain states and military action may be commenced. Losses may also arise from exposure, directly or indirectly, to events such as hurricanes, earthquakes and other natural disasters and other events which adversely affect health or life expectancy. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity, which may in turn adversely affect each Compartment and its respective Investors.

Force Majeure Risk

- 40.99 Issuers may be affected by "force majeure events" (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labour strikes). Some force majeure events may adversely affect the ability of a party (including an issuer or a counterparty to the Company or an issuer) to perform its obligations until it is able to remedy the force majeure event. In addition, the cost to an issuer or the Company, for the account of the relevant Compartment(s), of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the

world economy and international business activity generally, or in any of the countries in which the Company, for the account of the relevant Compartment(s), may invest specifically. Additionally, a major governmental intervention into industry, including the nationalisation of an industry or the assertion of control over one or more issuers or its assets, could result in a loss to the relevant Compartment(s), including if its investment in such issuer is cancelled, unwound or acquired (which could be without what the General Partner considers to be adequate compensation). Any of the foregoing may therefore adversely affect the performance of the relevant Compartment(s) and its Investments.

Infectious Diseases; Pandemics

- 40.100 Certain illnesses spread rapidly and have the potential to significantly adversely affect the global economy. Outbreaks such as the severe acute respiratory syndrome, avian influenza, H1N1/09, and, more recently, COVID-19 and its subsequent variants, or other similarly infectious diseases may have material adverse impacts on the Company, the Compartments, the AIFM, the Managers and their respective affiliates and investments. Actual pandemics, or fear of pandemics, can trigger market disruptions or economic turndowns with the consequences described above. The Company cannot predict (i) the likelihood of disease outbreaks occurring in the future, (ii) how such outbreaks will affect the Company's operations, (iii) the impact of a disease outbreak on the Company's Investments, or (iv) when and how any outbreak will be resolved.

Risks related to sustainability factors

ESG risks

- 40.101 ESG Risks can be standalone risks or they can be risks which are linked to, or inherent in, other types of risks which are relevant to the Company and its Compartments, such as diversification risk, credit risk, credit market risk, liquidity risk, operational risk, political and regulatory risk and, in this context, can form a material part of the overall risk arising out of an investment. If an ESG Risk arises, or happens in an unexpected way, there may be a significant negative impact on the value and/or return of the investments concerned.
- 40.102 If an ESG Risk arises this may lead the AIFM and/or the Investment Manager, as part of their ongoing assessment and management of investments, to conclude that an investment has ceased to be appropriate and to dispose of it, which could have further negative impact on the value of the investment.

Transition risks

- 40.103 The value of investments may be negatively impacted by political and/or regulatory intervention or intervention by industry bodies in specific industries or sectors relating to ESG Risks. For example, an increase in, or a fundamental change to, the way in which a specific industry is regulated can have a substantive bearing on the value of an investment in that industry or sector due to those developments impacting on certain aspects of the way in which companies in those industries or sectors conduct business including, but not limited to, compliance costs, manufacturing costs, employment costs, operations costs, and can affect the feasibility and profitability of existing business models. In addition, companies may become subject to claims, penalties and other types of liability in respect of purported earlier shortcomings. Any of the aforementioned could negatively impact on the value of an investment.

40.104 Certain sectors, businesses and technologies which have inherent heightened ESG Risks may suffer from a decrease in popularity and/or may become obsolete, which could result in the value of investments in them being materially reduced or completely lost. Efforts by such sectors, businesses and technologies to make modifications to reduce inherent ESG Risks could incur significant costs, negatively impact on future profitability and, ultimately, may not be successful.

41. CERTAIN ERISA CONSIDERATIONS

41.1 Subject to the limitations applicable to investors generally, Shares in certain Compartments may be purchased using assets of Benefit Plan Investors. However, none of the Company, the General Partner, the AIFM, the Investment Manager, the Administrator or any of their respective affiliates, principals, agents, employees or consultants makes any representation with respect to whether the Shares are a suitable investment for any Benefit Plan Investor. Investors should refer to the relevant Special Section for further information.

42. US DEFINITIONS

42.1 **Benefit Plan Investor** is used as defined in US Department of Labor (**DOL**) Regulation 29 C.F.R. §2510.3-101 (as modified by Section 3(42) of ERISA, the **Plan Assets Regulation**) and includes (i) any "employee benefit plan" (as defined in Section 3(3) of ERISA) that is subject to Part 4, Subtitle B of Title I of ERISA; (ii) any "plan" to which Section 4975 of the Code applies (which includes a trust described in Section 401(a) of the Code that is exempt from tax under Code Section 501(a), a plan described in Section 403(a) of the Code, an individual retirement account or annuity described in Section 408 or 408A of the Code, a medical savings account described in Section 220(d) of the Code, a health savings account described in Section 223(d) of the Code and an education savings account described in Section 530 of the Code); and (iii) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (generally because 25 per cent. or more of the value of any class of equity interests in the entity is owned by plans). An entity described in (iii) immediately above will be considered to hold plan assets only to the extent of the percentage of the equity interests in the entity held by Benefit Plan Investors. Benefit Plan Investors also include that portion of any insurance company's general account assets that are considered "plan assets" and (except if the entity is an investment company registered under the US Investment Company Act) also include assets of any insurance company separate account or bank common or collective trust in which plans invest.

42.2 A **US Person** for the purposes of this Information Prospectus is a person who is in either of the following two categories: (a) a person included in the definition of "US person" under Rule 902 of Regulation S under the US Securities Act or (b) a person excluded from the definition of a "Non-United States person" as used in CFTC Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of US Person only if he or it does not satisfy any of the definitions of "US person" in Rule 902 *and* qualifies as a "Non-United States person" under CFTC Rule 4.7.

42.3 "US person" under Rule 902 of Regulation S includes the following:

42.3.1 any natural person resident in the United States;

42.3.2 any partnership or corporation organised or incorporated under the laws of the United States;

- 42.3.3 any estate of which any executor or administrator is a US person;
- 42.3.4 any trust of which any trustee is a US person;
- 42.3.5 any agency or branch of a non-US entity located in the United States;
- 42.3.6 any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US person;
- 42.3.7 any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- 42.3.8 any partnership or corporation if:
 - (a) organised or incorporated under the laws of any non-US jurisdiction; and
 - (b) formed by a US person principally for the purpose of investing in securities not registered under the US Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the US Securities Act) who are not natural persons, estates or trusts.

42.4 Notwithstanding the preceding Clause, "US person" under Rule 902 does not include: (a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (b) any estate of which any professional fiduciary acting as executor or administrator is a US person, if (i) an executor or administrator of the estate who is not a US person has sole or shared investment discretion with respect to the assets of the estate, and (ii) the estate is governed by non-US law; (c) any trust of which any professional fiduciary acting as trustee is a US person, if a trustee who is not a US person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US person; (d) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (e) any agency or branch of a US person located outside the United States if (i) the agency or branch operates for valid business reasons, and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (f) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the US Securities Act, including their agencies, affiliates and pension plans.

42.5 CFTC Rule 4.7 currently provides in relevant part that the following persons are considered "Non-United States persons":

- 42.5.1 a natural person who is not a resident of the United States or an enclave of the US government, its agencies or instrumentalities;
- 42.5.2 a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-US jurisdiction and which has its principal place of business in a non-US jurisdiction;

- 42.5.3 an estate or trust, the income of which is not subject to US income tax regardless of source;
 - 42.5.4 an entity organised principally for passive investment such as a commodity pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than 10 per cent. of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States persons; and
 - 42.5.5 a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.
- 42.6 **US Taxpayer** includes: (a) a US citizen or resident alien of the United States (as defined for US federal income tax purposes); (b) any entity treated as a partnership or corporation for US federal tax purposes that is created or organised in, or under the laws of, the United States or any state thereof (including the District of Columbia); (c) any other partnership that is treated as a US Taxpayer under US Treasury Department regulations; (d) any estate, the income of which is subject to US income taxation regardless of source; and (e) any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more US fiduciaries. Persons who have lost their US citizenship and who live outside the United States may nonetheless, in some circumstances, be treated as US Taxpayers.
- 42.7 An investor who is not a US Person may nevertheless be considered a "US Taxpayer" under US federal income tax laws. For example, an individual who is a US citizen residing outside of the United States is not a "US Person" but is a "US Taxpayer". Such a person should carefully review the tax consequences described in this Information Prospectus which will apply to them.

43. **AMENDMENTS TO THE GENERAL SECTION**

- 43.1 Certain amendments, modifications, alterations, deletions or additions to the provisions of this General Section (each an **Amendment**) may be adopted by the General Partner only with the consent of the Limited Shareholders and any of these amendments, modifications, alterations, deletions or additions to the provisions of this General Section are subject to the prior approval by the CSSF.
- 43.2 The consent of each Limited Shareholder is required if it would be affected by Amendments that would:
- 43.2.1 impose any obligation to make any further payment to the Company beyond the Limited Shareholder's subscription; and
 - 43.2.2 affect the rights and interests of the Limited Shareholder adversely and materially, including any change in relation to the limited liability of a Limited Shareholder as set out in this Prospectus and the Articles.

- 43.3 The following Amendments may be adopted by the General Partner without the consent of Limited Shareholders but subject to prior CSSF approval:
- 43.3.1 Amendments to comply with legal, regulatory or tax requirements;
 - 43.3.2 Amendments to adapt the General Section to changes which were made in the Articles or in the documents of underlying UCIs where a relevant Compartment is invested into;
 - 43.3.3 Amendments of an administrative nature and which do not in any material manner increase the authority of the General Partner or adversely affect the rights of the Limited Shareholders;
 - 43.3.4 Amendments to replicate operational constraints;
 - 43.3.5 Amendments for the sake of clarity without materially amending the content of the relevant provision; or
 - 43.3.6 Correction of any printing, typographical or clerical error or omission and other non-material changes that do not have an adverse effect on the rights and obligations of Limited Shareholders taken as a whole.
- 43.4 Any other Amendment may be adopted by the General Partner subject to a resolution of the Limited Shareholders holding a simple majority of Shares, adopted in accordance with the Articles and Luxembourg Law and subject to prior CSSF approval.
- 43.5 Amendments to this Clause 43 require the consent of Limited Shareholders holding at least 75% of the Shares, adopted in accordance with the Articles and Luxembourg Law and are subject to prior CSSF approval.
- 43.6 All amendments will be communicated to the Limited Shareholders.

44. LIQUIDITY RISK MANAGEMENT

- 44.1 The AIFM maintains a robust liquidity risk management framework proportionate to the strategy, liquidity profile and redemption policy of each Compartment. Liquidity risk management is overseen by the AIFM's risk management function.
- 44.2 The framework covers aspects including ongoing monitoring of cash flows and settlement cycles, asset liquidity assessment, pre- and post-trade controls, and periodic liquidity stress testing.

Redemption Arrangements

- 44.3 Normal conditions: Details of how Shareholders may redeem their Shares under normal conditions are set out in the section of the Prospectus entitled "Redemption of Shares".
- 44.4 Exceptional circumstances: Where justified in the interests of Shareholders and in exceptional circumstances, the AIFM may temporarily suspend subscriptions and redemptions. See "Liquidity Management Tools" below for further details and other LMTs that may also be activated.

Selected LMTs

- 44.5 Having assessed the suitability of all available LMTs in the context of the Company and each Compartment's investment strategy, liquidity profile and redemption policy, the AIFM has determined that, where justified in the interests of Shareholders, the following mechanisms should be available for use:

LMT	Summary	Details
Redemption gate	The AIFM may limit aggregate redemptions on a Redemption Date or any other date on which Shares of a Compartment may be redeemed.	Details of how a Compartment's redemption gate will operate are set out in the relevant Special Section.
Swing Pricing	The NAV of the relevant Compartment may be adjusted (swing pricing) by a swing factor of up to 2% to reflect estimated transaction and market impact costs arising from net subscriptions or net redemptions. In exceptional circumstances, the AIFM may apply a higher swing factor, up to a maximum of 5%.	Please see the section of the Prospectus entitled "Use of Liquidity Management Tools" for further details on the risks relating to the use of swing pricing.

Mandatory LMTs

Suspension

- 44.6 The AIFM may, in exceptional circumstances and where justified in the interests of Shareholders, temporarily suspend subscriptions and redemptions with respect to a Compartment. Any such suspension shall be limited to the period necessary to address the relevant exceptional circumstances. Any suspension of redemptions will automatically result in the suspension of subscriptions. Any suspension with respect to a relevant Compartment will have no effect on the suspension of any other Compartment.
- 44.7 The AIFM may, and where so required shall, suspend or restrict subscriptions, conversions and/or redemptions, and/or defer settlement, upon and for so long as directed, required or otherwise instructed by any competent authority having jurisdiction over the Company, the AIFM and/or any Compartment (including, without limitation, the Central Bank) in accordance with the AIFMD Rules. Any suspension, restriction or deferral implemented shall: (i) be effected in the manner and for the duration specified by the relevant competent authority (or, where no duration is specified, for such period as the AIFM considers necessary having regard to the terms of the direction or requirement and in the interests of Shareholders); (ii) be applied fairly and proportionately across affected Shareholders and Classes, and be consistent with the Company's liquidity risk management framework and the requirements of the Articles, this Prospectus and the CSSF; and (iii) be lifted promptly upon the cessation, withdrawal

or expiry of the relevant direction or requirement, or earlier where permitted and where the AIFM determines that the circumstances justifying such suspension, restriction or deferral no longer prevail.

Side Pocket

- 44.8 If any one or more Investments of a Compartment become illiquid or difficult to value the AIFM may, in exceptional circumstances and where justified in the interests of Limited Shareholders, designate such Investments as a **Side Pocket Investment**, in which case the General Partner at the request of the AIFM may:
- 44.8.1 allocate such Side Pocket Investment (plus such additional cash or other assets representing a reserve for obligations and contingent liabilities (**Side Pocket Costs**) in respect of such Side Pocket Investments as the General Partner (at the request of the AIFM) in its discretion determines) to a **Side Pocket**; and
- 44.8.2 convert or designate a *pro rata* portion of each Limited Shareholder's Ordinary Shares corresponding to the Side Pocket Investment into **Side Pocket Tracking Shares**.
- 44.9 Side Pocket Tracking Shares are not redeemable at the initiative of the Limited Shareholders. New subscriptions for Shares will not participate in any Side Pocket created prior to such new subscriptions.
- 44.10 The General Partner may require further amounts to be paid by Limited Shareholders participating in the Side Pocket where the Side Pocket has insufficient cash to cover its operations. Cash arising to the Side Pocket may be distributed where appropriate.
- 44.11 The assets and liabilities attributable to a Side Pocket shall be segregated from, and shall not form part of, the other assets of the relevant Compartment. The liabilities of or attributable to a Side Pocket shall be discharged solely out of the assets of that Side Pocket.
- 44.12 Upon realisation or deemed realisation of any Side Pocket Investment or if the AIFM otherwise determines that the relevant Side Pocket Investment should no longer be designated as a Side Pocket Investment, (i) the Side Pocket Investment or the proceeds of such realisation or deemed realisation will be reallocated to the main portfolio of the relevant Compartment and (ii) the Side Pocket Tracking Shares will be re-converted into Ordinary Shares. Where Shares of a relevant Limited Shareholder (other than its Side Pocket Tracking Shares) have been redeemed in full, the General Partner may fully redeem the Side Pocket Tracking Shares of such Limited Shareholders (rather than re-converting them into Ordinary Shares as per (ii) above) by distributing to such Limited Shareholder its portion of the proceeds of the realisation or deemed realisation of the relevant Side Pocket Investment as at the next redemption date.

Conditions on use of LMTs

- 44.13 The AIFM will assess, select and calibrate LMTs for each Compartment having regard to the Compartment's investment strategy, liquidity profile and redemption policy, and may activate or deactivate one or more LMTs when necessary to safeguard the interests of Shareholders.
- 44.14 The AIFM maintains policies and procedures covering:

- 44.14.1 Selection, calibration, activation and deactivation of LMTs, including governance, escalation and record-keeping; and
 - 44.14.2 Ongoing monitoring, stress testing and reviews of each Compartment's liquidity profile and LMT calibration.
- 44.15 The AIFM applies LMTs in a manner consistent with the duty to treat Shareholders fairly and to avoid undue dilution. Parameters (e.g., gate percentages or swing factors) are calibrated with reference to market conditions, dealing costs and portfolio liquidity, and are reviewed periodically.

Notifications on the use of LMTs

- 44.16 The AIFM must notify the Central Bank without delay upon activation or deactivation of temporary suspensions of subscriptions/redemptions.
- 44.17 In the case of side pockets, notice must be provided to the Central Bank by the AIFM within a reasonable timeframe before the activation/deactivation of the use of side pockets.
- 44.18 For all other LMTs, the AIFM must notify the Central Bank without delay if activation/deactivation occurs outside the ordinary course envisaged in this Prospectus. For these purposes, "not in the ordinary course of business" means if the LMT is applied at levels or in a manner that materially departs from normal, day-to-day liquidity management (for example, ad hoc or exceptional use in response to stressed market conditions, issuer-specific events, valuation uncertainty or operational disruptions).

Risk of use of LMTs

- 44.19 While the AIFM will apply LMTs with the objective of fair treatment of Shareholders, and in accordance with applicable law and regulatory expectations, the availability and use of LMTs cannot guarantee that the relevant Compartment will meet redemption requests or prevent losses. The activation of LMTs may:
- 44.19.1 delay or reduce redemptions;
 - 44.19.2 adjust the Compartment's NAV or prices (e.g., via swing pricing or dual pricing) or apply fees/levies that may affect redeeming or subscribing investors differently;
 - 44.19.3 not fully mitigate liquidity stress, valuation uncertainty, market impact, dilution or wider financial stability risks; or
 - 44.19.4 be subject to operational, calibration or model risks.
- 44.20 Additional details on the risks of using LMTs that investors should consider prior to investing in the Company are set out in the section titled "Use of Liquidity Management Tools (LMTs)".

SPECIAL SECTION IV:

StepStone (Luxembourg) SCA SICAV – StepStone Private Credit ELTIF

1 June 2026

This Special Section IV is valid only if accompanied by the General Section of this Memorandum. This Special Section IV forms part of and must be read in conjunction with the General Section dated 1 June 2026.

This Special Section IV refers only to StepStone Private Credit ELTIF (the **Compartment**).

General

Potential investors should take note of the following:

- The Compartment has a one hundred-year life as from its First Subscription Dealing Day which may be extended by up to five one-year periods. It is an illiquid investment and its investments are long term in nature. Therefore the Compartment may not be suitable for Retail Investors that are unable to sustain such a long-term and illiquid commitment. In this regard, the investors are advised that only a small portion of their overall investment portfolio should be invested in the Compartment.
- The Compartment is intended to be marketed to Retail Investors that are not Restricted Persons.
- During the period of two weeks after the signature by a Retail Investor of its initial Subscription Agreement for Shares in the Compartment, such Retail Investor may, by written notice to the Compartment, cancel his or her subscription in accordance with the ELTIF Regulation. In such case, any amounts previously drawn from such Retail Investor will be returned without penalty. For the avoidance of doubt, the cooling-off period does not apply to Professional Investors.
- Investors shall have the right to redeem their Shares in the Compartment before the end of the life of the Compartment only in accordance with the provisions set out under section “Redemption of Ordinary Shares” below. Investors may freely transfer their Shares to third parties meeting the Compartment’s eligibility criteria.
- The Compartment intends to use leverage as described in Clause 3.1 “Borrowing and Leverage by the Compartment” below and as permitted by the ELTIF Regulation. When used, this leverage will proportionately increase gains or losses made by the Compartment.
- All Investors benefit from equal treatment and no preferential treatment nor specific economic benefits are granted to individual investors or groups of investors within the relevant Class.
- Investors shall have no obligation to make contributions to the Compartment in excess of their respective subscription amount.
- During the life of the Compartment, distributions shall be made in accordance with section “Distribution Policy” below.
- Financial derivative instruments shall only be used for hedging risks arising from exposures to eligible assets under the ELTIF Regulation.¹
- The specific risks linked to investments in the Compartment are set out under section “Specific

Risks” below.

Compartment Costs

It is expected that based on the current business forecast, the following costs (in % p.a. of the NAV of the Compartment) would be borne, directly or indirectly, by Investors in the Compartment irrespective of their Class or series of Shares:

One-off cost	
Costs of setting up the Compartment (1)	0.01 %
Costs related to the acquisition of assets (2)	0.10 %
Charges taken from the Compartment over a year	
Distribution costs (3)	0.00 – 1.00 %
Management fees (4)	0.00-1.25 %
Other costs (5)	0.08 %
Charges taken from the Compartment under specific conditions	
Performance Fee (6): Income-Based &Capital Gains-Based Performance Fees	0.70%
Aggregate of all costs and charges mentioned above	
Overall ratio (7)	3.04 %

The figures set out in the table above are based on ex-ante estimated costs over the Recommended Holding Period. Ex-posts effective costs will be disclosed in the Compartment’s annual report.

For the purpose of this section entitled “*Compartment Costs*” **Recommended Holding Period** refers to the minimum holding period during which it is recommended for Investors to hold their Shares in the Compartment, being ten (10) years.

(1) Costs of setting up the Compartment

The costs of setting up the Compartment comprises all the expected administrative, regulatory, depositary, custodial, professional service, legal and audit costs related to the setting up of the Compartment irrespective of whether they are paid to the AIFM or to any third party and also include the Compartment’s portion of the Company’s establishment/conversion and organizational expenses.

These costs are expressed as a percentage of the capital of the Compartment that is its NAV.

(2) Costs related to acquisition of assets

The Compartment or other vehicles, through which it makes investments will be responsible for, and the Investors in the Compartment will bear their allocable share of, all the expected expenses incurred by the Compartment in connection with the Compartment’s business, affairs and operations, including identifying, structuring, managing, evaluating, trading, conducting due diligence on, investing in, acquiring, holding, disposition of (including the transfer or sale of), any investment or prospective investment (whether or not consummated), including “broken-deal expenses”, legal, accounting,

advisory fees, fees of finders or sourcing partners, and travel and accommodation expenses.

These costs are expressed as a percentage of the capital of the Compartment that is its NAV.

(3) Distribution costs

The distribution costs comprise all the expected administrative, regulatory, professional service and audit costs related to the marketing and distribution of the Compartment. These costs comprise all payments to distributors, financial intermediaries and other agents through which a Limited Shareholder was placed in the Compartment. Any amounts allocated in accordance with the foregoing sentence will compensate the distributors, financial intermediaries and other agents for reporting, administrative and other services provided to a Limited Shareholder by such distributors, financial intermediaries and other agents.

These costs are expressed as a percentage of the capital of the Compartment that is its total NAV over a one-year period.

These costs are separate to any fee paid out of the Management Fee.

(4) Management fees

The management fees comprises all payments to the AIFM, including any person to whom this function has been delegated, except the fees that are related to the acquisition of assets.

The AIFM may pay all or part of the Management Fee to any party that provides services to the AIFM, or in respect of the Company, including any distributor or sub-distributor.

These costs are expressed as a percentage of the capital of the Compartment that is its total NAV over a one-year period.

Investors shall refer to Clause 14 of the Special Section for details on the calculation of the Management Fee.

(5) Other costs and expenses, including operational, administrative, regulatory, depositary, custodial, professional services and audit costs

Those costs comprise all the expected payments to the Depositary and Paying Agent, the Administrator, Registrar and Transfer Agent, the Auditors, including any person to whom they have delegated any function.

These costs also comprise all payments to any person providing outsourced services to any of the above, and all the expected payments to legal and professional advisers, audit fees, registration fees, regulatory fees and fees of platforms streamlining Investor subscription and redemptions.

These costs do not include the costs related to the setting up of the Compartment, the costs related to acquisition of assets, the distribution costs and the management fees.

These costs are expressed as a percentage of the capital of the Compartment that is its total NAV over a one-year period.

(6) Performance Fee

The Compartment will be charged two types of performance fees: (i) the Income-Based Performance Fee and (ii) the Capital Gains-Based Performance Fee as further described in Clauses 14.6 to 14.10 of this Special Section. While the Capital Gains-Based Performance Fee is based on the Compartment's cumulative realized capital gains and determined and paid annually, the Income-Based Performance Fee is based on the Compartment's Pre-Performance Fee Net Investment Income as defined under Clause 14.3.2 and paid and computed quarterly. The applicable Hurdle Rate is 1.25%, being the rate of return on the NAV at the end of each completed calendar quarter. The Income-Based Performance Fee is only payable when the Hurdle Rate is exceeded.

The ESMA Guidelines on performance fees in UCITS and certain types of AIFs (ESMA34-39-992) do not apply to this Compartment as it follows a private equity strategy through its primary investment in private market vehicles and privately originated and negotiated loans to European private middle-

market companies. The borrowers of such loans are mainly private companies in which other private equity funds have made (or will make) equity investments.

(7) Overall ratio

The overall ratio is the ratio of the expected total ex-ante estimated costs of the Compartment to the net asset value per annum of the Compartment, based on the current business forecast over Recommended Holding Period.

The total ex-ante estimated costs are equal the sum of:

- i. the management fees as referred to in (4) above,
- ii. the performance fees as referred to in (6) above,
- iii. the distribution costs as referred to in (3) above,
- iv. the other costs as referred to in (5) above, and
- v. the sum of the costs of setting up the Compartment referred to in (1) above and the costs related to the acquisition of assets referred to in (2) above, divided by the Recommended Holding Period of the Shares in the Compartment.

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1. DEFINITIONS

The following terms used in this Special Section have the meanings set out below. Capitalised terms that are used but not defined herein shall have the meanings ascribed to them in the General Section.

Accumulating Shares	means Class RA-AC (EUR), Class RA-AC (USD), Class RA-AC (CHF), Class RA1-AC (EUR), Class RE-AC (EUR), Class RE-AC (USD), Class RE-AC (CHF), Class RE-AC (GBP), Class RE1-AC (EUR), Class RE S-AC (EUR), Class RC-AC (EUR), Class RC-AC (USD), Class RC-AC (CHF), Class RC-AC (GBP), Class RI-AC (EUR), Class I-AC (EUR), Class I-AC (USD), Class I-AC (CHF), Class I-AC (GBP), Class I2-AC (EUR), Class I S-AC (EUR), Class I S1-AC (EUR), and Class E-AC (EUR) Shares;
Amendment	has the meaning set out in Clause 19.1 of this Special Section;
Ancillary Investments	means investments in cash and cash equivalents (including but not limited to money market instruments, money market funds (which may include but not be limited to, open-ended, US, EU or the Cayman Islands domiciled, regulated and unleveraged funds which invest primarily in money market instruments), collateralised loan obligations and other investment grade liquid financial instruments issued by governments or by corporate issuers such as commercial paper, fixed and/or floating rate bonds, notes, bills, deposits and certificates of deposit);
Capital Gains-Based Performance Fee	has the meaning set out in Clause 14.10 of this Special Section;
Class RA Shares	Class RA-AC (EUR), Class RA-AC (USD), Class RA-AC (CHF), Class RA1-AC (EUR), Class RA-DB (EUR), Class RA-DB (USD), Class RA-DB (CHF) and Class RA1-DB (EUR);
Class RE Shares	Class RE-AC (EUR), Class RE-AC (USD), Class RE-AC (CHF), Class RE-AC (GBP), Class RE1-AC (EUR), Class RE-DB (EUR), Class RE-DB (USD), Class RE-DB (CHF), Class RE-DB (GBP), Class RE1-DB (EUR), Class RE S-AC (EUR) and Class RE S-DB (EUR);
Class RC Shares	Class RC-AC (EUR), Class RC-AC (USD), Class RC-AC (CHF), Class RC-AC (GBP), Class RC-DB (EUR), Class RC-DB (USD), Class RC-DB (CHF) and Class RC-DB (GBP);
Class RI Shares	Class RI-AC (EUR) and Class RI-DB (EUR);
Class I Shares	Class I-AC (EUR), Class I-AC (USD), Class I-AC (CHF), Class I-AC (GBP), Class I2-AC (EUR), Class I1-DB (EUR), Class I2-DB (EUR), Class I-DB (EUR), Class I-DB (USD), Class I-DB (CHF), Class I-DB (GBP), Class I S-AC (EUR), Class I S-DB (EUR), Class I S1-AC (EUR), and Class I S1-DB (EUR);

Class E Shares	Class E-AC (EUR) and Class E-DB (EUR);
Compartment Extraordinary Consent	means the consent of Limited Shareholders of this Compartment representing together more than 75% of the Ordinary Shares which has either been adopted by (a) a General Meeting where at least 50% of these Limited Shareholders were present or represented, or (b) a written resolution (which includes electronic mail, other electronic communication or voting forms and may consist of one or more documents, including “pdf” type electronic mail attachments) signed by one or more of these Limited Shareholders;
Distributing Shares	means Class RA-DB (EUR), Class RA-DB (USD), Class RA-DB (CHF), Class RA1-DB (EUR), Class RE-DB (EUR), Class RE-DB (USD), Class RE-DB (CHF), Class RE-DB (GBP), Class RE1-DB (EUR), Class RE S-DB (EUR), Class RC-DB (EUR), Class RC-DB (USD), Class RC-DB (CHF), Class RC-DB (GBP), Class RI-DB (EUR), Class I-DB (EUR), Class I-DB (USD), Class I-DB (CHF), Class I-DB (GBP), Class I1-DB (EUR), Class I2-DB (EUR), Class I S-DB (EUR), Class I S1-DB (EUR) and Class E-DB (EUR) Shares;
Distribution and Servicing Fee	has the meaning set out in Clause 14.13 of this Special Section;
Eligible Investor	means any Retail Investor and/or Professional Investor who is not a Restricted Person;
Eligible Jurisdictions	means (i) EU member states; or (ii) third countries, provided that the relevant third country (a) is not identified as a high-risk third country listed in the delegated act adopted pursuant to Article 9(2) of Directive (EU) 2015/849 ¹ , as may be amended or replaced from time to time, and (b) is not mentioned in Annex I to the Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes ² ;
ESG Risk	means an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the concerned investment;
Estimated NAV	has the meaning set out in Clause 11.2 of this Special Section;
Estimated UF Value	has the meaning set out in Clause 11.2 of this Special Section;
EUSR	means Regulation 2017/2402 of 12 December 2017 laying down a general framework for securitization and creating a specific framework for simple, transparent and standardized securitization, and amending Directives 2009/65/EC,

¹ At the date of this Special Section the delegated act is the Commission Delegated Regulation (EU) 2024/163 of 12 December 2023.

² EU list of non-cooperative jurisdictions for tax purposes - Consilium (europa.eu).

	2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012, as amended;
Expense Cap	has the meaning set out in Clause 15.2 of this Special Section;
Expense Limitation Agreement	has the meaning set out in Clause 15.3 of this Special Section;
Feeder AIF	has the meaning set out in the AIFMD;
First Subscription Dealing Day	means the first Subscription Dealing Day on which the General Partner accepted a subscription to the Compartment;
Income-Based Performance Fee	has the meaning set out in Clause 14.8 of this Special Section;
Interval Week	has the meaning set out in Clause 11.2 of this Special Section;
Investment Advisor	means StepStone Group Private Debt AG;
Investment Advisory Agreement	means the non-discretionary advisory agreement entered into between the AIFM and the Investment Advisor, as it relates to the Compartment, the consent of the General Partner;
Lending Sources	has the meaning set out in Clause 2.9 of this Special Section;
Limitation Period	has the meaning set out in Clause 15.3 of this Special Section;
Liquidator	means the General Partner acting in its capacity as liquidator of the Compartment;
Loans	means all and any rights in the nature of (or connected to) loans of any type including, but not limited to, loan promissory notes, secured or unsecured loans, debtor-in-possession loans, priority or lien loans, assignments, participations or sub-interests in loans, syndicated loans, term loans, revolving loans, delayed draw loans or synthetic interests in loans as are more specifically set out in the section hereof entitled "Investment Strategy";
NAV	means the NAV or the Estimated NAV, as applicable;
NAV Calculation Date	means the date on which the NAV per Share of the relevant Class or series of Shares will be available, such date being no later than the second (2nd) Business Day following the relevant Valuation Date;
Note	means a debt instrument which formalizes a loan made by any third party lender(s) to a borrower (including, without limitation, documented as a profit participating notes);
Portfolio Company	means a company to which an Underlying Fund makes a Loan;
Private Credit	has the meaning set out in Clause 2.5 of this Special Section;

Qualifying Portfolio Undertaking

as per Article 11 of the ELTIF Regulation, a Qualifying Portfolio Undertaking is an undertaking that fulfils, at the time of the initial investment, the following requirements:

(a) it is not a financial undertaking, unless:

(i) it is a financial undertaking that is not a financial holding company or a mixed-activity holding company; and

(ii) that financial undertaking has been authorised or registered more recently than 5 years before the date of the initial investment;

(iii) it is a financial undertaking that exclusively finances Qualifying Portfolio Undertakings;

(b) it is an undertaking which:

(i) is not admitted to trading on a regulated market or on a multilateral trading facility; or

(ii) is admitted to trading on a regulated market or on a multilateral trading facility and has a market capitalisation of no more than EUR 1 500 000 000;

(c) it is established in an EU member state, or in a third country provided that the third country:

(i) is not identified as high-risk third country listed in the delegated act adopted pursuant to Article 9(2) of Directive (EU) 2015/849 of the European Parliament and of the Council;

(ii) is not mentioned in Annex I to the Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes.

Redemption Date

has the meaning set out in Clause 8.2 of this Special Section;

Redemption Notice

has the meaning set out in Clause 8.2 of this Special Section;

Redemption Request

has the meaning set out in Clause 8.2 of this Special Section;

RIC

means a regulated investment company under Subchapter M of the Code;

SFDR

means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;

Specified Expenses

has the meaning set out in Clause 15.4 of this Special Section;

SSG Fund

has the meaning set out in Clause 2.15 of this Special Section;

Subscription Dealing Day

means a day on which a Class or series of Shares may be subscribed, being Wednesday of each calendar week (or if such day is not a Business Day, the next Business Day) and/or such other, alternative or further day or days as may be determined by the General Partner in its discretion from time to time;

Term	means the term of the Compartment set in Clause 4 of this Special Section;
Valuation Date	means Wednesday of each calendar week (or if such day is not a Business Day, the next Business Day), and/or such other, alternative or further day or days as may be determined by the General Partner in its discretion from time to time;
Value Date	has the meaning set out Clause 6.3 of this Special Section;
Valuation Procedures	has the meaning set out in Clause 11.3 of this Special Section;
Voluntary Expense Payment	has the meaning set out in Clause 15.3 of this Special Section.

2. INVESTMENT OBJECTIVE, INVESTMENT STRATEGY AND INVESTMENT POLICY

Investment Objective

- 2.1 The Compartment will seek to generate current income and, to a lesser extent, long-term capital appreciation, mainly by investing in various credit-related strategies.
- 2.2 As an ELTIF, the Compartment may invest in long-term assets, meaning assets that are typically of an illiquid nature, require patient capital based on commitments made for a considerable period of time, often provide late return on investment and generally have an economic profile of a long-term nature. The Compartment will itself be, and an investment in the Compartment should be viewed by Investors as, long-term in nature.
- 2.3 The Compartment's investments will qualify as eligible investments for an ELTIF, in particular with regard to eligible assets and spreading of investment risks in accordance with Chapter II of the ELTIF Regulation.
- 2.4 **There can be no assurance that the Compartment will achieve its investment objective, and losses may be incurred.**

Investment Policy

- 2.5 The Compartment will seek to invest directly or indirectly primarily in EU-domiciled private credit investments (**Private Credit**). It is expected that under normal circumstances the Compartment will mainly invest in eligible investment assets within the meaning of Article 9(1)(a) and Article 10 of the ELTIF Regulation and on an ancillary basis in UCITS Eligible Assets.
- 2.6 More specifically, private credit investments will be made primarily through the Compartment's Lending Strategy and Underlying Funds Strategy, each as detailed below.
- 2.7 The Compartment will primarily invest (directly or indirectly) in (i) a variety of private market vehicles which shall be Qualifying Portfolio Undertakings that operate various credit-related strategies, including Underlying Funds and, notwithstanding clause 4.1.3 of the General Section, single investor funds or managed accounts and/or (ii) other similar credit or debt-related products.
- 2.8 Investments by the Compartment in Qualifying Portfolio Undertakings may be made via equity or quasi-equity instruments or Notes issued by Qualifying Portfolio Undertakings as

per Article 10 of the ELTIF Regulation.

Lending Strategy

- 2.9** To effectuate the Compartment's Lending Strategy, the AIFM intends to primarily utilize a variety of non-bank or corporate lenders (**Lending Sources**) to source directly or indirectly (i.e. through investments in Underlying Funds and Qualifying Portfolio Undertakings) Private Credit investments primarily consisting of the following:
- 2.9.1 direct Loans to Qualifying Portfolio Undertakings (e.g. EU private middle-market companies which comply with the criteria of Article 11 of the ELTIF Regulation) that are privately originated and negotiated directly by a non-bank lender (for example, traditional direct lenders include asset management firms (on behalf of their investors), insurance companies and specialty finance companies) primarily including (a) first lien senior secured and unitranche loans, (b) second lien, unsecured, subordinated or mezzanine loans and structured credit, as well as broadly syndicated loans, club deals (generally investments made by a small group of investment firms), and (c) other Loans,
 - 2.9.2 investments in bank Loans to Qualifying Portfolio Undertakings (e.g. private middle-market companies which comply with the criteria of Article 11 of the ELTIF Regulation), including securities representing ownership or participation in a pool of such Loans, and
 - 2.9.3 notes or other pass-through obligations representing the right to receive the principal and interest payments on direct Loans to private middle-market companies (including for the avoidance of doubt, Qualifying Portfolio Undertakings) (or fractional portions thereof).
- 2.10** In addition to utilizing Lending Sources to source investments for its Lending Strategy, the Compartment may originate loans and debt instruments, and may also have the ability to acquire investments through secondary transactions, including through loan portfolios, receivables, contractual obligations to purchase subsequently originated loans and other debt instruments.

Underlying Funds

- 2.11** In compliance with Article 10(1)(d) of the ELTIF Regulation, the compartment may invest in units and/or shares of AIFs domiciled in the EU and managed by EU AIFMs, provided that those EU AIFs invest in ELTIF Eligible Assets and are themselves not invested more than 10% of their assets in any other collective investment undertaking (the **Underlying Funds**).
- 2.12** The Underlying Funds may: (i) take any legal form (provided such form provides limited liability of investors in each relevant jurisdiction under applicable laws, including the Compartment, the Company or the relevant subsidiary vehicle through which the Compartment or the Company invests), (ii) provide for investment by the Compartment (directly or indirectly) via equity, (iv) be commingled, a fund of one or a separately managed account (or a fund which utilises tranching to provide a similar effect) and (v) be open-ended or closed-ended. The Underlying Funds may be based in any EU jurisdiction but are primarily expected to be domiciled in Luxembourg and Ireland, and may be regulated or unregulated.
- 2.13** The assets of the Compartment will be allocated to the Underlying Funds in such proportions as the AIFM deems appropriate from time to time in accordance with the ELTIF Regulation

and with the limitations set out in the section entitled “Investment Restrictions” below.

- 2.14** The AIFM will, as part of its overall due diligence, assess the Underlying Funds’ strategies with a view to whether such strategies offer attractive risk-adjusted returns, diversified exposures, capital deployment management, market capacity and experienced investment managers.

SSG Funds and Third-Party Funds

- 2.15** Certain of the Underlying Funds into which the Compartment will invest may be managed by the AIFM or its affiliates (**SSG Funds**), whilst others will be managed by third-party sponsors that are unaffiliated with the AIFM (the **Third-Party Funds**). The Compartment may also hold interests in any investment structures used in connection with an investment in an Underlying Fund.
- 2.16** Certain of the SSG Funds in which the Compartment expects to invest are operated on an evergreen, tranchéd basis, whereby the Compartment will have a dedicated class through which it will invest and which operates in a similar manner to a separately managed account for the Compartment, providing for investment and run-off of the relevant tranche without regard to any other tranche in issue. Other SSG Funds into which the Compartment invests may operate on a commingled investment basis whereby all investors participate in a single pool of assets.
- 2.17** The Third-Party Funds may be Underlying Funds established, sponsored and/or managed by a party other than the AIFM (including affiliates of the AIFM) on a commingled basis with investors unrelated to funds managed by the AIFM.

Investment Strategies

- 2.18** The Compartment is not limited in relation to the investment strategies to which it has exposure through investments in the Underlying Funds and where implementing its Lending Strategy, provided that such investment strategies are substantially credit-related and such investments qualify as ELTIF Eligible Assets. The Underlying Funds may undertake, and the Lending Strategy related investments may be made in connection with, a variety of investment strategies including, without limitation:
- 2.18.1 corporate lending (including, for example, investments in broadly syndicated or tightly syndicated loans, direct lending (including senior secured, first lien, unitranche, mezzanine, co-investments, opportunistic investments and bank transactions));
 - 2.18.2 collateralised loan obligation (**CLO**)-related strategies (including equity, warehousing and mezzanine);
 - 2.18.3 non-corporate private lending (including, for example, core and transitional real estate, structured products and infrastructure-related debt);
 - 2.18.4 opportunistic credit and other lending (including, for example, trade and supply chain finance, equipment leasing, marketplace lending (consumers, lending to lenders, etc.), insurance-linked strategies and instruments, royalties, aviation financing, lease financing, shipping, residential whole loan real estate, life settlements, litigation financing, regulatory capital financing and net asset value lending);
 - 2.18.5 non-performing loans (including, for example, US residential mortgage loans and business loans);

- 2.18.6 liquid credit (including, for example, long/short credit (including public securities) and non-control distressed strategies); and
- 2.18.7 warehousing and seasoning or over-origination (including Underlying Funds which operate direct lending strategies that may focus on or operate as a sub-strategy, systematic origination, warehousing and seasoning of originated debt with the intention to actively sell seasoned loans to other parties, which may be affiliates of the Investment Fund Manager of such Underlying Funds or which may be other funds managed by the AIFM, the Investment Advisor, the Investment Fund Manager of the relevant Underlying Fund and/or their respective affiliates).

Investments of Underlying Funds

- 2.19** Underlying Funds may invest primarily in newly originated Loans alongside a variety of other transactions, including recapitalisations, refinancings, restructurings, leveraged buyouts and acquisitions. Newly originated Loans may take the form of loans, notes, corporate debt securities, bridge loans, assignments and participations. In addition, Underlying Funds may also invest in equities, including, but not limited to, warrants and equity related to relevant debt investments.
- 2.20** Underlying Funds may invest in opportunistic investments with a view to enhancing returns, including unsecured debt, mezzanine debt, asset backed securities, convertible debt, loan participations, bridge loans, structured products such as CLOs, debtor-in-possession financings, lending to lenders and equity in loan portfolios or portfolios of receivables.
- 2.21** Underlying Funds themselves may originate Loans and debt instruments, and may also have the ability to acquire investments through secondary transactions, including through Loan portfolios, receivables, contractual obligations to purchase subsequently originated Loans and other debt instruments. Certain Underlying Funds may invest in co-investments or secondary Loan transactions in the above instruments and also invest in equity, including warrants and equity related to relevant debt investments, preferred instruments, equity-linked securities and/or derivatives in the context of a credit-related investment.

Ancillary Investments

- 2.22** The Compartment may also invest in Ancillary Investments, including in, but not limited to, the following circumstances:
 - 2.22.1 prior to the completion of an Investment;
 - 2.22.2 in exceptional market conditions, such as a market crash or major crisis, which in the reasonable opinion of the AIFM would be likely to have a significant detrimental effect on the performance of the Compartment;
 - 2.22.3 where there is a temporary lack or reduction of opportunities for investments pursuant to the Compartment's strategy; or
 - 2.22.4 in other exceptional circumstances where, in the opinion of the AIFM, to do otherwise would be contrary to the best interests of the Compartment.
- 2.23** The Compartment does not follow a rigid investment policy that would restrict the Compartment from participating in any market, strategy or Investment and the Compartment may be concentrated in one or more investment strategies from time to time. Subject to the restrictions set out in this Special Section and the General Section, the Compartment's assets may be deployed in whatever investment strategies are deemed appropriate under

prevailing economic and market conditions to seek to achieve the Compartment's investment objective.

2.24 THE INVESTMENTS OF THE COMPARTMENT WILL BE SUBJECT TO NORMAL MARKET RISKS AND NO ASSURANCE CAN BE GIVEN THAT THE INVESTMENT OBJECTIVE OF THE COMPARTMENT WILL BE ACHIEVED. INVESTORS SHOULD READ AND UNDERSTAND THE RISK FACTORS SET OUT IN SECTION 19 BELOW AND THE GENERAL SECTION BEFORE SUBSCRIBING FOR SHARES.

Sustainability Risks and Promotion of Environmental and Social Characteristics by the Compartment

2.25 The Compartment is currently a financial product referred to in Article 8(1) of SFDR (an **Article 8 Product**). The SFDR is intended to be a disclosure regime and there is currently a lack of clarity on how some of the fundamental concepts of the SFDR should be understood and applied. As a result of factors, including this legal uncertainty, subjective assessments required in making determinations and the availability and reliability of data, there is no guarantee that regulators will agree with the Compartment's Article 8 Product categorisation and/or there is a risk that the Compartment ceases to meet the requirements for a financial product disclosing in accordance with Article 8(1) of SFDR. In such circumstances, there could be a risk of investigation, enforcement proceedings and/or sanctions and the AIFM may, in accordance with the requirements of the CSSF, take such action as it deems appropriate which may include revising the promoted characteristics of the Compartment and/or ceasing to disclose in accordance with Article 8(1) of SFDR. Furthermore, certain aspects of the reporting requirements applicable to financial products categorized as falling under Article 8(1) of the SFDR are currently uncertain and market practice is yet to evolve.

2.26 The AIFM has determined that the Compartment as an Article 8 Product, will promote certain environmental and social characteristics including, but not limited, to those set out below.

Environmental Characteristics	Social Characteristics
<ul style="list-style-type: none">• combat climate change	<ul style="list-style-type: none">• diversity and inclusion
<ul style="list-style-type: none">• resilience to climate change	<ul style="list-style-type: none">• human rights
<ul style="list-style-type: none">• reduction in waste	<ul style="list-style-type: none">• labour relations

2.27 Appendix I to this Supplement outlines information about the environmental and social characteristics promoted by the Compartment pursuant to the SFDR requirements.

ESG Investing and Exclusions

2.28 Save as described below, the AIFM uses a combination of the following methods to promote the above environmental and social characteristics.

2.29 The AIFM has developed an ESG scoring framework for the purposes of assessing a third-party portfolio manager's approach to responsible investing and the extent to which the environmental and social characteristics promoted by the Compartment are implemented by the portfolio manager of the Underlying Fund. Prior to investing into an Underlying Fund managed by a third-party manager, the AIFM will undertake a due diligence exercise to assess the following in respect of such third-party manager: (i) commitment to responsible investing; (ii) responsible investing through the investment process (including promotion of environmental and social characteristics); (iii) post-investment monitoring and reporting;

and (iv) investment strategy focusing on the extent to which the relevant third-party manager seeks to make investments with positive social or environmental outcomes. Each third-party manager will be assigned an overall rating between 1 and 4, with 4 being the highest. The AIFM will base its selection of third-party managers and funds on the outcome of its ESG scoring framework which it will continuously update as the ESG landscape evolves. The Responsible Investment Working Group for private debt is responsible for reviewing and approving the ESG ratings.

- 2.30** Where the Compartment invests in a co-investment opportunity, the AIFM applies its Responsible Investing Due Diligence for Co-Investments framework which assesses the ESG merits and risks of co-investment opportunities, which separately assess environmental, social and governance issues. Within this framework, the AIFM evaluates the extent to which the environmental and social characteristics promoted by the Compartment are implemented at the level of the underlying assets. The framework also includes the following checks on the third-party manager (co-investment partner): (i) the existence of an ESG policy; (ii) UNPRI signatory status; and (iii) whether responsible investing due diligence has been conducted on the opportunity and if a third-party consultant has been engaged as part of that due diligence. The framework complements the AIFM's broader due diligence assessment of co-investment opportunities. The Responsible Investment Working Group for private debt is responsible for reviewing and approving the Responsible Investing Due Diligence for Co-Investments framework.
- 2.31** Subject to the limitations on the exclusionary strategies of the Compartment described below in relation to the Non-Controlled Portion, the AIFM excludes investment in companies and ensures that agreements with the third-party managers of Underlying Funds include a requirement to exclude investments in companies in the following sectors (defined by reference to the Global Industry Classification Standards (**GICS**) developed by MSCI and Standard & Poor's) that it identifies as contributing significantly to climate change or that produce significant amounts of waste:
- oil, gas and consumable fuels; and
 - generation of nuclear energy.
- 2.32** Subject to the limitations on the exclusionary strategies of the Compartment described below in relation to the Non-Controlled Portion, the AIFM excludes companies in the following sectors that it considers to be harmful to the social characteristics that the Compartment promotes:
- the manufacture of armaments and defence (where more than 50% of the revenues are generated in military aerospace or defence equipment); and
 - pornography / adult entertainment.
- 2.33** As part of its ESG scoring framework described above, the AIFM, prior to making an investment and periodically thereafter, seeks confirmation from the third-party managers that they have in place a process to assess the good governance practice of the portfolio companies.
- 2.34** The AIFM also tracks ESG critical incidents at the level of third-party managers and seeks confirmation from third-party managers pre-investment as well as post-investment that no critical incidents have occurred at the level of the relevant portfolio companies. Critical ESG incidents include (but are not limited to) the following:

- any specific events that may result in negative impact to, or harm the reputation of, the portfolio company or third-party manager;
- incidents that violate the third-party manager's stated ESG policy; and
- incidents that are a breach of the third-party manager's code of conduct.

2.35 In addition, the AIFM checks whether a third-party manager has been subject to a fine or warning by a supervisory authority and/or has experienced instances of whistleblowing over the past 5 years and seeks confirmation on the same from the third-party managers in respect of the underlying portfolio companies. Furthermore, as part of the AIFM's ESG scoring framework, the AIFM checks the existence of policies related to anti-bribery, anti-money laundering, anti-corruption, conflicts of interests and code of ethics.

2.36 While the Compartment promotes the environmental and social characteristics set out above, the Compartment does not seek to invest in sustainable investments (as defined in the SFDR) and, accordingly, the investments underlying the Compartment do not take into account the EU criteria for environmentally sustainable economic activities.

2.37 Please refer to the General Section for disclosure under Article 6 of SFDR in relation to the manner in which ESG Risks are integrated into the investment management decision making for the Compartment and the AIFM's approach to the consideration of principle adverse impacts in relation to the Compartment. The Compartment does not seek to invest in economic activities that qualify as environmentally sustainable under Article 3 of the Taxonomy Regulation (**Taxonomy Aligned Investments**) and accordingly it expects to have zero exposure to Taxonomy Aligned Investments. The "do no significant harm" principle applies only to those investments underlying the financial product that are Taxonomy Aligned Investments.

2.38 While all of the Compartment's investments will follow good governance practices, a portion of the Compartment's investments may not be subject to the above referenced exclusionary strategies (the **Non-Controlled Portion**). It is anticipated that the investments comprising the Non-Controlled Portion will be limited exclusively to Third-Party Funds. This is on the basis that the AIFM may not, in some cases, be able to implement its ESG related exclusions on funds for which it does not act as alternative investment fund manager. However, the AIFM will, through its engagement with such third-party managers, use commercially reasonable efforts to limit the extent of the Non-Controlled Portion. While the Non-Controlled Portion of the Compartment is expected to be *de minimis* and not incorporate all of the Compartment's investment in Third-Party Funds, it will not, for the avoidance of doubt, exceed 15% of the Compartment's NAV and any undrawn Commitments. The remainder of the Compartment's assets, comprising SSG Funds and Third-Party Funds, will be subject to exclusionary strategies (the **Controlled Portion**).

Investment Restrictions

Concentration Criteria

2.39 The Compartment shall be managed in accordance with the principles of risk-spreading based on the ELTIF Regulation. For the purposes of clause 4.6 of the General Section, the Compartment's Kick-Off Period shall be for a period of twelve months commencing on the First Subscription Dealing Day.

2.40 The AIFM will ensure that:

2.40.1 the Compartment shall, in line with the ELTIF Regulation, only invest in (i) ELTIF

Eligible Assets and (ii) UCITS Eligible Assets;

- 2.40.2 the Compartment shall not undertake any of the following activities: (i) short selling of assets; (ii) taking direct or indirect exposure to commodities, including via financial derivative instruments, certificates representing them, indices based on them or any other means or instrument that would give an exposure to them; (iii) entering into securities lending, securities borrowing, repurchase transactions, or any other agreement which has an equivalent economic effect and poses similar risks, if thereby more than 10% of the assets of the Compartment are affected by such transactions; (iv) using financial derivative instruments, except where the use of such instruments solely serves the purpose of hedging the risks inherent to other investments of the Compartment;
 - 2.40.3 at least 55% of its capital shall be invested in ELTIF Eligible Assets;
 - 2.40.4 no more than 20% of its capital shall be invested in instruments issued by, or loans granted to, any single Qualifying Portfolio Undertaking;
 - 2.40.5 no more than 20% of its capital shall be invested in any single real asset;
 - 2.40.6 no more than 20% of its capital shall be invested in units or shares of any single ELTIF, EuVECA, EuSEF, UCITS or EU AIF managed by an EU AIFM;
 - 2.40.7 no more than 10% of its capital shall be invested in UCITS Eligible Assets where those assets have been issued by any single issuer (and the concentration limits set out in Article 56(2) of the UCITSD shall also apply to investments in such assets by the Compartment);
 - 2.40.8 no more than 20% of its capital shall be invested in simple, transparent and standardised securitizations; and the aggregate risk exposure to any single counterparty of the Compartment in relation to over the counter (OTC) derivative transactions, repurchase agreements or reverse repurchase agreements, shall not exceed 10% of the value of the capital of the Compartment.
- 2.41** The 10% limit in 2.40.7 above may be increased to 25% where bonds are issued by a credit institution that has its registered office in an EU member state and that is subject by law to special public supervision designed to protect bond-holders (in particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest).
- 2.42** Companies which are included in the same group for the purposes of consolidated accounts, as regulated by Directive 2013/34/EU or in accordance with recognized international accounting rules, shall be regarded as a single Qualifying Portfolio Undertaking or a single body for the purpose of calculating the limits referred to in this clause.

3. BORROWING AND LEVERAGE

Borrowing and Leverage by the Compartment

- 3.1** As from the end of the Kick-Off Period, the borrowed cash will represent a maximum of 50% of the NAV of the Compartment through the use of lines of credit, credit agreements

and other financing arrangements (including, without limitation, the establishment of one or more credit facilities) (each a **Facility**). The Compartment may enter directly or indirectly into Facilities for the purpose of (i) obtaining short-term financing in order to finance permitted investments or the redemption of Ordinary Shares pursuant to the Redemption Program (as defined below), or to bridge any liquidity requirements of the Compartment or for the purposes of making investments, and (ii) obtaining leverage on a systematic and continuous basis to finance permitted investments. The cash so borrowed will; (i) be in the same currency as the assets to be acquired with the borrowed cash or in another currency where currency exposure has been hedged as the AIFM deems appropriate in its discretion; and (ii) have a maturity no longer than the life of the Compartment.

- 3.2** When borrowing cash, the Compartment may encumber assets to implement its borrowing strategy.
- 3.3** The leverage of the Compartment calculated according to the gross method is not expected to exceed 350%. The leverage of the Compartment calculated according to the commitment method is not expected to exceed 300%.

Borrowing and Leverage by Underlying Funds and/or Qualifying Portfolio Undertakings

- 3.4** The Underlying Funds and/or Qualifying Portfolio Undertakings may be permitted to borrow for the purpose of financing permitted investments and hedging transactions, and bridging any liquidity requirements, on a short-term or ongoing basis. Such entities may also be highly and/or permanently leveraged through the use of credit facilities and/or derivatives exposures. Borrowing or leverage presents the potential for a higher rate of total return but also increases the volatility of the Compartment. In addition to the risks and considerations laid down in Clause 20.43 below, Investors should note that borrowing or leverage by Underlying Funds and/or Qualifying Portfolio Undertakings may include the risk of a total loss of the amount invested in Underlying Funds or Qualifying Portfolio Undertaking which utilize leverage.

Security Interests

- 3.5** Subject to Article 16 of the ELTIF Regulation, the General Partner (or its duly appointed delegates) may secure any borrowing incurred by it in relation to the Compartment by passing collateral, pledging, mortgaging, charging or otherwise securing the Compartment's assets (including but not limited to any bank accounts established with respect to or for the benefit of the Compartment or shares, units or interests in any Underlying Fund in which it directly invests) and assets may be used to repay or reduce borrowings.
- 3.6** In addition to borrowing by the Compartment, the General Partner or its duly appointed delegates may in respect of the Compartment, also, from time to time, without limitation as to the amount of third-party debt or the manner and time of its repayment, grant third-party security interests (including any mortgage, charge, floating charge, hypothecation, pledge or other security interest) over any of the property, rights or assets attributable to the Compartment including, without limitation, any bank accounts established with respect to, or for the benefit of, such Compartment, in each case where such security interest is granted for the purpose of securing financing received for the benefit of the Compartment, provided that any third-party security interest granted by the General Partner (or its duly appointed delegates), for the benefit of the Compartment, will be limited to any of the property, rights or assets attributable to the Compartment in accordance with Article 16 of the ELTIF Regulation, including without limitation, any bank account established with respect to or for the benefit of the Compartment only, and no recourse may be had to the property, rights or assets, including the bank accounts referable to, any other

compartment.

Hedging

- 3.7** The AIFM intends to implement a hedging strategy for the investment portfolio to align it with the base currency of the compartment. This approach aims to mitigate the risks associated with currency fluctuations. The costs incurred from executing this hedging strategy, including any associated fees and expenses, will be borne by the Compartment itself.
- 3.8** Since Classes and series of Shares may be denominated in currencies other than the Reference Currency (and such Classes and series of Shares will be distributing proceeds in those currencies), the AIFM (or its delegate) may decide to designate one or more of such Classes or series of Shares as “**Hedged**” Classes or series of Shares or “**Unhedged**” Classes or series of Shares, as set out in Clause 5.1 below. In respect of those Classes or series of Shares designated as Hedged Classes or series of Shares, the AIFM (or its delegate) intends to use various instruments and techniques described in Clause 4.5 of the General Section to mitigate foreign exchange risks of the assets of the Compartment attributable to such Classes or series of Shares denominated in a currency other than the Reference Currency or the currency of the relevant Class or series of Shares, in order to seek to reduce the impact of exchange rate fluctuations. The hedge ratio may vary between and within the Classes or series of Shares. Any financial instruments which may be used to implement such strategies will be assets/liabilities of the Compartment as a whole but will be attributable to the relevant Class(es) or series of Shares and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class or series of Shares. Any currency exposure of a Class or series of Shares may not be combined with or offset against that of any other Class or series of Shares of the Compartment. The currency exposure of the assets attributable to a Class or series of Shares may not be allocated to other Classes or series of Shares.
- 3.9** The AIFM may use financial derivative instruments and techniques described in Clause 4.5 of the General Section to hedge, to a certain extent and insofar as is possible, any currency risks associated with investments denominated in currencies other than the Reference Currency.
- 3.10** The Compartment may use financial derivative instruments and techniques for the efficient management of the Compartment’s Investments to hedge against currency, interest rate and market risks as may be permitted by the ELTIF Regulation any other applicable law and regulation. The use of such instruments will expose the Compartment to counterparty and derivative risks.
- 3.11** Although the Compartment may enter into hedging transactions, it is not obliged to, and will only do so as determined by the AIFM in its sole discretion. For the avoidance of doubt, there is no guarantee that any Hedged Class or series of Shares, or the Compartment generally, will be hedged at all times, nor can there be any guarantee that such hedging will be successful. The AIFM may suspend or terminate hedging arrangements at any time if it believes it to be necessary or in the best interests of the Compartment. Where hedging arrangements are not implemented or are suspended or terminated then Limited Shareholders of the relevant Class or series of Shares may be fully exposed to currency fluctuations.
- 3.12** Financial derivative instruments may be used only for the purpose of hedging risks inherent to other investments of the Compartment.

Securities Financing Transactions

3.13 As of the date hereof, the AIFM does not anticipate that the Compartment will invest in any securities financing transactions within the meaning of Article 3(11) of SFTR (“**Securities Financing Transactions**”). Should the Compartment enter into any Securities Financing Transactions in the future, the Compartment will comply with the requirements of the SFTR, and this Special Section will be updated accordingly to reflect relevant information as required under SFTR. Notwithstanding the foregoing, the AIFM does expect that certain of the Underlying Funds that comprise the Investments will enter into Securities Financing Transactions. Any such Underlying Funds will comply with the requirements of the SFTR. As of the date hereof it is expected that the Compartment’s indirect investments in Securities Financing Transactions and total return swaps having an equivalent effect will be up to a maximum of 10% of the assets of the Compartment’s.

4. TERM AND CURRENCY OF THE COMPARTMENT

4.1 The term of the Compartment will be one hundred (100) years from the date of its authorization day by the CSSF, i.e. at the latest on 16 January 2124, but may be extended by the General Partner for up to a maximum of five (5) consecutive one (1) – year periods. No further extensions will be allowed after 16 January 2129.

4.2 The reference currency for the Compartment is EUR (the **Reference Currency**).

5. CLASS STRUCTURE

5.1 Investment in the Compartment is currently available through subscription for Classes of Ordinary Shares. The key terms of each Class of Ordinary Shares are summarised in the table below.

Class and Currency	Accumulating / Distributing	Hedged / Unhedged	Initial Issuance Price	Minimum Initial Investment *	Distribution and Servicing Fee (per annum of the NAV per Share)	Minimum Additional Investment*
<i>Class RA Shares</i>						
Class RA-AC (EUR)	Accumulating	hedged	EUR 25	EUR 10,000	0,25%	EUR 500
Class RA-DB (EUR)	Distributing	hedged	EUR 25	EUR 10,000	0,25%	EUR 500
Class RA-AC (USD)	Accumulating	hedged	USD 25	USD 10,000	0,25%	USD 500

Class RA-DB (USD)	Distributing	hedged	USD 25	USD 10,000	0,25%	USD 500
Class RA-AC (CHF)	Accumulating	hedged	CHF 25	CHF 10,000	0,25%	CHF 500
Class RA-DB (CHF)	Distributing	hedged	CHF 25	CHF 10,000	0,25%	CHF 500
Class RA1-AC (EUR)	Accumulating	hedged	EUR 25	EUR 10,000	0,25%	EUR 500
Class RA1-DB (EUR)	Distributing	hedged	EUR 25	EUR 10,000	0,25%	EUR 500
Class RE Shares						
Class and Currency	Accumulating / Distributing	Hedge d / Unhedged (non-USD Classes only)	Initial Issuance Price	Minimum Initial Investment *	Distribution and Servicing Fee (per annum of the NAV per Share)	Minimum Additional Investment ^{t*}
Class RE-AC (EUR)	Accumulating	hedged	EUR 25	EUR 10,000	0.85%	EUR 500
Class RE-DB (EUR)	Distributing	hedged	EUR 25	EUR 10,000	0.85%	EUR 500
Class RE S-AC (EUR) **	Accumulating	hedged	EUR 25	EUR 10,000	0.85%	EUR 500
Class RE S-DB (EUR) **	Distributing	hedged	EUR 25	EUR 10,000	0.85%	EUR 500
Class RE-AC (USD)	Accumulating	hedged	USD 25	USD 10,000	0.85%	USD 500

Class RE-DB (USD)	Distributing	hedged	USD 25	USD 10,000	0.85%	USD 500
Class RE-AC (CHF)	Accumulating	hedged	CHF 25	CHF 10,000	0.85%	CHF 500
Class RE-DB (CHF)	Distributing	hedged	CHF 25	CHF 10,000	0.85%	CHF 500
Class RE-AC (GBP)	Accumulating	hedged	GBP 25	GBP 10,000	0.85%	GBP 500
Class RE-DB (GBP)	Distributing	hedged	GBP 25	GBP 10,000	0.85%	GBP 500
Class RE1-AC (EUR)	Accumulating	hedged	EUR 25	EUR 10,000	0.85%	EUR 500
Class RE1-DB (EUR)	Distributing	hedged	EUR 25	EUR 10,000	0.85%	EUR 500
Class RC Shares						
Class and Currency	Accumulating / Distributing	Hedged / Unhedged	Initial Issuance Price	Minimum Initial Investment*	Distribution and Servicing Fee (per annum of the NAV per Share)	Minimum Additional Investment*
Class RC-AC (EUR)	Accumulating	hedged	EUR 25	EUR 10,000	0%	EUR 500
Class RC-DB (EUR)	Distribution	hedged	EUR 25	EUR 10,000	0%	EUR 500
Class RC-AC (USD)	Accumulating	hedged	USD 25	USD 10,000	0%	USD 500
Class RC-DB (USD)	Distribution	hedged	USD 25	USD 10,000	0%	USD 500

Class RC-AC (CHF)	Accumulating	hedged	CHF 25	CHF 10,000	0%	CHF 500
Class RC-DB (CHF)	Distribution	hedged	CHF 25	CHF 10,000	0%	CHF 500
Class RC-AC (GBP)	Accumulating	hedged	GBP 25	GBP 10,000	0%	GBP 500
Class RC-DB (GBP)	Distribution	hedged	GBP 25	GBP 10,000	0%	GBP 500
Class RI Shares						
Class and Currency	Accumulating / Distributing	Hedged / Unhedged	Initial Issuance Price	Minimum Initial Investment*	Distribution and Servicing Fee (per annum of the NAV per Share)	Minimum Additional Investment*
Class RI-AC (EUR)	Accumulating	hedged	EUR 25	EUR 10,000	1.00%	EUR 500
Class RI-DB (EUR)	Distribution	hedged	EUR 25	EUR 10,000	1.00%	EUR 500
Class I Shares						
Class and Currency	Accumulating / Distributing	Hedged / Unhedged	Initial Issuance Price	Minimum Initial Investment*	Distribution and Servicing Fee (per annum of the NAV per Share)	Minimum Additional Investment*
Class I-AC (EUR)	Accumulating	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000

Class I-DB (EUR)	Distribution	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000
Class I S-AC (EUR) **	Accumulating	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000
Class I S-DB (EUR) **	Distribution	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000
Class I S1-AC (EUR) **	Accumulating	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000
Class I S1-DB (EUR) **	Distribution	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000
Class I-AC (USD)	Accumulating	hedged	USD 25	USD 1,000,000	None	USD 25,000
Class I-DB (USD)	Distribution	hedged	USD 25	USD 1,000,000	None	USD 25,000
Class I-AC (CHF)	Accumulating	hedged	CHF 25	CHF 1,000,000	None	CHF 25,000
Class I-DB (CHF)	Distribution	hedged	CHF 25	CHF 1,000,000	None	CHF 25,000
Class I-AC (GBP)	Accumulating	hedged	GBP 25	GBP 1,000,000	None	GBP 25,000
Class I-DB (GBP)	Distribution	hedged	GBP 25	GBP 1,000,000	None	GBP 25,000
Class I1-DB (EUR)	Distribution	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000
Class I2-AC (EUR)	Accumulating	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000

Class I2-DB (EUR)	Distribution	hedged	EUR 25	EUR 1,000,000	None	EUR 25,000
Class E Shares						
Class and Currency	Accumulating / Distributing	Hedged / Unhedged	Initial Issuance Price	Minimum Initial Investment	Distribution and Servicing Fee (per annum of the NAV per Share)	Minimum Additional Investment
Class E-AC (EUR)	Accumulating	hedged	EUR 25	EUR10,000	None	EUR 500
Class E-DB (EUR)	Distribution	hedged	EUR 25	EUR10,000	None	EUR 500

**Investors should note that any Shares that are purchased through a broker, bank, wealth manager or other financial intermediary and/or platform may be subject to higher minimum initial investment amounts, minimum additional investment amounts or other charges, as determined by the relevant broker, bank, wealth manager or other financial intermediary and/or platform (as applicable).*

*** Investors should note that relevant Classes are open for investment by any Investors or distributors which in aggregate subscribe for an amount predetermined by the General Partner, during a period not exceeding six (6) months from the launch of the Compartment or such shorter period as may be determined by the General Partner in its sole discretion; provided that any Investors who have already commenced discussions with StepStone Group, the General Partner, or any of their affiliates prior to the end of such period may be admitted at a future date if their admission is delayed by negotiation, AML/KYC procedures, or any other administrative requirements affecting the Compartment or the Investor."*

- 5.2** Class RC Shares are open for investment by any investor that is an Eligible Investor.
- 5.3** Class RA, RE and RI Shares are open for investment by any Investors (i) through distributors, financial intermediaries and brokers that have specific arrangements in place to provide access to Class RA, RE and/or RI Shares, (ii) through transaction/brokerage platforms hosted by distributors, financial intermediaries or brokers, (iii) through a bank, wealth manager or any other organization or person with a discretionary mandate or that is otherwise authorized to act for its clients and/or customers, or (iv) that fall into such other categories of Investors that the General Partner may determine from time to time.
- 5.4** Class I Shares (with the exception of Class I2-AC and Class I2-DB Shares) are open for investment by Investors (i) through distributors, financial intermediaries and brokers that have specific arrangements in place to provide access to Class I Shares (with the exception of Class I2-AC and Class I2-DB Shares), (ii) that are foundations, pension funds and other institutional investors, or (iii) that fall into such other categories of Investors that the General Partner may determine from time to time. Class I2-AC and/or Class I2-DB

Shares are only available to such Investors as the General Partner may determine from time to time.

- 5.5** Class E Shares are available for subscription only by (i) Investors who, at the time of subscription, are employees or related persons of the Managers or their respective affiliates; (ii) the Managers or their respective affiliates; (iii) other funds or separate managed accounts managed, advised on or overseen by the Managers or their respective affiliates; and (iv) other business counterparts closely linked to the Managers or their respective affiliates. Class E Shares are not subject to the Asset Management Fee or the Distribution and Servicing Fee.
- 5.6** The General Partner shall hold one non-participating Management Share of no par value in the Compartment.
- 5.7** The performance of the different Classes will vary from each other depending on whether they are accumulating or distributing and their exposures to currency movements (if applicable).
- 5.8** The General Partner may close or re-open a Class to new Investors or to further investment in its absolute discretion.

Further Classes

- 5.9** The General Partner may in its discretion from time to time determine to establish, subject to approval by the CSSF, further Classes. Future Classes may have characteristics which are the same as, similar to or different from the existing Classes, including without limitation as to currency, fees (including sales fees), dealing frequency, accumulation and distributions, investment terms, investor eligibility and investment objectives, policies and restrictions involving a materially different or greater risk profile or materially different or greater volatility.

6. SUBSCRIPTIONS

General

- 6.1** Ordinary Shares in the Compartment are available for subscription by any Investor that meets the definition of Eligible Investor. Please refer to the General Section for the relevant definition.
- 6.2** Applications for Ordinary Shares must be received by the Administrator (and any required anti-money laundering documentation submitted in accordance with the terms of the Subscription Document) by 5.00 pm. (Central European Time) at least one (1) Business Days prior to the relevant Subscription Dealing Day, or by such earlier or later date and/or time as the General Partner may determine generally or in respect of specific applications.
- 6.3** Cleared subscription monies must be received at the latest three (3) Business Days following the relevant NAV Calculation Date (the “**Value Date**”) (e.g. for a subscription on a relevant Subscription Dealing Day, being generally Wednesday of each week, subscription monies will have to be paid to the Company at the very latest by Wednesday of the following week). No interest will be paid on any subscription monies received prior to the Value Date.
- 6.4** To the extent permitted by the applicable laws, if subscription monies due by an Investor for the application of Ordinary Shares are not settled by the Value Date (i.e. 5 Business Day following a Subscription Dealing Day) the General Partner reserves the right to:

- 6.4.1 cancel the relevant Ordinary Shares, in which case any costs of cancellation are passed on to the relevant defaulting Shareholder; or
- 6.4.2 charge interest on such subscription monies to the relevant defaulting Shareholder at prevailing interest rates commencing on the sixth Business Day following the relevant Subscription Dealing Day (e.g. for a subscription on a relevant Subscription Dealing Day being a Wednesday, interest will commence to accrued on Thursday of the following week).

6.5 To apply for Ordinary Shares, prospective or existing Limited Shareholders must:

- 6.5.1 validly complete and execute a Subscription Document (together with the declarations referred to therein in accordance with the Subscription Document) and validly complete any additional documentation required by the Administrator (including for anti- money laundering purposes); and
- 6.5.2 send such documentation and information to the Administrator by email and where relevant via any platform as may be disclosed in the Subscription Document (as further described below), all such documentation and information to be received prior to 5.00 p.m. (Central European time) one (1) Business Day prior to the relevant Subscription Dealing Day, provided that the General Partner will have the discretion to accept Subscription Documents received after such deadline but prior to the relevant Subscription Dealing Day.

Any applications received by the Administrator on a day which is not a Business Day shall be deemed to be received on the next following day which is a Business Day.

- 6.6 None of the Company, the General Partner, the AIFM, the Investment Advisor or the Administrator will be responsible for any risks associated with using and relying on emails, e.g. network errors, interceptions or corruptions by unauthorised persons, miscommunication, incorrect destination, failure of technical infrastructure, or any other risks related to electronic communication, as further described in the Subscription Document.
- 6.7 Late subscription applications will (subject to the General Partner's discretion to determine otherwise) be held over, without interest payable to the Investor, until the next Subscription Dealing Day and the issue price of such Ordinary Shares will be determined by reference to the NAV calculated in respect of the corresponding Valuation Date. Applications received after the relevant NAV Calculation Date will not be accepted.
- 6.8 All Ordinary Shares are issued in registered form only (*actions nominatives*) and to three decimal places. Share certificates will not be issued. The Register is conclusive evidence as to ownership.
- 6.9 Although the price that Investors pay for Shares will be based on the NAV per Share as of the relevant Valuation Date, such NAV per Share will not be known by the Company (or the Shareholder) at the time when an Investor makes its investment decision as a result of the operation of Clause 6.2. The most recent NAV per Share available at the time of an Investor's investment decision can be obtained from the AIFM and/or the Administrator upon request.

Minimum Investment Levels and Subscription Price

- 6.10 The minimum investment amounts per Investor in relation to each Class are set out in Clause 5 above.

- 6.11** On the First Subscription Dealing Day, Shares will be issued at the initial issue price. Thereafter, the price at which Ordinary Shares may be subscribed for is the NAV per Share of the relevant Class or series of Shares calculated on the Valuation Date in respect of the relevant Subscription Dealing Day.

Subscription Procedures

- 6.12** Applications for Ordinary Shares should be made by sending a duly completed and executed Subscription Document to the Administrator. Subscriptions should be made in the currency of the relevant Class or series of Shares (subject to the discretion of the General Partner to accept such other currency as they think fit) or by way of a subscription in kind in accordance with the terms set out in the General Section. The Administrator reserves the right to request such information and documentation as it deems necessary to verify the identity of a subscriber and the source of the relevant subscription monies as set out in more detail in the Subscription Document.
- 6.13** Following receipt of a properly completed Subscription Document, the General Partner shall be permitted to invest such monies in accordance with the terms of Clause 22 and the Administrator will, on the corresponding Subscription Dealing Day determine the relevant subscription monies to be paid and, thereafter, allot the requisite number of Ordinary Shares and issue a written confirmation to the Investor once the relevant Ordinary Shares have been registered in the Register.
- 6.14** The General Partner may decline subscription applications in whole or in part in their absolute discretion. No interest shall be payable on any subscription money returned to investors in respect of rejected subscription applications. All applications to invest may only be revoked to the extent that the General Partner has not accepted such properly completed application within six months of the date of receipt of such completed application by the Administrator. Investors may only revoke an application after such time by providing written notice to the General Partner and the Administrator; safe for Retail Investors who may cancel their subscription by written notice to the Compartment during the period of two weeks after the signature of their initial Subscription Agreement for Shares in the Compartment in accordance with the ELTIF Regulation.

Possible Suspension

- 6.15** Notwithstanding Clause 25 of the General Section, the General Partner reserves the right in its sole discretion to suspend subscriptions from time to time when it believes it is in the best interests of the Compartment and the Investors.
- 6.16** None of the Compartment, the Company, the AIFM, the Investment Advisor, the Administrator, the Depositary or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of subscription or related instructions from Investors reasonably believed to be genuine and shall not be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorized or fraudulent instructions.

7. ACCUMULATION AND DISTRIBUTION POLICY

Accumulation Policy – Accumulating Shares

- 7.1** Income and capital gains arising in respect of the Accumulating Shares will normally be accumulated and reinvested and the Compartment will not ordinarily, but may at the General Partner's absolute discretion, make distributions by way of dividend or otherwise. However, if dividends are declared, such dividends may be paid out of accumulated net income (which income shall include distribution income but exclude any accumulated expenses) and also

out of accumulated realised and unrealised capital gains less accumulated realised and unrealised losses (together, **Accumulated Proceeds**). If appropriate, the General Partner may determine to satisfy any dividend declared in relation to any such Accumulated Proceeds using subscription monies or money borrowed pursuant to a Facility or other sources of liquidity, provided that, in such event, the General Partner shall record such dividend amounts as being paid out of such Accumulated Proceeds, and the amount of Accumulated Proceeds available for distribution by the Compartment shall be reduced accordingly.

- 7.2 Subject to the Articles and Luxembourg Law, dividends may be declared, in the sole discretion of the General Partner, including in circumstances where it is deemed appropriate to reduce the size of the Compartment to a level believed by the General Partner to be suitable for pursuing the Compartment's investment objective. No Limited Shareholder consent will be required in order to effect such a distribution.

Distribution Policy – Distributing Shares

- 7.3 No later than the second calendar quarter after the First Subscription Dealing Day it is expected that the Compartment will make distributions quarterly in respect of the Distributing Shares such that Limited Shareholders of the Distributing Shares will receive, on at least a quarterly basis, amounts that represent substantially all of the net investment income, if any, arising in respect of the Distributing Shares. The NAV of each Distributing Share shall be reduced by the amount of the distributions or dividends received by a Limited Shareholder in respect of each such Distributing Share that it holds.

8. REDEMPTION POLICY

- 8.1 Unless otherwise agreed with the General Partner, Class I1-DB (EUR) Shares issued on any Subscription Dealing Day will be subject to a 12-month lock-up period commencing on such Subscription Dealing Day (a **Lock-Up Period**), during which period such Class I1-DB (EUR) Shares may not be redeemed at the option of the Shareholders. During the 24 months following the relevant Lock-Up Period, the relevant Class I1-DB (EUR) Shares may be redeemed at the option of the Shareholders in accordance with this Prospectus and the Articles but will be subject to a redemption fee equal to 2.00% of the value, determined as of the Valuation Date, of the relevant Class I1-DB (EUR) Shares that are redeemed (a **Redemption Fee Period**). The redemption fee will be split as follows: 1.50% will remain in Class I1-DB (EUR) for the benefit of the Shareholders in such Class, and 0.50% will be allocated to the AIFM as compensation for managing an early redemption risk. Following the relevant Redemption Fee Period, the relevant Class I1-DB (EUR) Shares may be redeemed at the option of the Shareholders in accordance with this Prospectus and the Articles.

- 8.2 Subject to clause 8.1, following the end of the Kick-Off Period, it is intended that Limited Shareholders will be offered a right to redeem their Shares, in each quarter with one hundred and eighty (180) calendar days prior notice, starting on the last Subscription Dealing Day of September, December, March and June, up to the lower of (i) 5% of the outstanding Ordinary Shares in respect of the Compartment; and (ii) 5% of the average aggregate NAV as of the end of the immediately preceding three months (such process, the **Redemption Program**). Notwithstanding items (i) and (ii) in the preceding sentence, the total value of a relevant Redemption Program will not exceed 50% of the sum of the Compartment's UCITS Eligible Assets and the expected cash flow forecasted on a prudent basis over 12 months, as of the Redemption Date.

Redemption Program

- 8.3 Limited Shareholders may request to have some or all of their Shares redeemed by the

Compartment (a “**Redemption Request**”) as of the closing of the last Valuation Date of September, December, March and June (each, a “**Redemption Date**”) by submitting a one hundred and eighty (180) calendar days (i.e. six months) prior notice, starting on the last Business Day of September, December, March and June, to the Compartment that the Limited Shareholder requests a certain number of its Shares be redeemed by the Compartment in the form made available by the Company (the “**Redemption Notice**”) hundred and eighty (180) calendar days before the Redemption Date; provided that late notices may be accepted in the General Partner’s sole discretion. Once a Redemption Notice has been submitted, the Limited Shareholder may withdraw or revoke the Redemption Request with the General Partner’s consent until by 5.00 pm. (Central European Time) at least three (3) Business Days before the Redemption Date (subject to the General Partner’s discretion to accept after such time).

- 8.4** Amounts distributed in connection with a redemption will be based upon the NAV per Share of the applicable Class or series of Shares being redeemed as of the last Valuation Date of the applicable quarter (e.g., Shareholders requesting a redemption on Wednesday of the last week of September, the redemption price will be based upon the NAV as of the Wednesday of the last week of September). The Compartment expects that settlements of Share redemptions will generally be made within eight (8) Business Days of the Redemption Date (e.g., Shareholders requesting a September redemption would generally be expected to receive a settlement on or around October 7th). Limited Shareholders whose Redemption Requests are accepted will cease to be Shareholders in respect of the redeemed Shares as of such Redemption Date and will therefore cease to be entitled to the rights of a Shareholder in respect of the redeemed Shares as of such date at the exception of any distributions declared but not yet paid to such Shareholders, and will not be entitled to interest on redemption payments.
- 8.5** In exceptional circumstances and not on a systematic basis, the Compartment may make exceptions to, modify or suspend, in whole or in part, the Redemption Program, as further described in Clause 8.11 below.
- 8.6** Each Redemption Request will be made at the then-current NAV per Share of the applicable Class or series of Shares. Limited Shareholders will not know the NAV per Share, and therefore the amount of their redemption, until approximately three (3) Business Days after the Redemption Date.
- 8.7** In the event that, pursuant to the limitations above, not all of the Shares submitted for redemption during a given quarter are to be accepted for redemption by the Compartment, Shares submitted for redemption during such quarter will be redeemed on a pro rata basis. All unsatisfied Redemption Requests must be resubmitted by the investor before the next available Redemption Date in the manner described above.
- 8.8** A Limited Shareholder redeeming only a portion of its Ordinary Shares will be required to maintain an account balance of an amount at least equal to the minimum initial investment amount of the corresponding Class or series of Shares he/she/it has invested in, as reflected in Clause 5.1 after giving effect to the redemption, subject always to any additional rules or local requirements imposed by the jurisdiction of the Limited Shareholder. If a Limited Shareholder redeems an amount that would cause its account balance to fall below the required minimum, the General Partner reserves the right to repurchase all of such Limited Shareholder’s Ordinary Shares at such time.
- 8.9** In the event that the AIFM, the Investment Advisor or any of their affiliates hold Ordinary Shares in the capacity of a Limited Shareholder, the Ordinary Shares may be redeemed in connection with the Redemption Program under the same conditions laid down in this Clause 8.8.

Payment of Proceeds

- 8.10** Proceeds will be paid into the same bank account from which the Administrator received subscription monies at the Limited Shareholder's risk and expense as soon as practicable. Proceeds will be paid in the currency of the relevant Class or series of Shares (subject to the discretion of the General Partner to pay out in such other currency as they think fit). If a Limited Shareholder wishes to have proceeds paid into an alternative account, which must be an account in the Limited Shareholder's name, a request in writing, signed by the Limited Shareholder (or its duly authorised agent or attorney), must be received by the Administrator together with any additional verification documentation as the Administrator may reasonably require. No third-party payments will be processed by the Administrator.
- 8.11** Proceeds will not be paid until all documentation required by the General Partner or the Administrator on its behalf (including any documents in connection with anti-money laundering procedures) has been received from the Limited Shareholder and the relevant anti-money laundering procedures have been completed by the Administrator with respect to that Limited Shareholder.

Amendment

- 8.12** The General Partner may amend, suspend or postpone the Redemption Program (in respect of a particular Redemption Date or more generally) at any time, including, but not limited to, if the Compartment is unable to dispose of its interests in Investments or otherwise secure financing to fund redemptions in a timely manner, any contemplated redemption would violate restrictions of distributions under Luxembourg Law or the General Partner determines that such action would otherwise be in the best interests of Shareholders, such as when redemptions of Shares would place an undue burden on the Compartment's liquidity, not comply with the rules under the ELTIF Regulation; adversely affect the Compartment's operations, risk having an adverse impact on the Company that would outweigh the benefit of redemptions of Shares or as a result of legal or regulatory changes. If an amendment to the Compartment's redemption procedures is deemed necessary to comply with any applicable regulatory requirements, including those applicable to any Intermediary Vehicle, the General Partner will adopt revised procedures reasonably designed to provide Limited Shareholders with similar liquidity for Ordinary Shares as would be available under the procedures described above.

9. SWITCHING

- 9.1** In accordance with Clause 18 of the General Section and subject to the General Partner's approval, Limited Shareholders can switch their investments between Classes or series of Shares. Applications from a Limited Shareholder for a switch must be received by the Administrator (and any required anti-money laundering documentation submitted in accordance with the terms of the Subscription Document) by 5.00 pm. (Central European Time) at least one (1) Business Day before the relevant Subscription Dealing Day, or by such earlier or later date and/or time as the General Partner may determine generally or in respect of specific applications. Any applications received by the Administrator on a day which is not a Business Day shall be deemed to be received on the next day which is a Business Day.
- 9.2** Applications for switches may be made by email, by way of SWIFT or by other electronic means (including by way of the Switch Form contained in the Subscription Document submitted in portable document format (.PDF) as an attachment to an email sent to the email addresses indicated in the Subscription Document), in accordance with the investors' instructions on the Subscription Document.

- 9.3 Unless the General Partner otherwise determines, any switching shall occur by way of an *in specie* redemption of the existing Shares held by the switching investor and an immediate subscription in kind for Ordinary Shares in the new Class or series of Shares on any Subscription Dealing Day. Switching will only be permitted where the Limited Shareholder meets any applicable eligibility criteria for the Class or series of Shares they wish to switch into.
- 9.4 A switch of a Class or series of Shares to another Class or series of Shares within the Compartment will be treated as redemption of Shares and simultaneous purchase of Shares.
- 9.5 A switch may, depending on the tax regimes to which the Investor is subject, result in a disposal or deemed disposal of their Ordinary Shares which may crystallise gains and losses for tax purposes.
- 9.6 In connection with any switch, the General Partner may in its absolute discretion waive any applicable notice periods either generally or in respect of a particular switching investor.

10. TRANSFERS

The General Partner generally will not consent to an assignment, pledge or transfer of Shares of the Compartment by a Limited Shareholder unless: (i) the transferring Limited Shareholder has been a Limited Shareholder for at least six months; (ii) after a partial transfer, the value of the Shares held in the account of each of the Transferee and Transferor would be either zero or at least equal to the amount of the applicable minimum initial investment in the Compartment, and (iii) the conditions outlined in Clause 20 of the General Section are satisfied. For the avoidance of doubt, the General Partner will not consent to any assignment, pledge or transfer of Shares of the Compartment unless the proposed Transferee meets the definition of Eligible Investor and is not a US Person, US Taxpayer or Benefit Plan Investor.

11. VALUATION

- 11.1 Subject to the remainder of this Clause, the Investments of the Compartment will be valued weekly in accordance with the methodology set out in Clause 23 of the General Section. The Investment Advisor will assist the AIFM with the valuation of the Compartment's Investments. The AIFM has approved the valuation procedures for the Compartment (the **Valuation Procedures**).
- 11.2 In cases where the Compartment is invested in an Underlying Fund that provides a net asset value only at longer intervals than the Compartment, or where such Underlying Fund incurs delays in producing its net asset value, the AIFM may, for those weeks in which such Underlying Fund does not issue a net asset value (the **Interval Weeks**), either choose to value the Compartment's Investment in such Underlying Fund using a fair value on the basis of the last available net asset value of such Underlying Fund provided by the relevant Investment Fund Manager or use its best judgement to estimate the NAV on the basis of the last available net asset value of such Underlying Fund, prevailing market conditions and such other factors that the AIFM considers to be relevant (the **Estimated UF Values**), and such Estimated UF Values shall be used in calculating the NAV for the Interval Weeks (the **Estimated NAV**). The determination of the Estimated UF Values and, therefore, the Estimated NAV involves subjective judgements, and it is possible that the Estimated UF Values used to calculate the Estimated NAV is materially different to the value that could be realised upon the sale of the Compartment's Investment in the relevant Underlying Fund or the value that the relevant Investment Fund Manager would obtain were it to calculate the net asset value of such Underlying Fund during the relevant Interval

Week. The Estimated NAV will be based upon the information available to the AIFM and the Administrator as of the applicable NAV Calculation Date and may not reflect information received subsequent to the applicable NAV Calculation Date in connection with the preparation of any financial statements delivered to the Limited Shareholders. In particular, the valuations used for the NAV of the Compartment calculation will be based on Estimated UF Values available at such time and such reported valuations will further be assessed by the AIFM. However, at the time of an annual audit, more accurate, updated and/or audited valuations of the Underlying Funds may become available as of the same valuation date. As a consequence, the NAV as contained in such financial statements may differ from the (i) NAVs previously provided to Limited Shareholders and (ii) the subscription price and redemption price determined with respect to a given Valuation Date. The Compartment will not retroactively adjust any subscription price or redemption price to reflect amounts subsequently reported in any financial statements.

11.3 The NAV of the Compartment will be calculated in accordance with Clause 24 of the General Section.

11.4 In the event of a suspension of the NAV as provided for in Clause 25 of the General Section, the General Partner reserves the right to:

11.4.1 cancel any Redemption Requests made under the Redemption Program, in respect of the applicable Valuation Date to which the suspension applies; and/or

11.4.2 delay the settlement of proceeds in respect of accepted Redemption Requests until after the lifting of the suspension.

12. MANAGEMENT OF THE COMPARTMENT

Investment Manager

12.1 The AIFM retains the portfolio management function with regard to the Compartment and no separate investment manager has been appointed with respect to the compartment at the date of this Special Section.

Investment Advisor – Legal information

12.2 The AIFM has appointed the Investment Advisor pursuant to the Investment Advisory Agreement to provide nondiscretionary advice in respect of the investment and reinvestment of the assets of the Compartment and the administration of their respective investment programmes.

12.3 The Investment Advisor is a limited liability company incorporated in Switzerland in 1998. The Investment Advisor is regulated as a Manager of Collective Assets by the Swiss Financial Market Supervisory Authority FINMA (former Swiss Federal Banking Commission). The Investment Advisor's business is investment management of which a core aspect is the fund of funds business. The Investment Advisor's registered address is Klausstrasse 4, CH-8008 Zurich, Switzerland.

13. INVESTMENT ADVISORY AGREEMENT

13.1 The Investment Advisory Agreement between the AIFM and the Investment Advisor is for an indefinite period and may be terminated at the end of each calendar quarter by the AIFM or the Investment Advisor on not less than 90 calendar days' written notice. The AIFM may also terminate the Investment Advisory Agreement with immediate effect if, in its reasonable opinion, it considers such action to be in the best interests of Limited

Shareholders. The Investment Advisory Agreement may also be terminated immediately by either party in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Investment Advisory Agreement provides that the AIFM shall indemnify and hold harmless, out of the assets of the relevant Compartment(s), the Investment Advisor and its employees, delegates and agents from any and all cost, liability and expense arising under the Investment Advisory Agreement or resulting directly or indirectly from any act or omission in the course of or in connection with the services provided by the Investment Advisor, or from any breach of the Investment Advisory Agreement by either of them provided such cost, liability or expense is not a result of any negligence, fraud, bad faith or willful default of the Investment Advisor or the relevant employee, delegate or agent. The terms of the Investment Advisory Agreement regarding the remuneration of the Investment Advisor are set out in the Investment Advisory Agreement.

- 13.2** The AIFM or the Investment Advisor may appoint sub- non-discretionary investment advisors to assist it in deciding on appropriate investments for the Company or any Compartment thereof. Such sub-investment advisors will solely act in a non-discretionary advisory capacity.

14. COMPENSATION AND FEES

Annual Report

- 14.1** The Annual Report describes all fees, charges and expenses borne by the Compartment and will provide information on the contemplated maximum amount to be charged to the Compartment.

Compensation of the General Partner

- 14.2** The General Partner is entitled to require reimbursement of reasonable disbursements and out-of-pocket expenses.

Compensation of the AIFM

- 14.3** For the purposes of this Clause 14:

14.3.1 the “**Hurdle Rate**” is expressed as a rate of return on the value of the Compartment’s net assets at the end of the most recently completed calendar quarter (or, if the quarter end date is not a Valuation Date, the Valuation Date immediately preceding the most recently completed calendar quarter), of 1.25% (5.0% annualized) adjusted for Investor activity and cash flows as required; and

14.3.2 “**Pre-Performance Fee Net Investment Income**” means interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance,) such as commitment, origination, structuring, diligence and consulting fees or other fees) that are received by the Compartment or the AIFM from Investments accrued during the calendar quarter, minus operating expenses accrued for the quarter (including the Asset Management Fee, the Platform Operations Charge, expenses payable to any other Service Provider, and any interest expense or fees on any credit facilities or outstanding debt and dividends paid on any issued and outstanding preferred shares but excluding the Performance Fee and any applicable shareholder servicing and/or distribution fees applicable). Pre-Performance Fee Net Investment Income includes, in the case of investments with a deferred interest feature (such as original issue discount, debt instruments with PIK interest and

zero-coupon securities), accrued income that has not yet been received in cash; it being understood that Pre-Performance Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

Asset Management Fee

14.4 In consideration of the portfolio management and other services to be provided by the AIFM as described in the AIFM Agreement, the General Partner will cause the Compartment to pay to the AIFM (and/or its designated affiliate) a weekly fee from each Class or series of Shares calculated and based on an annual rate of a percentage of the NAV (before deduction of management or performance fees) of the relevant Class or series of Shares, as specified in the table set out below (the **Asset Management Fee**). The Asset Management Fee accrues as of each Valuation Date and is payable quarterly in arrear (plus value added tax (**VAT**), if any).

Class	Asset Management Fee Rate (per annum of the NAV per Share)
<i>Class RA Shares</i>	
Class RA-AC (EUR)	1.00%
Class RA-DB (EUR)	1.00%
Class RA-AC (USD)	1.00%
Class RA-DB (USD)	1.00%
Class RA-AC (CHF)	1.00%
Class RA-DB (CHF)	1.00%
Class RA1-AC (EUR)	1.00%
Class RA1-DB (EUR)	1.00%
<i>Class RC Shares</i>	
Class RC-AC (EUR)	1.25%
Class RC-DB (EUR)	1.25%
Class RC-AC (USD)	1.25%
Class RC-DB (USD)	1.25%
Class RC-AC (CHF)	1.25%
Class RC-DB (CHF)	1.25%
Class RC-AC (GBP)	1.25%

Class RC-DB (GBP)	1.25%
Class RE Shares	
Class RE-AC (EUR)	1.00%
Class RE-DB (EUR)	1.00%
Class RE S-AC (EUR)	1.00%
Class RE S-DB (EUR)	1.00%
Class RE-AC (USD)	1.00%
Class RE-DB (USD)	1.00%
Class RE-AC (CHF)	1.00%
Class RE-DB (CHF)	1.00%
Class RE-AC (GBP)	1.00%
Class RE-DB (GBP)	1.00%
Class RE1-AC (EUR)	1.00%
Class RE1-DB (EUR)	1.00%
Class RI Shares	
Class RI AC (EUR)	1.00%
Class RI DB (EUR)	1.00%
Class I Shares	
Class I-AC (EUR)	1.00%
Class I-DB (EUR)	1.00%
Class I S-AC (EUR)	1.00%
Class I S-DB (EUR)	1.00%
Class I S1-AC (EUR)	1.00%
Class I S1-DB (EUR)	1.00%
Class I-AC (USD)	1.00%
Class I-DB (USD)	1.00%
Class I-AC (CHF)	1.00%

Class I-DB (CHF)	1.00%
Class I-AC (GBP)	1.00%
Class I-DB (GBP)	1.00%
Class I1-DB (EUR)	1.00%
Class I2-AC (EUR)	1.00%
Class I2-DB (EUR)	1.00%
Class E Shares	
Class E-AC (EUR)	None
Class E-DB (EUR)	None

14.5 The AIFM may at its absolute discretion rebate or waive all or a portion of the Asset Management Fees with respect to specific Classes or series of Shares, and in such case adjustments will be made to the determination of the NAV of the respective Class or series of Shares.

Performance Fees

14.6 The General Partner will cause the Compartment to pay to the AIFM (and/or its designated affiliate) the Performance Fees, which comprise the Income-Based Performance Fee (as defined below) and the Capital Gains-Based Performance Fee (as defined below). The Income-Based Performance Fee and Capital Gains-Based Performance Fee are independent of each other, with the result that one component may be payable even if the other is not, and each is calculated in accordance with, and payable at such times as set out in, the provisions of this Clause 14.

14.7 The Income-Based Performance Fee and the Capital Gains-Based Performance Fee are calculated at Compartment level and allocated to the respective Classes or series of Shares. The AIFM reserves the absolute discretion to waive, in whole or in part, the Performance Fees for specific Classes or series of Shares. In such cases, appropriate adjustments shall be made to the determination of the NAV of the respective Class or series of Shares.

Income-Based Performance Fee Calculation

14.8 The income-based Performance Fee (the **Income-Based Performance Fee**) will be payable to the AIFM (or its designated affiliate) quarterly in arrear based on the Compartment's Pre- Performance Fee Net Investment Income for the immediately preceding quarter. The payment of the Income-Based Performance Fee will be subject to the Hurdle Rate and the Catch-Up (as defined below). The calculation of the Income-Based Performance Fee is as follows:

14.8.1 No Income-Based Performance Fee is payable in any calendar quarter in which the Pre-Performance Fee Net Investment Income does not exceed the Hurdle Rate;

- 14.8.2 100% of the amount of Pre-Performance Fee Net Investment Income, if any, that exceeds the Hurdle Rate but is less than or equal to 1.3514% in any calendar quarter (5.4056% annualized) will be payable to the AIFM (or its designated affiliate) until it has received 7.5% on all of the Pre-Performance Fee Net Investment Income when the Pre-Performance Fee Net Investment Income reaches 1.3514% (5.4056% annualized) on net assets in any calendar quarter (the **Catch-Up**); and
- 14.8.3 7.5% of the amount of Pre-Performance Fee Net Investment Income, if any, that exceeds 1.3514% (5.4056% annualized) on net assets in any calendar quarter will be payable to AIFM (or its designated affiliate) once the Hurdle Rate and Catch- Up have been achieved (7.5% of the Pre-Performance Fee Net Investment Income thereafter will be allocated to the AIFM (or its designated affiliate)).

- 14.9** The calculation of the Income-Based Performance Fee will be pro-rated for any period of less than three months, including the quarter in which the First Subscription Dealing Day occurs, and will be adjusted for any Subscriptions or Liquidity Events during the relevant quarter.

Capital Gains-Based Performance Fee Calculation

- 14.10** The capital gains-Based Performance Fee (the **Capital Gains-Based Performance Fee**) is determined and payable in arrear as of the end of each calendar year (or upon termination of the AIFM Agreement). This fee will equal 7.5% of the Compartment's cumulative realised capital gains on Investments on a cumulative basis from the date of acquisition through the end of the applicable period, computed net of all realised capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid Capital Gains-Based Performance Fee.
- 14.11** The Compartment will accrue, but will not pay, a Capital Gains-Based Performance Fee with respect to unrealized appreciation because a Capital Gains-Based Performance Fee would be owed to the AIFM if the Compartment were to sell the relevant investment and realize a capital gain.

FX-Neutralization

- 14.12** The Compartment may be invested in assets denominated in currencies other than the Reference Currency. Additionally, the Compartment may be invested in assets with partially unhedged FX exposures. Therefore, in the case of such underlying foreign currency exposure, the AIFM will take appropriate measures to neutralise the impact on the Performance Fee from fluctuations in foreign exchange rates by calculating the Performance Fee based on FX-adjusted figures.

Distribution and Servicing Fee

- 14.13** To compensate the AIFM for the distribution services that it performs pursuant to the AIFM Agreement, the General Partner will cause the Compartment to pay to the AIFM an annual fee from each Class or series of Shares calculated and based on an annual rate of a percentage of the NAV of the relevant Class or series of Shares, as set out in the table below (the **Distribution and Servicing Fee**), of which the AIFM may retain a portion as compensation for its distribution services, with the remainder being distributed to such financial intermediaries engaged by the AIFM to distribute the relevant Classes or series of Shares. The Distribution and Servicing Fee accrues as of each Valuation Date and is payable monthly in arrear (plus VAT, if any).

Class	Distribution and Servicing Fee (per annum of the NAV per Share)
<i>Class RA Shares</i>	
Class RA-AC (EUR)	0.25%*
Class RA-DB (EUR)	0.25%*
Class RA-AC (USD)	0.25%*
Class RA-DB (USD)	0.25%*
Class RA-AC (CHF)	0.25%*
Class RA-DB (CHF)	0.25%*
Class RA1-AC (EUR)	0.25%*
Class RA1-DB (EUR)	0.25%*
<i>Class RC Shares</i>	
Class RC-AC (EUR)	0%*
Class RC-DB (EUR)	0%*
Class RC-AC (USD)	0%*
Class RC-DB (USD)	0%*
Class RC-AC (CHF)	0%*
Class RC-DB (CHF)	0%*
Class RC-AC (GBP)	0%*
Class RC-DB (GBP)	0%*
<i>Class RE Shares</i>	
Class RE-AC (EUR)	0.85%
Class RE-DB (EUR)	0.85%
Class RE S-AC (EUR)	0.85%
Class RE S-DB (EUR)	0.85%
Class RE-AC (USD)	0.85%
Class RE-DB (USD)	0.85%
Class RE-AC (CHF)	0.85%

Class RE-DB (CHF)	0.85%
Class RE-AC (GBP)	0.85%
Class RE-DB (GBP)	0.85%
Class RE1-AC (EUR)	0.85%
Class RE1-DB (EUR)	0.85%
Class RI Shares	
Class RI-AC (EUR)	1.00%
Class RI-DB (EUR)	1.00%
Class I Shares	
Class I-AC (EUR)	None
Class I-DB (EUR)	None
Class I- S AC (EUR)	None
Class I-S DB (EUR)	None
Class I S1-AC (EUR)	None
Class I S1-DB (EUR)	None
Class I-AC (USD)	None
Class I-DB (USD)	None
Class I-AC (CHF)	None
Class I-DB (CHF)	None
Class I-AC (GBP)	None
Class I-DB (GBP)	None
Class I1-DB (EUR)	None
Class I2-AC (EUR)	None
Class I2-DB (EUR)	None
Class E Shares	
Class E-AC (EUR)	None
Class E-DB (EUR)	None

* No upfront sales load will be payable to the AIFM with respect to Ordinary Shares. If, however, a Limited Shareholder subscribes for Ordinary Shares through certain financial intermediaries, such intermediaries may charge additional transaction or other fees, including upfront placement fees or brokerage commissions, in such amount as they may determine.

The portion of the Distribution and Servicing Fee payable to the financial intermediaries engaged by the AIFM to distribute the relevant Classes or series of Shares can in certain cases be settled directly out of assets of the Compartment. In such case, the Distribution and Servicing Fee normally payable to the AIFM for a relevant Class or series of Shares as per the table above, will be reduced proportionally.

Reimbursement of the Investment Advisor

- 14.14** The Investment Advisor will be entitled to be reimbursed by the AIFM out of the assets of the Compartment in respect of each Class for reasonable out of pocket expenses incurred by it in respect of the distribution services provided to the AIFM pursuant to Clause 14.13 above and any VAT on fees and expenses payable to or by it.

Compensation of the Depositary

- 14.15** The Depositary will be entitled to receive compensation determined in accordance with the Depositary Agreement (out of the assets of the Compartment where such fees are applicable to the Compartment or *pro rata* out of the assets of the Compartment based on net asset value where the fees are applicable to the Company as a whole) that are within the range of market rates applicable in Luxembourg. A summary of the fees (including the maximum amounts thereof) payable to the Depositary in respect of the Compartment is available to Investors at the registered office of the Company and disclosed to Limited Shareholders in the Annual Report.
- 14.16** The Company will pay or reimburse (out of the assets of the Compartment where such expenses are applicable to the Compartment or *pro rata* out of the assets of the Compartment based on net asset value where the expenses are applicable to the Company as a whole) the Depositary for any expense incurred by the Depositary not reasonably foreseeable and/or quantifiable at the time of entering into the Depositary Agreement which the Depositary reasonably incurs in connection with the proper performance of its duties under this Agreement and which is properly documented.

Compensation of the Administrator

- 14.17** The Administrator will be entitled to receive compensation under the Administration Agreement (out of the assets of the relevant Compartment) that are within the range of market rates applicable in Luxembourg. A summary of the fees (including the maximum amounts thereof) payable to the Administrator in respect of the Compartment is available to Investors at the registered office of the Company and disclosed to Limited Shareholders in the Annual Report.
- 14.18** The Administrator will also be entitled to be paid out of the assets of the Compartment for its properly vouched and reasonable out-of-pocket expenses incurred in the performance of its services.
- 14.19** The Compartment will also pay any out of pocket expenses incurred in providing administration services such as printing, copying, postage, telephone, and fax charges.

VAT

14.20 Fees are disclosed in this Special Section net of VAT and VAT may be added if applicable.

15. EXPENSES

Compartment Expenses

15.1 The Compartment shall be responsible for the following fees:

- 15.1.1 the Service Provider fees as set out in this Special Section;
- 15.1.2 its pro rata share of any Company expenses (including Organisational Expenses and Operating Expenses) as set out in the General Section;
- 15.1.3 any Operating Expenses of the Compartment as described in this Memorandum; and
- 15.1.4 all expenses related to its investment programme, including, but not limited to, expenses borne indirectly through the Compartment's investments in Qualifying Portfolio Undertakings, SSG Lending Investments and Underlying Funds, including any fees and expenses charged by the investment fund managers of the Underlying Funds (including management fees, Distribution and Servicing Fees, performance or performance fees and redemption or withdrawal fees, however titled or structured) (the **Investment Fund Managers**) and any costs and expenses related to classifying the Compartment as an Article 8 Product, all costs and expenses directly related to due diligence of portfolio transactions for the Compartment, such as direct and indirect expenses associated with the Compartment's Investments in Underlying Funds or other assets (whether or not consummated), and enforcing Compartment's rights in respect of such investments, transfer taxes and premiums, taxes withheld on non-US dividends, fees for data and software providers, research expenses, professional fees (including, without limitation, the fees and expenses of consultants, attorneys and experts), if applicable, brokerage commissions, interest and commitment fees on Loans and debit balances, dividends on securities sold but not yet purchased and margin fees, and costs and charges related to electronic platforms through which investors may access, complete and submit subscription and other fund documents or otherwise facilitate activity with respect to their investment in the Compartment.

Expense Limitation and Conditional Reimbursement Agreement

15.2 Until the first anniversary of the date of the initial closing date for subscriptions for Shares, the AIFM may waive its Management Fee, Performance Fee, pay expenses on behalf of the Compartment and/or reimburse the Compartment for Operating Expenses to the extent necessary with respect to a Class to ensure that the Compartment's aggregate weekly Operating Expenses during the one year period, do not exceed 1.00%, on an annualized basis, of its weekly net assets (the "**Expense Cap**"). To the extent the AIFM waives its Management Fee, Performance Fee, reimburses Operating expenses to the Compartment or pays expenses directly on behalf of the Compartment, with respect to a Class, the AIFM shall be entitled to recoup any such amount from the Compartment in any future month determined by the General Partner, in its sole discretion after consultation with the AIFM (borne by the Limited Shareholders at such future time), to the extent that the payment of any such amounts with respect to such Class paid in such week plus the total Operating Expenses attributable to such Class incurred in such period do not exceed 1.00%, on an annualised basis, of the NAV of such Class at the time of such payment and no amounts

may be reimbursed to the AIFM by the Company on behalf of the Compartment more than five (5) years from the week in which such fees and expenses were reimbursed, or paid, even if such recoupment occurs after the termination of the Limitation Period.

15.3 The Company has, in relation to the Compartment, entered into the “**Expense Limitation Agreement**” with the AIFM for a one-year term beginning on the initial closing date for subscriptions for Shares and ending on the one-year anniversary thereof (the “**Limitation Period**”). The AIFM and the Company may extend the Limitation Period for a period of one year on an annual basis. Pursuant to the Expense Limitation Agreement, the AIFM may elect to pay or reimburse certain additional fees and expenses of the Company on the Company’s behalf, including all or any portion of a Specified Expense (each such payment or reimbursement, a “**Voluntary Expense Payments**”). However, no portion of a Voluntary Expense Payment will be used to pay any shareholder servicing and/or distribution fees of the Compartment. When making a Voluntary Expense Payment, the AIFM will designate, as it deems necessary or advisable, what type of expense it is paying.

15.4 The Expense Cap on Operating Expenses as detailed in Clause 15.2 excludes the following “**Specified Expenses**”: (i) the Management Fee; (ii) all fees and expenses charged by the non-affiliated investment managers of the Underlying Funds and other investments in which the Compartment invests (including management fees, performance or performance fees and redemption or withdrawal fees, however titled or structured); (iii) the Performance Fee; (iv) transactional costs, including legal costs and brokerage commissions, associated with the acquisition and disposition of the Compartment’s investments; (v) interest payments incurred on borrowings by the Compartment or its subsidiaries; (vi) fees and expenses incurred in connection with any credit facility obtained by the Compartment or any of its subsidiaries, including any expenses for acquiring ratings related to the credit facilities; (vii) distribution and shareholder servicing fees, as applicable; (viii) taxes; and (ix) extraordinary expenses resulting from events and transactions that are distinguished by their unusual nature and by the infrequency of their occurrence, including, without limitation, costs incurred in connection with any claim, litigation, arbitration, mediation, government investigation or similar proceeding, indemnification expenses, and expenses in connection with holding and/or soliciting proxies for all annual and other meetings of Shareholders.

Underlying Fund Expenses

15.5 Underlying Funds bear various expenses in connection with their operations that are similar to those incurred by the Compartment. Investment Fund Managers generally assess asset-based fees to, and receive performance-based fees from, the Underlying Funds (or their investors), which effectively will reduce the investment returns of the Underlying Funds. These expenses and fees will be in addition to those incurred by the Compartment itself. As an investor in the Underlying Funds, the Compartment will bear its proportionate share of the expenses and fees of the Underlying Funds and may also be subject to performance fees to the Investment Fund Managers.

15.6 The amount of fees, charges and expenses borne directly or indirectly by investors are not subject to any maximum limit and will depend on a number of factors. Investors may request information on the fees and expenses that the Compartment expects to incur, and that Limited Shareholders can expect to bear indirectly via their investment in the Compartment, directly or indirectly in the Compartment’s first twelve (12) months of operations.

16. REPORTS AND FINANCIAL STATEMENTS

16.1 In addition to the Annual Report described in the General Section, further investor reporting may take place from time to time at the discretion of the General Partner. Investors wishing

to receive such additional investor reporting are invited to contact the Administrator.

16.2 The AIFM will not send to the Company, or to Investors in the Compartment, confirmation of individual transactions effected in respect of the Compartment's portfolio.

17. END OF LIFE AND WIND-DOWN PERIOD

17.1 The end of life of the Compartment (the **End of Life**) will be 16 January 2129.

17.2 The Wind-down Period will start with the End of Life and it is defined as the period during which the Compartment will not reinvest proceeds received from the realization of assets via repayment, prepayment, cancellation, sale or by any other means, except in money markets instruments, short-term bond funds, or equivalent (the **Wind-down Period**).

17.3 During the Wind-down Period, the Compartment's assets will be orderly disposed. The Compartment will inform the CSSF of orderly disposal of the Compartment's assets after the End of Life. Upon request from the CSSF, the Compartment shall submit to the CSSF an itemized schedule for the orderly disposal of its assets, in accordance with Article 21 of the ELTIF Regulation.

17.4 Without prejudice to the provisions of Clause 8, redemptions to Shareholders will commence on the day following the End of Life.

18. DISSOLUTION AND LIQUIDATION

Dissolution events

18.1 The Compartment shall be dissolved upon the first to occur of the following events:

- 18.1.1 the commencement of the liquidation of the Company;
- 18.1.2 a resolution adopted by the General Partner with the Compartment Extraordinary Consent; and
- 18.1.3 the determination by the General Partner that the General Partner has not accepted any received Redemption Requests pursuant to the Redemption Program within thirty (30) full calendar quarters following the First Subscription Dealing Day, unless the Limited Shareholders (by Compartment Extraordinary Consent) and the General Partner elect to continue the Compartment.

Dissolution and liquidation

18.2 Upon the commencement of the dissolution of the Compartment, the Liquidator shall promptly wind up the affairs of, liquidate and terminate the Compartment. In furtherance thereof, the Liquidator shall:

- 18.2.1 have all of the administrative and management rights and powers for the dissolution and liquidation of the Compartment;
- 18.2.2 be reimbursed for operational expenses it incurs; and
- 18.2.3 be compensated for its services.

18.3 Distributions to the Shareholders in the liquidation may be made in cash or in kind, or partly in cash and partly in kind, as determined by the Liquidator, provided the relevant Shareholder agrees on receiving a distribution in kind. Distributions in kind shall be valued at Fair Market Value as determined by the Liquidator and shall be subject to such conditions and restrictions as it may be necessary or advisable in the reasonable discretion of the

Liquidator to preserve the value of the assets so distributed or to comply with applicable law.

18.4 The net income or losses of the Compartment during the period of dissolution and liquidation shall be allocated among the Shareholders.

18.5 The assets of the Compartment (including proceeds from the sale or other disposition of any assets during the period of dissolution and liquidation) shall be applied as follows:

18.5.1 first, to repay any indebtedness of the Compartment, whether to third parties or the Shareholders, in the order of priority;

18.5.2 next, to any reserves which the Liquidator reasonably deems necessary for contingent or unforeseen liabilities or obligations of the Compartment (which reserves when they become unnecessary shall be distributed in accordance with the provisions of Clause 17.5.3, below); and

18.5.3 next, to the Shareholders.

19. AMENDMENTS TO THIS SPECIAL SECTION

19.1 Certain amendments, modifications, alterations, deletions or additions to the provisions of this Special Section (each an **Amendment**) may be adopted by the General Partner only with the consent of the Limited Shareholders and subject to the prior approval by the CSSF.

19.2 The consent of each Limited Shareholder is required if it would be affected by Amendments that would:

19.2.1 impose any obligation to make any further payment to the Compartment beyond this Limited Shareholder's subscription; and

19.2.2 affect the rights and interests of the Limited Shareholder adversely and materially, including any change in relation to the limited liability of a Limited Shareholder as set out in this Memorandum and the Articles.

19.3 The following Amendments may be adopted by the General Partner subject to the CSSF's prior approval, without the consent of Limited Shareholders:

19.3.1 Amendments to comply with legal, regulatory or tax requirements;

19.3.2 Amendments to adapt the Special Section to changes which were made in the Articles or in the documents of underlying UCIs in which the Compartment is invested;

19.3.3 Amendments of an administrative nature and which do not in any material manner increase the authority of the General Partner or adversely affect the rights of the Limited Shareholders;

19.3.4 Amendments to replicate operational constraints;

19.3.5 Amendments to the investment objective, policy and restrictions of the Compartment strictly necessary to align this Special Section with the characteristics of an Article 8 Product and amendments necessary to disclose such information in relation to the Compartment's promotion of environmental

and/or social characteristics as an Article 8 Product that is required under SFDR or that the General Partner otherwise deems relevant, as further detailed in Clause 2 of this Special Section and in the Subscription Agreement of each Limited Shareholder holding Ordinary Shares in the Compartment;

- 19.3.6 Amendments for the sake of clarity without materially amending the content of the relevant provision; or
 - 19.3.7 correction of any printing, typographical or clerical error or omission and make other non-material changes that do not have an adverse effect on the rights and obligations of Limited Shareholders taken as a whole.
- 19.4** Any other Amendment may be adopted by the General Partner subject to a resolution of the Limited Shareholders of the Compartment holding a simple majority of Shares and adopted in accordance with the Articles and Luxembourg Law and subject to the prior approval by the CSSF.
- 19.5** Amendments to this Clause 19 require the prior approval of the CSSF and the consent of Limited Shareholders of the Compartment holding at least 75% of the Shares and adopted in accordance with the Articles and Luxembourg Law.
- 19.6** All Amendments will be communicated to the Investors.

20. SPECIFIC RISK FACTORS

- 20.1** Limited Shareholders are reminded to consult the clause of the General Section entitled "Risk Factors" which is also applicable to the Compartment, however, the following additional risk factors are relevant to an investment in the Shares of the Compartment.
- 20.2** The attention of potential Investors is drawn to the taxation risks associated with investing in the Compartment. Please refer to the clause of the General Section entitled "Taxation".

General Risks relating to Underlying Funds

Fund of Funds

- 20.3** The investment policy of the Compartment permits a fund-of-funds type policy and some of the Underlying Funds may be affected by a number of factors including declines in the value of underlying investments, increasing use of suspensions, defaults, redemption gates, reduction in counterparty availability, prime brokerage default, insolvency and restructurings. The risks associated with investing in such Underlying Funds will closely relate to the risks associated with the investments held by the Underlying Funds. The ability of the Compartment to achieve its investment objective will depend upon the ability of the Underlying Funds to achieve their respective investment objectives. There can be no assurance that the investment objective of any of the Underlying Funds will be achieved. The NAV will fluctuate in response to changes in the net asset values of the Underlying Funds in which the Compartment invests. The extent to which the investment performance and risks associated with the Compartment correlates to those of each of the Underlying Funds will depend upon the extent to which the Compartment's assets are allocated from time to time for investment in the Underlying Funds, which may vary.

Advantages and Disadvantages of the Feeder / Fund of Funds Structure

- 20.4** The principal advantages and disadvantages of investing in funds compared with investing in individual Underlying Funds are as follows:

Advantages	Disadvantages
<p data-bbox="325 338 735 434">Risk widely spread over a range of different investment styles and strategies.</p> <p data-bbox="252 584 735 680">Meticulous selection procedure taking both qualitative and quantitative aspects into account.</p>	<p data-bbox="874 338 1382 400">Possible under-performance due to broad risk diversification.</p> <p data-bbox="874 584 1382 1256">There may be a higher burden of fees by the indirect assumption of additional costs at the level of the Underlying Funds, although these are charged directly to the Underlying Funds, since the fund of funds has to bear its own administration costs including the fees of the administrator, the depositary, the investment advisor and the fees for other services (these fees are higher than those of usual collective investment schemes); additionally there are similar costs which the fund of funds has to bear as an investor in the Underlying Funds; these have to pay similar commissions to their managers and fees for other services; therefore the costs that the fund of funds has to bear amount to a higher percentage of the net assets than would be the case with direct investments.</p>

Limited Capacity

- 20.5** Should some of the Underlying Funds close to new investment this could make it difficult for the AIFM to replicate the Compartment's existing portfolio to accommodate new investment into the Compartment. In addition, the AIFM's access to underlying schemes may be rationed, creating an investment allocation issue and the potential for the Compartment to be in competition with other clients of the AIFM for the same investment opportunities. This could lead to a decline in performance of the Compartment as it may not be possible to invest the new investment in Underlying Funds that have superior performance.

Over-Commitment Risk

- 20.6** The Compartment may invest in Underlying Funds which may operate on the basis of commitments and drawdowns from their investors and accordingly commitments to Underlying Funds may not be immediately invested. Therefore, the Compartment may commit to invest in Underlying Funds in an aggregate amount that exceeds the Compartment's NAV plus any undrawn commitments (i.e. to "over-commit"). While the AIFM will make all reasonable efforts to ensure the Compartment has sufficient liquidity to be able to satisfy capital calls from Underlying Funds, a failure of the Compartment to meet such a capital call could result in the Compartment being treated as an investor in default in relation to an Underlying Fund and this could have significant adverse consequences on the value of the Compartment's holding in that Underlying Fund.

Clawback by Underlying Funds

- 20.7** Certain Underlying Funds in which the Compartment may invest may operate claw-back arrangements whereby the Compartment may be required to return distributions made to it by such Underlying Funds. Accordingly, Investors should note and accept that the Compartment, unless prohibited by applicable law, may be required to return distributions or repayments made to it to the relevant Underlying Fund giving rise to such clawback. The AIFM shall not be liable for any such clawback imposed upon the Compartment by Underlying Funds.

No distributions by Underlying Funds

- 20.8** It is likely that many of the Underlying Funds in whose securities the Compartment will invest will not pay any dividends, and this, together with the Compartment's expenses (including its pro rata share of Company expenses), means that there can be no assurance that any dividends will be paid to a Limited Shareholder of Distributing Shares. The Compartment is not a suitable investment for any investor who requires regular dividend income. Dividends may be paid out of accumulated net income (which income shall include distribution income but exclude any accumulated expenses) and also out of accumulated realised and unrealised capital gains less accumulated realised and unrealised losses. No Limited Shareholder consent will be required in order to effect such a distribution.

Underlying Funds may be Closed Ended

- 20.9** The Underlying Funds in which the Compartment may invest shall generally be closed-ended collective investment schemes.

Regulation of Underlying Funds

- 20.10** Underlying Funds may or may not be subject to regulation. The Underlying Funds in which

the Compartment may invest may be open-ended but may also be in limited liquidity or closed-ended collective investment schemes. The Underlying Funds may be established in regulated and/or unregulated jurisdictions. The jurisdictions in which Underlying Funds are organised will not, in many cases, provide a level of investor protection equivalent to the Compartment.

Licensing Requirements

- 20.11** Certain federal and local banking and regulatory bodies or agencies may require Underlying Funds, the relevant Investment Fund Manager and/or certain employees of an Investment Fund Manager to obtain licenses or authorizations to engage in many types of lending activities including the origination of Loans. It may take a significant amount of time and expense to obtain such licenses or authorizations and the relevant Underlying Funds may be required to bear the cost of obtaining such licenses and authorizations. There can be no assurance that any such licenses or authorizations would be granted or, if granted, whether any such licenses or authorizations would impose restrictions on the relevant Underlying Funds. Such licenses may require the disclosure of confidential information about the Underlying Funds, their investors or their respective affiliates, including financial information and/or information regarding officers and directors of certain significant investors. Underlying Funds may not be willing or able to comply with these requirements. Alternatively, an Investment Fund Manager may be compelled to structure certain potential investments in a manner that would not require such licenses and authorizations, although such transactions may be inefficient or otherwise disadvantageous for the relevant Underlying Fund and/or any relevant Portfolio Company. The inability of Underlying Funds or the Investment Fund Managers to obtain necessary licenses or authorizations, the structuring of an investment in an inefficient or otherwise disadvantageous manner, or changes in licensing regulations, could adversely affect an Underlying Fund's ability to implement its investment program and achieve its intended results.

Litigation and Dispute Risks

- 20.12** An Underlying Fund's investment activities could subject it to becoming involved in litigation or other disputes with third parties. The investment activities subject it to the risks of becoming involved in litigation or other disputes with third parties. The expense of prosecuting or defending any such disputes or paying any amounts pursuant to settlements or judgments may be borne by the Underlying Fund and will reduce amounts available for distribution to the Compartment.

Adverse Effect of Economic Conditions on the Underlying Funds and the Portfolio Companies

- 20.13** The Underlying Fund and the Portfolio Companies in which they invest may be adversely affected by deteriorations in the financial markets and economic conditions throughout the world, some of which may magnify the risks described in this Memorandum and have other adverse effects. Deteriorating market conditions could result in increasing volatility and illiquidity in the global credit, debt and equity markets generally. The duration and ultimate effect of adverse market conditions cannot be forecast, nor is it known whether or the degree to which such conditions may remain stable or worsen. Deteriorating market conditions and uncertainty regarding economic markets generally could result in declines in the market values of potential investments or declines in the market values of investments after they are acquired by an Underlying Fund. Such declines could lead to weakened investment opportunities for Underlying Funds, could prevent the Underlying Funds from successfully meeting their respective investment objectives or could require Underlying Funds to dispose of investments at a loss while such unfavorable market

conditions prevail.

Portfolio Valuation

- 20.14** Certain Underlying Funds may have a limited ability to obtain accurate market quotations for purposes of valuing most of its investments, which may require the relevant investment manager to estimate, in accordance with its established valuation policies, the value of an Underlying Fund's investments on a valuation date. The relevant Investment Fund Manager may decide not to obtain an independent appraisal of such investments. Further, because of the overall size and concentrations in particular markets, the maturities of positions that may be held by the relevant Underlying Fund from time to time and other factors, the liquidation values of the relevant Underlying Fund's investments may differ significantly from the interim valuations of these Underlying Funds derived from the valuation methods described in the relevant offering memorandum. If the relevant Investment Fund Manager valuation should prove to be incorrect, the stated value of the relevant Underlying Fund's investments could be adversely affected which will subsequently impact the net asset value of such relevant Underlying Fund. The relevant Investment Fund Manager may delegate its valuation responsibilities to any other person.

Valuations Subject to Adjustment

- 20.15** At the time of an annual audit, more accurate, updated and/or audited valuations of the Underlying Funds or those open-end management investment companies in which the Compartment is invested may become available as of the same valuation date. For example, fiscal year-end net asset value calculations of the Underlying Funds may be revised as a result of audits by their independent auditors, and other adjustments may occur from time to time. Due to the fact that such adjustments or revisions, whether increasing or decreasing the NAV of the Compartment at the time they occur, relate to information available only at the time of the adjustment or revision, the adjustment or revision may not affect the amount of the redemption proceeds of the Compartment received by Limited Shareholders who had their Shares redeemed under the Redemption Program prior to such adjustments and received their redemption proceeds. As a result, to the extent that such subsequently adjusted valuations from the Investment Fund Manager of an Underlying Fund or revisions to the net asset value of an Underlying Fund adversely affect the Compartment's NAV, the remaining outstanding Shares may be adversely affected by prior redemptions to the benefit of Limited Shareholders who had their Shares redeemed under the Redemption Program at a NAV higher than the adjusted amount. Conversely, any increases in the net asset value resulting from such subsequently adjusted valuations may be entirely for the benefit of the outstanding Shares and to the detriment of Limited Shareholders who previously had their Shares redeemed at a NAV lower than the adjusted amount.

Underlying Fund Investment and Trading Risks in General

- 20.16** All investments made by an Underlying Fund risk the loss of capital. A fundamental risk associated with the Compartment's investment strategy is that any Portfolio Company in whose debt the Underlying Funds invest will be unable to make principal and interest payments when due, or at all to the Underlying Funds. Portfolio Companies could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, an economic downturn or legal, tax or regulatory changes. Portfolio Companies that Underlying Funds expect to remain stable may in fact operate at a loss or have significant variations in operating results, may require substantial additional capital to support their operations or to maintain their competitive position, or may otherwise have a weak financial condition or be experiencing financial distress. Any

deterioration in the performance of a Portfolio Company may result in a consequent negative impact on an Underlying Fund which has invested in it and accordingly the Compartment is indirectly exposed to the performance Portfolio Companies.

20.17 The characteristics of the Loans held by an Underlying Fund will change as a result of the purchases and sales of Loans. The characteristics of the Loans held by an Underlying Fund will also change over time as a result of scheduled amortization, prepayments, the amount of draws, repayment and termination of revolving Loans, extensions, waivers, modifications, restructuring, work-outs, delinquencies and defaults on Loans. There can be no assurance that the portfolio of Loans owned by an Underlying Fund will have any particular characteristics at any time and the decision to buy Loans or to sell Loans will have a significant impact on those characteristics.

20.18 The Underlying Funds may also utilize such investment techniques as margin transactions, short sales, option transactions and forward and futures contracts, which practices can, in certain circumstances, maximise the adverse impact to which the Compartment may be subject. No guarantee or representation is made that an Underlying Fund's investment program will be successful, and investment results may vary substantially over time. Past results of the Underlying Funds are not necessarily indicative of future performance. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

Trading in Securities and Other Investments that may be Illiquid

20.19 The Underlying Funds intend to primarily invest in private illiquid debt, which is typically subject to significant restrictions on transfer and is difficult to sell in a secondary market. In some cases, an Underlying Fund may be prohibited from selling such investments for a period of time or otherwise be restricted from disposing of such investments. Additionally, not all securities or instruments (if any) invested in by an Underlying Fund will be listed or rated, and may require a substantial length of time to liquidate due to lack of an established market for such investments or other factors. This could prevent an Underlying Fund from liquidating unfavourable positions promptly. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. An Underlying Fund may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity. Accordingly, an Underlying Fund's ability to respond to market movements may be impaired, and it may experience adverse price movements upon liquidation of its investments. As a result, there is a significant risk that an Underlying Fund may be unable to realize its investment objectives by sale or other disposition at attractive prices or will otherwise be unable to complete any exit strategy. Even if investments are successful, they are unlikely to produce a realized return to investors for a period of years. Furthermore, a portion of interest on investments may be paid in kind rather than in cash to the Underlying Fund and, in certain circumstances, the Underlying Fund may exit investments through distribution in kind to investors, after which the investor will bear the risk of holding the investment and must make their own disposition decisions. Returns to investors will consequently be uncertain and unpredictable.

Business and Credit Risks

20.20 Furthermore, investments made by Underlying Funds will generally involve a significant degree of financial and/or business risk. Underlying Funds may invest a portion of their capital in fixed-income securities, including subordinated debt, preferred securities, convertible securities, participations and other fixed income securities and obligations.

These securities may pay fixed, variable or floating rates of interest, and may include zero coupon obligations or interest that is paid-in-kind. Fixed-income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are also subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).

- 20.21** Certain of Underlying Fund's investments may be in businesses with little or no operating history. Business risks may be more significant in smaller Portfolio Companies or those that are embarking on a build-up or operating turnaround strategy.

Reliance on Portfolio Company Management

- 20.22** The Investment Fund Managers generally will seek to monitor the performance of investments in Portfolio Companies either through interaction with the board of directors of the applicable Portfolio Company and/or by maintaining an on-going dialogue with the Portfolio Company's management team. However, Underlying Funds generally will not be in a position to control any borrower by investing in its debt securities and a Portfolio Company's management will be primarily responsible for the operations of the Portfolio Company on a day-to-day basis. Although Underlying Funds may invest in Portfolio Companies with strong management teams, there can be no assurance that the existing management team, or any new one, will be able to operate the Portfolio Company successfully. In addition, Underlying Funds are subject to the risk that a borrower in which it invests may make business decisions with which the relevant Underlying Fund disagrees and the management of such borrower, as representatives of the common equity holders, may take risks or otherwise act in ways that do not serve the interests of the debt investors, including the relevant Underlying Fund.

Financial Fraud

- 20.23** Instances of fraud and other deceptive practices committed by senior management of certain Portfolio Companies in which the Underlying Funds invest (directly or indirectly) or appoint to provide services may undermine the due diligence efforts with respect to such Portfolio Companies, and if such fraud is discovered, negatively affect the valuation of the investments held by the Underlying Funds. In addition, when discovered, financial fraud may contribute to overall market volatility which can negatively impact the investment program of the Underlying Funds.

Market Capitalization Risk

- 20.24** The securities of small-to-medium-sized (by market capitalization) companies, or financial instruments related to such securities, may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalization and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports.

Fee Structure

- 20.25** The Compartment may invest in Underlying Funds, which may consist of mutual funds and other regulated and unregulated collective investment schemes. As a result, the Compartment, and indirectly an Investor in the Compartment, may bear multiple layers of fees, which may include performance fees, that in the aggregate will exceed the fees that

would typically be incurred by an investment with a single fund. In addition, investing in Underlying Funds, which may constitute fund of funds and/or feeder fund structures, may result in a lack of transparency of information concerning the underlying investments of such funds, which will not generally be available to the AIFM (except to the extent that it invests in funds managed by itself or an associated or related company).

Compensation Arrangements

- 20.26** The AIFM may receive a performance fee based upon the net realised appreciation in the net asset value of the Compartment and, in the case of investments with a deferred interest feature, accrued income that the Compartment has not yet received in cash. Because performance-based compensation will accrue with respect to unrealised appreciation of assets, such compensation may ultimately be greater than if such compensation were based solely on realised gains (which may be lower than the corresponding unrealised gains that form the basis of such performance-based compensation). In addition, the Underlying Funds may be subject to compensation arrangements based on the performance of such Underlying Fund. Such compensation arrangements may create a performance to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect.
- 20.27** The calculation of the Asset Management Fee as a percentage of the gross exposure of the Compartment's holdings in Underlying Funds may create a performance for the AIFM to cause the Compartment to make investments into Underlying Funds that are more highly leveraged than would otherwise have made if the Asset Management Fee were calculated as a percentage of the NAV of each Class or series of Shares thereby increasing the leverage risks described in this Memorandum.
- 20.28** The Asset Management Fee payable to the AIFM in respect of Interval Weeks may be calculated on the basis of the Estimated NAV if the AIFM determines not to calculate the NAV for such Interval Week using the last available net asset values for its Investments in Underlying Funds on the basis that it believes that the Estimated NAV will provide a more accurate valuation of the Compartment's Investment in such Underlying Fund. The Estimated NAV is calculated using Estimated UF Values, which may be materially different from the actual net asset values of the Compartment's Investment in such Underlying Funds. There is a risk, therefore, that the Asset Management Fee paid to the AIFM during the Interval Weeks may be higher than would be the case were the Asset Management Fee calculated using the NAV based on the last available net asset values of the Compartment's holdings in Underlying Funds. Indeed, the calculation of the Asset Management Fee on the basis of the Estimated NAV may create an performance for the AIFM to propose higher Estimated UF Values than it would otherwise have made were the Asset Management Fee calculated using a different methodology.

Independent Underlying Funds

- 20.29** An Underlying Fund may be subject to compensation arrangements based on the performance of its portfolio over certain periods which may pay performance fees in respect of particular periods even though that portfolio has depreciated in value over the course of other periods.

Risk relating to Underlying Funds Sourcing Loans

Assignments and Participations

- 20.30** The Compartment and/or an Underlying Fund may acquire investments in Loans either directly (by way of sale or assignment) or indirectly (by way of participation). The purchaser

of an assignment typically succeeds to all the rights and obligations of the assigning institution and becomes a lender under the credit agreement with respect to the debt obligation; however, its rights can be more restricted than those of the assigning institution. In addition, if the Compartment acquires bank Loans pursuant to an assignment it is possible that the Compartment's claims may be subject to attack (i.e., equitable subordination or disallowance) on account of the conduct of the transferee. Participation interests in a portion of a debt obligation typically result in a contractual relationship only with the institution participating out the interest and not with the borrower.

- 20.31** In purchasing a participation, the Compartment and/or the relevant Underlying Fund generally would have no right to enforce compliance by the borrower with the terms of the Loan or credit agreement or other instrument evidencing such Loan obligation, nor any rights of set-off against the borrower, and the Compartment or the relevant Underlying Fund may not directly benefit from the collateral supporting the Loan obligation in which it has purchased the participation. As a result, the Compartment would assume the credit risk of both the obligor and the selling institution, which would remain the legal owner of record of the applicable Loan. In the event of the insolvency of the selling institution, the Compartment may be treated as a general creditor of the selling institution in respect of the participation, may not benefit from any set-off exercised by the selling institution against the obligor and may be subject to any set-off exercised by the obligor against the selling institution. Assignments and participations are typically sold strictly without recourse to the selling institution, and the selling institution will generally make no representations or warranties about the underlying Loan, the portfolio companies, the terms of the Loans or any collateral securing the Loans. Certain Loans have restrictions on assignments and participations which may negatively impact the Compartment's ability to exit from all or part of its investment in a Loan.

Risks Arising from Purchases of Secondary Debt

- 20.32** The Compartment and/or an Underlying Fund may invest in secondary Loans and secondary debt securities (including Loan portfolios). The Compartment or the relevant Underlying Fund is unlikely to be able to negotiate the terms of secondary Loans as part of its acquisition of the debt and, as a result, these investments may not include some of the covenants and protections generally sought when a fund originates Loans. For example, indebtedness offered in the debt markets in recent years (so-called "covenant lite" deals) often imposed less stringent covenants on the issuers of such indebtedness than the covenants included in the terms of debt offered in previous periods. Many "covenant lite" Loans issued during that period may not require Qualifying Portfolio Undertakings or Portfolio Companies to observe and maintain financial maintenance covenants. These covenants typically include requirements for issuers to comply with a maximum leverage ratio, a minimum interest or fixed charge coverage ratio or maximum capital expenditures. Even if such covenants are included in the Loans held by the Compartment or an Underlying Fund, the terms of the Loans may provide Qualifying Portfolio Undertakings, respectively Portfolio Companies substantial flexibility in determining compliance with such covenants.

Risks Associated with Acquisitions of Portfolios of Loans

- 20.33** The Compartment and/or an Underlying Fund may invest in portfolios of Loans. The Compartment and/or an Underlying Fund is unlikely to be able to evaluate the credit or other risks associated with each of the underlying borrowers or negotiate the terms of underlying Loans as part of their acquisition but instead must evaluate and negotiate with respect to the entire portfolio of Loans or, in the case where the Compartment invests in contractual obligations to purchase portfolios of Loans subsequently originated by a third

party, with respect to the origination and credit selection processes of such third party rather than based on characteristics of a static portfolio of Loans. As a result, one or more of the underlying Loans in a portfolio may not include some of the characteristics, covenants and/or protections generally sought when the Compartment or the relevant Underlying Fund acquires or originates individual Loans. Furthermore, while some amount of defaults may be expected to occur in portfolios, defaults in or declines in the value of investments in excess of these expected amounts may have a negative impact on the value of the portfolio, and may reduce the return that the Compartment or the relevant Underlying Fund receives in certain circumstances.

Non-Performing Loans

20.34 It is possible that certain of the Loans purchased by the Compartment and/or an Underlying Fund may be non-performing which may involve workout negotiations, restructuring and the possibility of foreclosure. These processes can be lengthy and expensive. Many of the non-performing loans (**NPLs**) will have been underwritten to “subprime,” “Alternative A-Paper” or “expanded” underwriting guidelines. These underwriting guidelines are different from and, in certain respects, less stringent than the other general underwriting standards employed by originators. For example, these Loans may have been originated to borrowers that have poor credit or that provide limited or no documentation in connection with the underwriting of the mortgage Loan. Such Loans present increased risk standards of delinquency, foreclosure, bankruptcy and loss than prime mortgage Loans. An originator generally originates mortgage Loans in accordance with underwriting guidelines it has established and, in certain cases, based on exceptions to those guidelines. These guidelines may not identify or appropriately assess the risk that the interest and principal payments due on a mortgage Loan will be repaid when due, or at all, or whether the value of the mortgaged property will be sufficient to otherwise provide for recovery of such amounts. To the extent exceptions were made to an originator’s underwriting guidelines in originating an NPL, those exceptions may increase the risk that principal and interest amounts may not be received or recovered and compensating factors, if any, which may have been the premise for making an exception to the underwriting guidelines may not in fact compensate for any additional risk.

20.35 Additionally, investing in distressed assets such as NPLs can be a contentious and adversarial process. It is by no means unusual for participants to use the threat of, as well as actual, litigation as a negotiating technique. The expense of defending against such claims and paying settlements or judgments will be borne by the Compartment or the relevant Underlying Fund and this would reduce the net assets of the Compartment or the relevant Underlying Fund.

Ratings and/or Credit Estimates are not a Guarantee of Quality

20.36 Credit ratings and/or credit estimates of assets represent the rating agencies’ opinions regarding their credit quality and are not a guarantee of quality or performance. A credit rating or a credit estimate is not a recommendation to buy, sell or hold assets and may be subject to revision or withdrawal at any time by the assigning rating agency. If a credit rating or credit estimate assigned to any Loan is lowered for any reason, no party is obligated to provide any additional support or credit enhancement with respect to such Loan. Rating agencies attempt to evaluate the relative future creditworthiness of an obligation and do not address other risks, including but not limited to, the likelihood of principal prepayments (both voluntary and involuntary), liquidity risk, market value or price volatility; therefore, credit ratings or credit estimates do not fully reflect the true risks of an investment in the related asset. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an obligor’s current financial condition may be better or worse than a rating indicates. Further, rating agencies may

change credit rating or credit estimate methodologies. Consequently, credit ratings or credit estimates of any Loan should be used only as a preliminary indicator of perceived investment quality and should not be considered a reliable indicator of actual investment quality. Credit ratings or credit estimates of Loans included in the portfolio of the Compartment or the relevant Underlying Fund or of other loans similar to the Loans included in the portfolio of the Compartment may be subject to significant or severe adjustments downward. Credit rating or credit estimate reductions or withdrawals may occur for any number of reasons and may affect numerous assets at a single time or within a short period of time, which may have material adverse effects upon the investments by the Compartment or the relevant Underlying Fund in Loans.

- 20.37** Loans to middle market companies generally will not have a public rating, although some Loans may have private ratings and/or credit estimates assigned by, or obtained pursuant to the methodology of, a nationally recognized statistical rating agency. A credit estimate is not identical to a credit rating, and may be assigned using a more limited analysis, based on public information or information supplied by the party requesting the credit estimate. Disclosure of private ratings and/or credit estimates, if any are available, is restricted and any such ratings or estimates are not expected to be disclosed to the Compartment or the relevant Underlying Fund.

Risks relating to the Structure Investment Strategy of the Compartment and/or the Underlying Funds

Risk associated with the Performance Fee Allocation to Classes or Series of Shares

- 20.38** Investors should be aware that the allocation of the Performance Fee to different Classes or series of Shares within the Compartment can lead to varying outcomes for investors. This variability arises due to several factors, including the timing of subscriptions and redemptions. The key risk may be related to:

- 20.38.1 Impacts on returns: though the Performance Fee is typically calculated based on the performance of the Compartment, Classes and series of Shares may be charged different Performance Fee rates. This can lead to disparities in fee allocation and net performance between Classes (or series of Shares).
- 20.38.2 Impacts relating to timing of subscriptions and redemptions: Investors who subscribe to a Class (or series of Shares) just before a significant performance increase may incur a higher Performance Fee compared to those who subscribed earlier. This can result in a lower net return for the newer investors. Conversely, Investors who redeem their Shares before a performance peak may avoid higher Performance Fees, potentially leading to a higher net return compared to those who remain invested.
- 20.38.3 Impacts relating to dilution and concentration effects: when new Investors subscribe to a Class (or series of Shares), the Performance Fee is spread across a larger asset base. This can dilute the impact of the fee on individual investors' returns. If a significant number of investors redeem their shares, the remaining investors may bear a larger proportion of the Performance Fee, potentially reducing their net returns.
- 20.38.4 Impacts through the complexity of the fee structure: The complexity of Performance Fee structures can make it challenging for investors to fully understand how fees are allocated and their potential impact on returns. This lack of transparency can lead to unexpected outcomes. Investors may find it difficult to compare the net performance of different Classes (or series of

Shares) due to the varying impact of Performance Fees. This can complicate investment decisions and performance assessments.

20.39 The calculation of the Income-Based Performance Fee and the Capital Gains-Based Performance Fee and subsequent allocation to the Classes and/or series of Shares may result in variations in net returns across Classes and/or series of Shares, as each Class or series of Shares is subject to its designated share of the Compartment's profit and loss, including Performance Fees, in accordance with the allocation methodology.

20.40 At any point in time, the NAV may include accrued but unpaid Performance Fees. Accordingly, Shares issued, redeemed, or switched in Classes and/or series of Shares subject to a Performance Fee allocation will be based on a NAV value that includes an accrued but unpaid Performance Fee which may or may not become partially or fully payable. Should the Performance Fee subsequently be reversed, the benefit of such reversal may impact investors remaining in those Classes or series of Shares subject to Performance Fees.

Risks Associated with Qualifying Portfolio Undertaking and Portfolio Companies

20.41 A fundamental risk associated with the Compartment's investment strategy is that the Qualifying Portfolio Undertaking(s) or Portfolio Company(ies) will be unable to make principal and interest payments when due, or at all. Qualifying Portfolio Undertakings or Portfolio Companies could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, an economic downturn or legal, tax or regulatory changes. Qualifying Portfolio Undertaking that the Compartment or Portfolio Companies that the Underlying Funds expect to remain stable may in fact operate at a loss or have significant variations in operating results, may require substantial additional capital to support their operations or to maintain their competitive position, or may otherwise have a weak financial condition or be experiencing financial distress.

Types of Loans

20.42 Investors should be aware that in respect of Underlying Funds that invest in Loans or similar instruments, if such instruments are foreclosed, the relevant Underlying Fund could become part owner of any collateral and would bear the costs and liabilities associated with owning and disposing of the collateral (including real property) which ultimately may impact on the value of the interests held by the Compartment in the relevant Underlying Fund.

Qualifying Portfolio Undertakings and Portfolio Companies May be Highly Leveraged

20.43 Qualifying Portfolio Undertakings in which the Compartment and/or Portfolio Companies in which the Underlying Funds invest may be highly leveraged, and there is no restriction on the amount of debt such entities can incur. Substantial indebtedness may add additional risk with respect to a relevant Qualifying Portfolio Undertaking or Portfolio Company, and could (i) limit its ability to borrow money for its working capital, capital expenditures, debt service requirements, strategic initiatives or other purposes; (ii) require it to dedicate a substantial portion of its cash flow from operations to the repayment of its indebtedness, thereby reducing funds available to it for other purposes; (iii) make it more highly leveraged than some of its competitors, which may place it at a competitive disadvantage; and/or (iv) subject it to restrictive financial and operating covenants, which may preclude it from favourable business activities or the financing of future operations or other capital needs. In some cases, proceeds of debt incurred by a relevant Qualifying Portfolio Undertaking or Portfolio Company could be paid as a dividend to stockholders

rather than retained by the Qualifying Portfolio Undertaking or Portfolio Company for its working capital. Leveraged companies are often more sensitive to declines in revenues, increases in expenses, and adverse business, political, or financial developments or economic factors such as a significant rise in interest rates, a severe downturn in the economy or deterioration in the condition of such companies or their industries. A leveraged company's income and net assets will tend to increase or decrease at a greater rate than if borrowed money were not used.

Investors should note however that debt resulting from financial instruments issued by a relevant leveraged Qualifying Portfolio Undertaking to the Compartment, is not incurred by the Compartment itself and, therefore, will not be included in the Compartment's reporting as per the Commission Delegated Regulation. If a Qualifying Portfolio Undertaking and/or Portfolio Company is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, it may be forced to take other actions to satisfy its obligations under its indebtedness. These alternative measures may include reducing or delaying capital expenditures, selling assets, seeking additional capital, or restructuring or refinancing indebtedness. Any of these actions could significantly reduce the value of Compartment's and/or an Underlying Fund's investments in such Qualifying Portfolio Undertaking, respectively Portfolio Company. If such strategies are not successful and do not permit the relevant Qualifying Portfolio Undertaking or Portfolio Company to meet its scheduled debt service obligations, the Qualifying Portfolio Undertaking or Portfolio Companies may also be forced into liquidation, dissolution or insolvency, and the value of the Compartment's investment in such Qualifying Portfolio Undertaking or an Underlying Fund's investment in such Portfolio Company could be significantly reduced or even eliminated.

Senior Secured Loans

20.44 Senior loans hold the most senior position in the capital structure of a business entity and are typically, but not necessarily, secured with specific collateral that is senior to that held by unsecured creditors, subordinated debt holders and stockholders of the borrower. The senior loans in which the Compartment and/or an Underlying Fund may invest are likely to be collateralized and may be rated below investment grade or may also be unrated. As a result, the risks associated with senior loans may be similar to the risks of below investment grade instruments, although senior loans are typically senior and secured in contrast to other below investment grade instruments, which may be subordinated and/or unsecured. Nevertheless, if a borrower under a senior loan defaults, becomes insolvent or goes into bankruptcy, the Compartment and/or the relevant Underlying Fund may recover only a fraction of what is owed on the senior loan or nothing at all. Senior loans are subject to a number of risks described elsewhere in this Memorandum, including credit risk and liquidity risk.

20.45 Although the senior loans in which the Compartment and/or the relevant Underlying Fund will invest may be secured by collateral, there can be no assurance that such collateral could be readily liquidated or that the liquidation of such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal. In the event of the bankruptcy or insolvency of a borrower, the Compartment or the relevant Underlying Fund could experience delays or limitations with respect to its ability to realize the benefits of the collateral securing a senior loan. Such collateral may be subject to complex, competing legal claims and any applicable legal or regulatory requirements which may restrict the giving of collateral or security by a borrower under a loan, such as, for example, thin capitalization, over-indebtedness, financial assistance and corporate benefit requirements. In addition, security interests may be unperfected for a variety of reasons, including the failure to make required filings by lenders, and the Compartment or

the relevant Underlying Fund may not have priority over other creditors. In the event of a decline in the value of the already pledged collateral, if the terms of a senior loan do not require the borrower to pledge additional collateral, the Compartment or the relevant Underlying Fund will be exposed to the risk that the value of the collateral will not at all times equal or exceed the amount of the borrower's obligations under the senior loans. Even if such loans do require the borrower to pledge additional collateral, there is no warranty the borrower will be able to pledge collateral of sufficient value or at all. To the extent that a senior loan is collateralized by stock in the borrower or its subsidiaries, such stock may lose some or all of its value in the event of the bankruptcy or insolvency of the borrower. Those senior loans that are under-collateralized involve a greater risk of loss. In the context of cross-border lending it is possible that the rights actually enjoyed by lenders will be adversely affected by the interplay of the rules of the various applicable legal systems.

Subordinated Loans

- 20.46** The Compartment and/or Underlying Funds may acquire and/or originate subordinated loans. If a borrower defaults on a subordinated loan or on debt senior to the Compartment or the relevant Underlying Fund's loan, or in the event of the bankruptcy of a borrower, the loan held by the Compartment or the relevant Underlying Fund will be satisfied only after the senior loans are repaid in full. Under the terms of typical subordination agreements, senior creditors may be able to block the acceleration of the subordinated debt or the exercise by holders of subordinated debt of other rights they may have as creditors. Accordingly, the Compartment or the relevant Underlying Fund may not be able to take the steps necessary or sufficient to protect their investments in a timely manner or at all. In addition, subordinated loans may not always be protected by financial covenants or limitations upon additional indebtedness, may have limited liquidity and may not be rated by a credit rating agency. If a borrower declares bankruptcy, the Compartment or the relevant Underlying Fund may not have full or any recourse to the assets of the borrower, or the assets of the borrower may not be sufficient to satisfy the loan. Further, the relevant investment manager's ability to amend the terms of the Compartment's or the relevant Underlying Fund's loans, assign its loans, accept prepayments, exercise its remedies (through standstill periods) and control decisions made in bankruptcy proceedings may be limited by intercreditor arrangements if debt senior to the Compartment or the relevant Underlying Fund's Loan exists. The level of risk associated with investments in subordinated loans increases if such investments are Loans of distressed or below investment grade issuers.

Unitranche Loans

- 20.47** A unitranche loan blends the entire debt financing tranches into a single tranche combining senior and subordinated loan debt. A unitranche loan will therefore be subject to the same risk factors as senior and subordinated loans set out under "Senior Loans" and "Subordinated Loans" above. A unitranche loan may, in some cases, have a longer maturity than a senior secured loan and, because it combines senior and subordinated debt, it may be provided in a larger size, often by one or two counterparts as opposed to a club or syndicate. Its broader risk parameters and larger size often lead to more bespoke features, and in some cases the lender taking an observer seat on the borrower's board.

Mezzanine Loans

- 20.48** A portion of the Compartment's debt investments may be made in certain high yield securities known as mezzanine investments, which are subordinated debt securities that may be issued together with an equity security (e.g., with attached warrants). Those

mezzanine investments may be issued with or without registration rights. Mezzanine investments can be unsecured and generally subordinate to other obligations of the issuer. The expected average life of the Compartment's mezzanine investments may be significantly shorter than the maturity of these investments due to prepayment rights. Mezzanine investments share all of the risks of other high yield securities and are subject to greater risk of loss of principal and interest than higher-rated securities. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of those securities may tend to fluctuate more than those for higher-rated securities. The Compartment does not anticipate a market for any of their respective mezzanine investments, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of those lower-rated securities. Mezzanine securities are often even more subordinated than other high yield debt, as they often represent the most junior debt security in an issuer's capital structure.

Risks Associated with the Origination of Portfolios of Loans

- 20.49** Origination and intermediation of Loans may be an activity which requires regulatory approval (and potentially accompanying capital requirements) as a pre-condition of being able to carry on such activities in certain jurisdictions.
- 20.50** The application of laws and regulations to investment made by the Compartment or Underlying Funds is often complex to determine and highly specific to the individual circumstances of the Compartment or the relevant Underlying Fund and the proposed borrower. The Compartment or the relevant Underlying Fund may, consequently, incur significant legal, tax and other advisory fees in its efforts to ensure it acts in compliance with such laws and regulations.
- 20.51** The requirement for an authorization in a given jurisdiction may require an Underlying Fund to enter into, inter alia, arrangements with intermediaries who do have such authorizations, most typically banking institutions, to assist with Loan origination or intermediation and will likely increase expense and reduce return to the Compartment or the Underlying Fund.
- 20.52** The Compartment or an Underlying Fund will be relying on the performance of the Loan origination business of its investment managers or its affiliates in general for both the quality of Loans acquired by the Compartment or an Underlying Fund and for other related services including, without limitation, access to market deal flow, credit diligence and portfolio administration, accounting, tax, human resources, information technology and legal/compliance support. Therefore, a decline in the business and other business activity of such managers or their affiliates could have adverse consequences for the Compartment or an Underlying Fund and there can be no assurance that the managers or its affiliates will originate Loans of equal or better quality than those originated by them in the past. If a manager or its affiliates suffers from a decline in business, or loosens its credit standards, the Loans originated thereby may suffer in credit quality. In order to maintain levels of business activity and/or profitability, the manager or its affiliates may make concessions to obligors on Loans originated by them which may be acquired or held as Loans by the Compartment or the Underlying Fund.
- 20.53** Significant conflicts of interest may arise from the Compartment or an Underlying Fund acquiring all or most of the Loans in this manner. In addition, by acquiring all or most of the Loans from its manager or its affiliates, the Compartment or an Underlying Fund's investment performance in this asset class may suffer from missed opportunities. The

Compartment or an Underlying Fund might forgo the acquisition of better performing Loans from third parties in order to acquire portfolio loans from its manager or its affiliates.

Loan Origination and Regulation

- 20.54** The regulation of direct lending funds is currently an area of regulatory focus and the European Securities and Markets Authority (**ESMA**) published in April 2016 an Opinion on Key principles for a European framework on loan origination by funds. On 20 July 2023, political agreement was reached between the EU legislators on amendments to AIFMD which followed the European Commission's legislative proposal (COM(2021)721) from 25 November 2021, which included additional rules relating to the lending activities of AIFs, as described in more detail in the paragraph headed "AIFMD II", below. These or other regulatory developments may mean that more restrictive leverage limits, lending standards and other conditions are, over time, imposed by the CSSF in respect of loan originating AIFs generally or the Compartment, which may adversely impact on the ability of the Compartment to follow its investment strategy.

AIFMD II

Directive (EU) 2024/927 (**AIFMD II**), amending the AIFMD, was published in the Official Journal of the European Union on 26 March 2024 and entered into force on 15 April 2024. EU member states will have until 16 April 2026 to implement AIFMD II. AIFMD II will amend or introduce provisions under the AIFM Directive including: (i) minimum substance considerations that EU regulators will need to take into account during the AIFM authorization process; (ii) enhanced requirements around delegation, including additional reporting requirements in relation to delegation arrangements; (iii) new requirements applying to AIFMs managing funds that originate loans; (iv) increased investor pre-contractual disclosure requirements; and (v) prohibitions on AIFs or AIFMs being established in certain high risk jurisdictions for AML purposes. The implementation of AIFMD II could have a material adverse impact on the AIFM, the Compartment and the Investments, and it is possible that AIFMD II may entail additional costs, expenses and/or resources, and may restrict or prohibit certain activities, including in relation to loan-originating funds and managers or funds established in jurisdictions outside the EU identified as having AML and/or tax failures.

Any regulatory changes arising from implementation of the provisions of AIFMD II and/or the updating and amendment of the 2013 Act (or otherwise) that impair the ability of the AIFM to manage the Investments, or limit the General Partner's ability (on behalf of the Compartment) or the AIFM's ability to market Shares, may materially adversely affect the AIFM ability to carry out and achieve the Compartment's investment objective.

Bank Loans

- 20.55** The Compartment and/or Underlying Funds may invest in Loans originated by banks and other financial institutions. Such Loans are typically private corporate Loans that are negotiated by one or more commercial banks or financial institutions and syndicated among a group of commercial banks and financial institutions. The bank Loans invested in by the Compartment or an Underlying Fund may include term loans and revolving loans, may pay interest at a fixed or floating rate and may be senior or subordinated. Special risks associated with investments in bank Loans and participations include (i) the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights laws, (ii) so-called lender-liability claims by the issuer of the obligations, (iii) environmental liabilities that may arise with respect to collateral securing the obligations, (iv) the risk that bank Loans may not be securities and therefore may not have the protections afforded by the federal securities laws, and (v) limitations on the ability of

the Compartment or the relevant Underlying Fund to directly enforce its rights with respect to participations. Successful claims in respect of such matters may reduce the cash flow and/or market value of the investment. In addition, the bank Loan market may face illiquidity and volatility. There can be no assurance that future levels of supply and demand in bank Loan trading will provide an adequate degree of liquidity or the market will not experience periods of significant illiquidity in the future.

- 20.56** In addition to the special risks generally associated with investments in bank Loans described above, the Compartment's or an Underlying Fund's investments in second-lien and unsecured bank Loans will entail additional risks, including with respect to second-lien debt investments, the prohibition of or limitation on the right to foreclose on a second-lien or exercise other rights as a second-lien holder, and with respect to unsecured debt, the absence of any collateral on which the Compartment or the relevant Underlying Fund may foreclose to satisfy its claim in whole or in part. In certain cases, therefore, no recovery may be available from a defaulted second-lien or unsecured loan. The Compartment's or the relevant Underlying Fund's investments in bank Loans of below-investment grade companies also entail specific risks associated with investments in non-investment grade securities.

Trade and Supply Chain Finance Risks

- 20.57** The Compartment and/or an Underlying Fund may have exposure to underlying trade and supply chain transactions. There can be no assurance that such transactions will be successfully completed. Various factors may affect the successful settlement of the trade transaction and interfere with trade finance assets of the investments. These factors may include the inability of one or more parties to perform under the underlying trade transaction; the cancellation of such transaction by one of the parties; a commercial dispute involving such transaction; technical issues affecting the production, transport, processing or warehousing; or any event of force majeure beyond the control of the parties. In addition, the soundness of the trade finance assets depends upon the integrity of the parties involved in the underlying trade transaction. Some of the ongoing risks to the transactions include document discrepancies and fraud.

Marketplace Lending

- 20.58** Marketplace lending allows individuals and increasingly, institutional investors, to lend money to others via an online platform. The borrowers on such platforms are a wide range of individuals and businesses, and the Compartment's or an Underlying Fund's ability to assess their creditworthiness may be limited. While lending on a peer-to-peer platform can generate high returns, it is subject to many risks, including the risk that the Compartment or the relevant Underlying Fund could lose its entire investment if a borrower defaults or if the lending and/or loan servicing platform itself ceases operations. In the event of a default, certain lending platforms offer lenders almost no chance of recovery. In addition, peer-to-peer loans are relatively illiquid investments. In many cases it is difficult or impossible for the lender to get its money back before a Loan matures, even absent a default.

Shadow Banking Regulatory Changes

- 20.59** There has been increasing commentary amongst regulators and intergovernmental institutions, including the Financial Stability Board and International Monetary Fund, on the topic of so called "shadow banking" (a term generally taken to refer to credit intermediation involving entities and activities outside the regulated banking system). The Compartment and Underlying Funds are entities outside the regulated banking system and certain of the activities of the Compartment and Underlying Funds may be argued to fall within this definition and, in consequence, may be subject to regulatory developments. The

Compartment and/or Underlying Funds could be subject to increased levels of oversight and regulation. This could increase costs and limit operations. In an extreme eventuality, it is possible that such regulations could render the continued operation of the Compartment or an Underlying Fund unviable and lead to its premature termination or restructuring.

Insurance Risk

- 20.60** The Compartment or an Underlying Fund may be exposed to a range of insurance risks through its investments which have the potential to cause significant losses to the Compartment or an Underlying Fund. The assessment of the loss impact of an insurance-linked event is inherently uncertain, and the true extent of a loss may emerge only after a period of time. The AIFM or the relevant Investment Fund Manager may mistakenly not classify an event as one that potentially affects one or more of the Compartment's or the relevant Underlying Fund's investments. Likewise, the relevant investment manager may post reserves against one or more investments in the Compartment's or the relevant Underlying Fund's portfolio for events that ultimately do not generate a loss or may generate a lesser loss than what was originally anticipated.
- 20.61** New investors coming into the Compartment or an Underlying Fund may be exposed to insurance risks and related losses for events which occurred prior to their relevant subscription dealing day, the extent of which has not yet been fully determined and the effect of which has not yet been fully reflected in its net asset value. Likewise, redeeming investors may potentially forfeit the benefit of recoveries and/or of the release of reserves held by an Underlying Fund against some potentially affected investments, from which an Underlying Fund may benefit after the relevant dealing day of such redeeming investor.

Life Insurance Risk

- 20.62** The life insurance risks assumed by the Compartment will incorporate exposure to increases in mortality as well as longevity risk. Such investments may also incorporate elements of the business risk of the life insurers which have originated the portfolio which, either as a result of a change in their credit profile or as a result of a change in the attractiveness of the product or of the insurer to the general public, or all, could experience a higher-than-expected lapse or persistency of policies, with a consequent possible loss to the Compartment. Other life insurance related investments may also embed an element of market risk (whether through exposure to fixed rate products, or due to adverse experience in the investment portfolio backing the life insurance linked investments purchased by the Compartment). Finally, a natural catastrophe to which the Compartment is exposed through its non-life investments could also cause an unexpected increase in mortality affecting life insurance linked investments in the Compartment. It is not always possible for the Compartment to accurately monitor its mortality exposure in areas also exposed to natural catastrophes.

General Risks Related to Royalties

- 20.63** Given the Compartment's and/or Underlying Funds' strategy to lend against royalties, each may be susceptible to adverse tax, economic or regulatory occurrences affecting the minerals and oil and gas industries. The performance of projects in this sector is affected by supply and demand for both the specific product or service and for energy products in general. Whether a particular project is successful will depend on many factors, including commodity pricing and operator performance. The price of minerals, oil and gas, government regulation, world events and economic conditions will likewise affect the performance and viability of identified projects. Weak demand, as well as negative

developments in certain other areas, resulting in underperforming Loans could adversely impact the Compartment's or the relevant Underlying Fund's performance.

Aviation Investments and Security over Shipping Vessels

20.64 The Compartment and/or an Underlying Fund may have investment exposure to operating companies in the aviation industry and may take security over shipping vessels in connection with its investments. The airline industry is highly cyclical, and the level of demand for air travel is correlated to the strength of the US and global economies. Robust demand for air transportation services depends on favourable economic conditions, including the strength of the domestic and foreign economies, low unemployment levels, strong consumer confidence levels and the availability of consumer and business credit. In addition, airlines are subject to extensive regulatory oversight. Compliance with US and international regulations imposes significant costs and may have adverse effects on an airline.

20.65 In addition, there are certain risks associated with taking security over shipping vessels. These include: developments in international trade and changes in seaborne and other transportation patterns; the financial condition of charterers, buyers and sellers of maritime related assets; environmental claims arising in respect of maritime and maritime-related assets; embargoes and strikes; port and canal closures; accidents caused by human error; uninsured casualties; maritime disasters including collisions, groundings and capsizings; weather events and natural disasters; and other factors which are beyond the reasonable control of the AIFM and/or the relevant Investment Fund Manager. Any of the above factors or other unanticipated factors may have a material adverse effect on the Compartment's investments.

General risk of exposure to real estate assets through mortgage loans

20.66 Through investments in mortgage loans, the Compartment will be subject to all the risks inherent in real estate. These risks may include, without limitation, general and local economic and social conditions, neighbourhood values, the supply of, and demand for, properties of the type which the Compartment has exposure to, the financial resources of borrowers, vandalism, changes in tax, zoning, building, environmental and other applicable laws, rent control laws, real property tax rates and changes in interest rates. There can be no assurance of profitability for any real estate asset to which the Compartment has an indirect exposure.

Bankruptcy of tenants

20.67 There is a risk that tenants in the underlying real estate asset become bankrupt or otherwise become unable to pay rent and as such the borrower will be unable to pay back the Loan.

Real Estate Debt

20.68 The Compartment and/or Underlying Funds may invest in real estate debt and may accordingly be subject to all the risks inherent in investing in real estate. These risks may include, without limitation, general and local economic and social conditions, neighbourhood values, the supply of, and demand for, properties of the type to which the Compartment or the relevant Underlying Fund has exposure, the financial resources of borrowers or tenants, vandalism, vacancies, rent strikes, changes in tax, zoning, building, environmental and other applicable laws, rent control laws, real property tax rates and changes in interest rates. Such risks may cause fluctuations in occupancy rates, rent schedules and operating expenses, which could adversely affect the value of real estate

assets. There can be no assurance of profitability for any real estate asset to which the Compartment or an Underlying Fund has an exposure. Accordingly, the Compartment's or relevant Underlying Fund's investment and return objectives may not be realised. Certain expenditures associated with real estate investment, such as property taxes, utility costs, maintenance costs and insurance costs, tend to increase and are not generally decreased by events adversely affecting rental revenues such as unforeseen downturns in the real estate market, lack of investor confidence in the market, an oversupply of premises in the market or a softening of demand.

- 20.69** The security for mortgage Loans in which the Compartment or an Underlying Fund may seek to invest will include real estate properties. The value of the security may be affected by, among other things, a decline in property values. No assurance can be given that values of the properties have remained or will remain at the level they were at on the respective dates of origination of the related Loans. If the residential or commercial property market in the relevant jurisdiction should experience an overall decline in property values, such a decline could in certain circumstances result in the value of the collateral value of the property securing the mortgage Loan being significantly reduced and, ultimately, may result in losses to the Compartment or the relevant Underlying Fund if that Loan is required to be enforced.

Investing in Fixed Income Securities

- 20.70** Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time. The volume of transactions effected in certain international bond markets may be appreciably below that of the world's largest markets, such as the United States. Accordingly, the Compartment's investment in such markets may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

Infrastructure-Related Debt

- 20.71** The Compartment and/or Underlying Funds may make infrastructure debt investments. Credit risks associated with the infrastructure debt investments include (among others): (i) the borrower's assets and the security granted for the infrastructure debt investments declining in value, (ii) the borrower's assets and/or contracts producing less cash flow available for debt service and (iii) the declining creditworthiness, default and potential for insolvency of the borrowers during periods of rising interest rates and economic downturn. An economic downturn and/or rising interest rates could severely disrupt the market for the infrastructure debt investments and adversely affect the value of outstanding infrastructure debt investments and the ability of the borrowers thereof to repay principal and interest.
- 20.72** Infrastructure-related debt also exposes the Compartment or the relevant Underlying Fund to (i) the risk that financial modelling used to project future cash receipts and hence the value of the particular project are based on assumptions (for example, assumptions relating to interest rates, tax rates and rates of inflation) that ultimately prove to be incorrect; (ii) the risk that the contractor overseeing the project may fail to complete it within agreed time frames and within the agreed price; (iii) operating and maintenance risk;

(iv) employment-related liabilities; (v) the risk that project revenues may be below the expected revenues due to usage being lower than projected or due to deductions for unavailability of the project or poor performance; (vi) the risk of litigation with the relevant regulator and/or utilities or other customers; and (vii) the risk of issues arising when seeking to obtain or maintain the necessary permits, licenses and other consents (such as planning consents) in order to carry out the project.

Litigation Claims

- 20.73** The Compartment and/or an Underlying Fund may purchase, or may make Loans based on, anticipated future payments to be received as the result of favourably determined litigation claims. The results of pending litigation are inherently uncertain. Purchasing or lending against pending litigation entails unique risks because there is no guarantee that the relevant litigation will be favourably determined, and consequently that the Compartment's or the relevant Underlying Fund's investment objective will be achieved. If the relevant litigation is determined (in a court or in an out-of-court settlement) in a manner that is adverse to the Compartment's or the relevant Underlying Fund's interest, the Compartment or the relevant Underlying Fund may lose some or all of its investment. On becoming contractually entitled to proceeds, depending on the structure of the particular investment, the Compartment or the relevant Underlying Fund could be a creditor of, or otherwise subject to credit risk from, a claimant, a defendant, both or other parties. Moreover, the Compartment or the relevant Underlying Fund may be indirectly subject to credit risk to the extent a defendant does not pay a claimant immediately, notwithstanding successful adjudication of a claim in the claimant's favour. Part of the case selection process for investment involves an assessment by the AIFM or the relevant Investment Fund Manager of the ability of the defendant to pay a judgment or award if the case is successful. If the defendant is unable to pay or the claimant or defendant challenges the judgment or award, the Compartment or the relevant Underlying Fund may encounter difficulties in recovery.

Regulatory Capital Trades

- 20.74** The Compartment or an Underlying Fund may utilize regulatory capital trades by taking on the risks associated with potential bank losses in exchange for a fee. After engaging in such a trade, in the event of a default, the Compartment or the relevant Underlying Fund could lose some or all of its investments. The risk remains the same even if the bank involved in the relevant trade is insured.

Dislocated Structured Credit; Regulatory Capital Investments

- 20.75** The Compartment and/or an Underlying Fund may capitalise on credit-oriented investment opportunities which may arise as a result of the dislocation of credit markets and/or lenders' balance sheet pressures, such as primary and secondary structured products and regulatory capital relief. The value of such Investments can be subject to fluctuations when capital markets are dislocated as a result of volatility in such markets. The valuation of Investments is more subjective when markets are illiquid and may increase the risk that the estimated fair value of Investments is not reflective of prices at which actual transactions would occur. Furthermore, changes in applicable laws or regulations, or in the interpretations of these laws and regulations, could result in decreased regulatory capital requirements in the case of banks or similarly regulated entities, which may in turn (1) increase competition for attractively priced Investments and (2) reduce the number of attractive investment opportunities available to the Compartment or an Underlying Fund arising from current regulatory capital requirements.

Investment Modification Risk

- 20.76** The terms and conditions of the Compartment's and/or an Underlying Fund's investments may be amended, modified or waived by a subset (e.g. a majority) of parties or participants. Consequently, the terms and conditions of the payment obligation arising from Investments could be modified, amended or waived in a manner contrary to the preferences of the Compartment or the relevant Underlying Fund without the Compartment's or the relevant Underlying Fund's consent if a sufficient number of other parties or participants agree to the change. There can be no assurance that the terms and conditions to which the Compartment or the relevant Underlying Fund originally agreed will be maintained. Any such amendment, waiver or modification of an investment could adversely impact the Compartment's or the relevant Underlying Fund's returns.

NAV Financings

- 20.77** Net asset value financing requires that the amount of debt drawn under the facility does not exceed a given percentage of the net asset value of the fund's underlying investments. The net asset value of such investments will fluctuate over time as they are acquired, held and disposed of. Breach of the percentage limits may require that the facility is repaid, or additional collateral (such as cash or liquid securities) posted as security. There can be no assurance that the borrowing fund will be able to meet such demands and the Compartment or an Underlying Fund may consequently suffer a loss. The Compartment or an Underlying Fund may be reliant on third parties to accurately value the underlying investments and disputes may arise with the borrower should they not agree with such a valuation. Given that net asset value financing is often used by borrowers during the mid- life of a fund to add further leverage to their underlying investments, issues may arise where existing third-party leverage already exists at the level of each underlying investment (and those investment-level lenders may therefore be structurally senior to any fund-level leverage).

Lending Against Equipment

- 20.78** The Compartment or an Underlying Fund may investment exposure to loan- against-equipment transactions, in connection with which equipment is sold by the seller and leased back. The seller obtains working capital and keeps the equipment on their property. As with equipment leasing, there are considerable costs associated with terminating such loans and retrieving hard assets if a borrower fails to make timely payments on the loan. Further, the value of the subject equipment will decline over time as a result of use by the borrower, reducing the value of the collateral backing the loan and increasing the risk that the Compartment will lose money in the event of borrower default. The Compartment and/or an Underlying Fund may also engage in equipment leasing, which may expose the Investors to considerable risk. In cases of a non-performing lessee, there are considerable costs associated with terminating leases and retrieving hard assets that can disrupt and reduce cash flow. These risks may be exacerbated in the case of lessee bankruptcy. Further, it may be difficult to re-lease or sell retrieved equipment, depending on market conditions, especially if such equipment is outdated or has been misused.

Risks Associated with Investing in Convertible Securities

- 20.79** The Compartment and/or an Underlying Fund may also acquire convertible securities in connection with a debt investment. Convertible securities are securities that may be converted either at a stated price or at a stated rate within a specified period of time into a specified number of shares of common stock. The value of a convertible security is a function of its investment value and its conversion value. The investment value of a convertible security may be influenced negatively by changes in interest rates, by the credit standing of the issuer and other factors. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying instrument approaches

or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by the Compartment or an Underlying Fund is called for redemption, the Compartment or the relevant Underlying Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party, which may adversely affect the Compartment or the relevant Underlying Fund. The debt characteristic of convertible securities also exposes the Compartment or the relevant Underlying Fund to changes in interest rates and credit spreads. The value of the convertible securities may fall when interest rates rise or credit spreads widen. The Compartment's or an Underlying Fund's exposure to these risks may be unhedged or only partially hedged.

Investments in Seasoned Loans

- 20.80** The Compartment may purchase Loans originated by Lending Sources or another collective investment scheme, including Underlying Funds, or managed account managed by the AIFM, the Investment Advisor and/or their respective affiliates. The Compartment will generally not participate in any gains (or losses) made by the selling collective investment scheme or managed account in originating and holding the Loan prior to sale. By not exposing such transactions to market forces, the Compartment may not receive the best price otherwise possible. Conflicts of interest arise upon transactions between collective investment schemes or managed accounts managed by the AIFM, the Investment Advisor and/or their respective affiliates (please see the section of the General Section entitled "Conflicts of Interest"). There can be no assurance that the returns made by the Compartment and the selling collective investment scheme or managed account will be the same. The returns due to the Compartment may be diminished by the up-front fees paid to the originating investment scheme or managed account.

Corporate Debt Securities

- 20.81** It is expected that the Compartment and/or an Underlying Fund will have direct or indirect exposure to corporate debt securities. Corporate debt securities are subject to, among other risks, the risk of the issuer's inability to meet principal and interest payments on the obligation and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the credit worthiness of the issuer and general market liquidity. When interest rates decline, the value of the Compartment's or an Underlying Fund's debt securities can be expected to rise, and when interest rates rise, the value of those securities can be expected to decline. Debt securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities.
- 20.82** The Compartment's or the Underlying Fund's investments in debt securities may be subject to early redemption features, refinancing options, pre-payment options or other similar provisions which, in each case, could result in the issuer repaying the principal on an obligation held by the Compartment or an Underlying Fund earlier than expected. This may happen when there is a decline in interest rates, or when the issuer's performance allows the refinancing of debt with lower cost debt. Early repayments of investments may have a material adverse effect on the Compartment's or the Underlying Fund's investment objective and the profits on invested capital.

High Yielding Debt

- 20.83** The Underlying Funds may invest "high yielding" (and, therefore, generally higher risk) debt securities which may offer opportunities for capital appreciation. In most cases, such debt will be rated below "investment grade" or will be unrated and face on-going

uncertainties and exposure to adverse business, financial or economic conditions and the issuer's failure to make timely interest and principal payments. There may be no restrictions on the credit quality of the relevant Underlying Fund's Loans. The market for high-yield securities has experienced periods of volatility and reduced liquidity. The market values of certain of these debt securities may reflect individual corporate developments. It is likely that a general economic recession or a major decline in the demand for products and services, in which the obligor operates, could have a materially adverse impact on the value of such securities. In addition, adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the value and liquidity of these debt securities.

Investments in Unsecured Debt

- 20.84** Underlying Funds may invest a portion of their committed capital in unsecured indebtedness, whereas all or a significant portion of the issuer's senior indebtedness may be secured. In such situations, the ability of an Underlying Fund to influence a Portfolio Company's affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors.

Short Selling

- 20.85** The Compartment, as it qualifies as an ELTIF, will not engage in any short selling of assets as per the ELTIF Regulation.

Equities/Fixed Income Instrument Incidental to Loans

- 20.86** From time to time, the Compartment and/or an Underlying Fund may also hold common stock, other equity securities or warrants, including equity securities or warrants related to the purchase or ownership of a Loan or fixed-income instrument or in connection with a reorganization or restructuring of a borrower or issuer. Investments in equity securities incidental or related to investments in such Loans or fixed-income instruments entail certain risks in addition to those associated with investments in Loans or fixed-income instruments. Because equity is merely the residual value of an issuer after all claims and other interests, it is inherently more risky than the bonds or Loans of the same borrower or issuer. The value of the equity securities may be affected more rapidly, and to a greater extent, by company-specific developments and general market conditions. These risks may increase fluctuations in the Compartment's or the relevant Underlying Fund's net asset value. The Compartment or the relevant Underlying Fund frequently may possess material non-public information about a borrower or issuer as a result of its ownership of a Loan or fixed-income instrument of a borrower or issuer. Because of prohibitions on trading in securities while in possession of material non-public information, the relevant Underlying Fund might be unable to enter into a transaction in an instrument of the borrower or issuer when it would otherwise be advantageous to do so.

The Compartment will be Exposed to the Risks Associated with Equity Instruments

- 20.87** The Compartment or an Underlying Fund may acquire equity securities or options or rights to acquire equity securities in connection with its debt investments. Equity risk is the risk that stocks and other equity securities generally fluctuate more than bonds and can decline in value over short or extended periods. The value of stocks and other equity securities will be affected as a result of changes in a company's financial condition and in overall market and economic conditions.

Risk of Publicly Traded Securities

20.88 Underlying Funds may invest in publicly traded debt securities. These investments are subject to certain risks, including the risk of loss from counterparty defaults and the risks arising from the volatility of the global fixed-income markets. When buying a publicly traded security, Underlying Funds may be unable to obtain financial covenants or other contractual rights that Underlying Funds might otherwise be able to obtain in making privately-negotiated investments. Moreover, Underlying Funds may not have the same access to information in connection with investments in public securities, either when investigating a potential investment or after making an investment, as compared to a privately-negotiated investment. Publicly traded securities that are rated by rating agencies are often reviewed and may be subject to downgrade, which generally results in a decline in the market value of such security. Furthermore, Underlying Funds may be limited in their ability to make investments and to sell existing investments in public securities because the relevant Investment Fund Manager may have material, non-public information regarding the issuers of those securities or as a result of other investment manager policies, as the case may be. Accordingly, there can be no assurance that an Underlying Fund will make investments in public securities or, if it does, as to the amount it will invest. The inability to sell securities in these circumstances could materially adversely affect the investment results of the Underlying Fund.

Non-Recourse Obligations

20.89 Underlying Funds may invest in non-recourse obligations of issuers. Such obligations are payable solely from proceeds collected in respect of collateral pledged by an issuer to secure such obligations. None of the owners, officers, directors or incorporators of the issuers, trustees, any of their respective affiliates or any other person or entity will be obligated to make payments on the obligations. Consequently, Underlying Funds, as holders of the obligations, must rely solely on distributions of proceeds of collateral debt obligations and other collateral pledged to secure obligations for payments due in respect of principal thereof and interest thereon. If distributions of such proceeds are insufficient to make payments on the obligations, no other assets will be available for such payments and following liquidation of all the collateral, the obligations of the issuers to make such payments will be extinguished.

Risk of Unlisted Debt Instruments

20.90 Unlike publicly traded common stock which trades on national exchanges, there is no central place or exchange for Loans or fixed-income instruments or derivative instruments in respect thereof to trade. Loans and fixed-income instruments generally trade on an “over-the-counter” market, which may be anywhere in the world where the buyer and seller can settle on a price. Due to the lack of centralized information and trading, the valuation of such instruments may carry more risk than that of common stock. Uncertainties in the conditions of the financial market, unreliable reference data, lack of transparency and inconsistency of valuation models and processes may lead to inaccurate asset pricing. In the case of derivative instruments, the Compartment’s or an Underlying Fund’s counterparty, typically an investment bank, will usually insist on the right to determine the value of the relevant instrument. In addition, other market participants may value instruments differently than the AIFM or the relevant Investment Fund Manager. As a result, the Compartment or the relevant Underlying Fund may be subject to the risk that when such Loan, fixed-income or derivative instrument is sold in the market, the amount received by it is less than the value of such instruments carried on the Compartment’s or the relevant Underlying Fund’s books.

Co-Investment by the Compartment

20.91 The Compartment may co-invest alongside one or more other investment funds, investment vehicles, clients, accounts and balance sheet investments, including Other Accounts (together, **Other SSG Funds**). There can be no assurance that any such Other SSG Fund will agree with the AIFM on all matters, and any Other SSG Fund could take actions that are disadvantageous to the Compartment. Further, any Other SSG Funds may enter, exit, hedge or otherwise adjust its exposure to any one or more investments that are held by the Compartment different timing than the Compartment expects, to implement the differing investment policy of any such Other SSG Funds, with the result that such Other SSG Fund may make higher gains (or suffer lower losses) with respect to any particular investment, provided however that the AIFM and its affiliates will seek to identify and manage any conflicts that may arise from the management and operation of any Other Account.

Co-Investment by Underlying Funds

20.92 An Underlying Fund into which the Compartment invests may co-invest alongside one or more other investment funds, investment vehicles, clients, accounts and balance sheet investments, including Other Accounts (**Other Underlying Funds**). There can be no assurance that any such Other Underlying Fund will agree with the Underlying Fund on all matters, and any Other Underlying Fund could take actions that are disadvantageous to the Underlying Fund. Further, any Other Underlying Fund may enter, exit, hedge or otherwise adjust its exposure to any one or more investments that are held by an Underlying Fund with different timing than the Underlying Fund effects, to implement the differing investment policy of any such Other Underlying Fund, with the result that such Other Underlying Fund may make higher gains (or suffer lower losses) than an Underlying Fund with respect to any particular investment, provided however that the Underlying Fund's Investment Fund Manager will seek to identify and manage any conflicts that may arise from the management and operation of any Other Account.

Syndication of Co-investments

20.93 The Compartment and/or the Underlying Funds may make an investment with the expectation of offering a portion of its interests therein as a co-investment opportunity to Investors and/or other third-party investors, including Other Accounts. There can be no assurance that the Compartment or the relevant Underlying Fund will be successful in syndicating such co-investment, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the syndication will take place on terms and conditions that will be preferable for the Compartment or the relevant Underlying Fund or that expenses incurred by Compartment or the relevant Underlying Fund with respect to such syndication will not be substantial. In the event that the Compartment or the relevant Underlying Fund is not successful in syndicating such co-investment, in whole or in part, the Compartment or the relevant Underlying Fund may consequently hold a greater concentration and have more exposure in the related investment than initially was intended, which could make such the Compartment or the relevant Underlying Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. Moreover, an investment by the Compartment or the relevant Underlying Fund which is not syndicated to co-investors as originally anticipated could significantly reduce the Compartment or the relevant Underlying Fund's overall investment returns.

CLO-Related Strategies

20.94 **CLO Securities** means any debt and/or equity securities or obligations of a person that issues such securities (a **CLO Issuer**) in connection with a CLO, whether in the form of senior, mezzanine and/or subordinated notes, income notes, membership interests,

preferred shares or otherwise. CLO Securities are limited-recourse obligations of the CLO Issuer thereof payable solely from the underlying assets of such CLO or proceeds thereof. If distributions on collateral are insufficient to pay required fees and expenses, to make payments on CLO Securities or to pay dividends or other distributions, all in accordance with the applicable priority of payments, no other assets of the CLO Issuer or any other person will be available for the payment of the deficiency. Once all proceeds of the collateral have been applied, no funds will be available for payment or distributions on the CLO Securities. Therefore, whether holders of the CLO Securities receive repayment or a return thereon will depend upon the aggregate amount of payments and other distributions paid on the CLO Securities prior to any final redemption date and the amount of available funds on the final redemption date available for distribution to holders of those interests.

- 20.95** CLOs and other structured finance securities in which the Compartment or an Underlying Fund may invest are often governed by a complex series of legal documents and contracts. As a result, the risk of dispute over interpretation or enforceability of the documentation may be higher relative to other types of investments. For example, some documents governing the Loans underlying CLO investments may allow for “priming transactions,” in connection with which majority lenders or debtors can amend Loan documents to the detriment of other lenders, amend Loan documents in order to move collateral, or amend documents in order to facilitate capital outflow to other parties/subsidiaries in a capital structure, any of which may adversely affect the rights and security priority of the CLOs in which the Compartment or an Underlying Fund may be invested.

Subordination of the CDO or CLO equity tranches

- 20.96** Payments of principal of, and interest on, debt issued by CDOs and CLOs, and dividends and other distributions on CDO or CLO equity tranches, are subject to priority of payments. CDO or CLO equity tranches are subordinated to the prior payment of all obligations under debt securities. Further, in the event of default under any debt securities issued by a CDO or CLO, holders of the CDO or CLO equity tranches generally have no right to determine the remedies to be exercised. To the extent that any elimination, deferral or reduction in payments on debt securities occur, such elimination will be borne first by the CDO or CLO equity tranches and then by the debt securities in reverse order of seniority. Thus, the greatest risk of loss relating to defaults on the collateral held by CDOs and CLOs is borne by the CDO or CLO equity tranches. To the extent that a default occurs with respect to any collateral and such collateral is sold or otherwise disposed of, it is likely that the proceeds of such sale or other disposition will be less than the unpaid principal and interest on such collateral. Excess funds available for distribution to the CDO or CLO equity tranches will be reduced by losses occurring on the collateral, and returns on the CDO or CLO equity tranches will be adversely affected.

Legal status of the CDO or CLO equity tranches

- 20.97** The CDO or CLO equity tranches will rank behind all of the creditors, whether secured or unsecured and known or unknown, of the issuer, including, without limitation, the holders of all the classes of debt securities issued by the CDO/CLO Issuer.

One Form of Leverage Will Be the Various Loan Warehouses in which the Compartment or an Underlying Fund invests

- 20.98** It is expected that the Compartment or an Underlying Fund will invest capital in various loan warehouses to acquire Loans on an interim basis that are expected to form part of the portfolio of a future CLO. Investments in loan accumulation facilities have risks that are similar to those applicable to investments in CLOs as described herein. Loan warehouses may take the form of the Compartment or an Underlying Fund acquiring Loans, either in

their own name or through a subsidiary, using leverage provided by a credit facility or total return swap. In such cases, the Compartment or relevant Underlying Fund would typically take a “first loss” equity position that would require the Compartment or the relevant Underlying Fund to bear the amount of any realized losses on the Loans held pursuant to the applicable warehouse, which would increase the risk borne by the Compartment or the relevant Underlying Fund and, ultimately, the investors. There typically will be no assurance that any future CLO will be consummated or that the Loans held in such a loan accumulation facility will be eligible for purchase by a CLO. In the event a planned CLO is not consummated, or the Loans are not eligible for purchase by the CLO Issuer, the Compartment or an Underlying Fund may be responsible for holding, disposing or repurchasing such Loans. This could expose the Compartment or the relevant Underlying Fund to credit and/or mark-to-market losses. Leverage is often utilized in a loan accumulation facility, and the potential risk of loss will be increased for loan accumulation facilities that employ leverage.

Warehousing

- 20.99** The Compartment may invest in Underlying Funds that originate Loans for the purpose of selling such Loans to other collective investment schemes or managed accounts managed by the AIFM, the Investment Advisor, the Investment Fund Manager of the relevant Underlying Fund and/or their respective affiliates within a short time-frame. The Underlying Fund will bear the full risk of such a Loan until it is sold, and will be required to hold the Loan until maturity in the unlikely event that it is unable to sell it. By not exposing such transactions to market forces, the Underlying Fund may not receive the best price otherwise possible. Conflicts of interest arise upon transactions between collective investment schemes or managed accounts managed by managed by the AIFM, the Investment Advisor, the manager of the relevant Underlying Fund and/or their respective affiliates. There can be no assurance that the returns made by the Underlying Fund and the purchasing collective investment scheme or managed account will be the same.

Synthetic Securities

- 20.100** The Compartment and/or an Underlying Fund may invest in debt securities issued by special purpose vehicles established by banks that enter into credit default swaps or financial guarantees with banks or credit-linked notes issued by banks. These securities may take the form of bonds, notes or other instruments or evidences of indebtedness of the issuer.
- 20.101** The issuer will generally enter into a credit default swap or similar derivative transaction with a bank under which such bank transfers the risk of a reference pool of assets. Such credit default swap will expose the issuer to loss tied to defaults or credit losses experienced by assets in the reference pool, in the sense that losses occurring (in excess of any subordination, as the case may be) in the reference portfolio reduce the principal and interest payments.
- 20.102** Given the variety of asset classes that may be involved, accurately assessing the risks of the underlying reference pools is a complex undertaking. The assets of the Compartment or an Underlying Fund may be unrated and any rating assigned to notes held by the Compartment or an Underlying Fund by a credit rating agency will reflect the rating agency’s assessment solely of the likelihood that noteholders will receive the payment of interest and principal required to be made under the terms of the notes and will be based primarily on the riskiness of the receivables in the trust and any credit enhancement provided. The credit ratings of any issuance may not reliably reflect the risk of loss associated with the rated Investment.

Subordinated Tranches of Asset Backed Securities and Synthetic Securities

- 20.103** The Compartment or an Underlying Fund may invest a portion (or even all) of its assets in subordinated or junior tranches of asset backed securities or synthetic securities, including the most deeply subordinated or junior tranches of such securities. These tranches are the riskiest tranches in the relative issuances, and subject to the highest probability of default and the lowest recovery rates relative to senior securities. In addition, indirect investments in credit portfolios present additional risks as compared to those resulting from direct purchases of Loans and will expose the Compartment or an Underlying Fund to the credit risk of the counterparty as well as that of the reference obligor.

Asset-Backed Securities

- 20.104** The investment characteristics of asset-backed securities differ from traditional debt securities. Asset backed securities seek to insulate investors from consequences of a bankruptcy or insolvency of any entity whose insolvency might impair the securities' performance, but there can be no guarantee that this will be effective. For instance, the administrator or bankruptcy trustee may deem the original sale of the assets to a trust or special purpose vehicle not to be a true sale and seek to consolidate the assets within the seller's estate. In addition, insolvency of the servicer can lead to disruption of collections, increased costs or the loss of monies that have been collected by the servicer and not yet transferred to the special purpose vehicle or trust.
- 20.105** Evaluation of the investment merits of asset backed securities often relies on complex mathematical models. Models have performed poorly because they invoke theoretical assumptions that abstract from the unique circumstances of each transaction. These assumptions are ordinarily untestable and are justified on the basis of convenience. Moreover, the models assume the future will resemble the past; this can be unrealistic when origination standards and economic conditions are constantly evolving.
- 20.106** Assets that are transferred to securitizations, as well as the reference portfolios of synthetic securitizations, may be subject to adverse selection. The Loans that banks chose to sell may have unfavourable characteristics relative to assets that banks retain. As a result, securitized assets may underperform similar, randomly selected pools of assets. Since banks may select on factors that are unobservable to investors, the Compartment or the relevant Underlying Fund may be unable to forestall the consequences of adverse selection.

General risks relating to Investments in Loans

Interest Rate Risks

- 20.107** The Loans may bear interest at floating interest rates. To the extent interest rates increase, periodic interest obligations owed by the related obligors will also increase. As prevailing interest rates increase, some obligors may not be able to make the increased interest payments on Loans or refinance their balloon Loans. Conversely, if interest rates decline, obligors may refinance their Loans at lower interest rates which could shorten the average life thereof and reduce an Underlying Fund's expected returns with respect thereto.
- 20.108** In addition, Loans may feature interest rates which will vary based on certain financial ratios of the related obligor. The interest rates payable by the obligors under such Loans will typically be reduced if the applicable financial ratios of the related obligors improve and, accordingly, an improvement in the financial performance of obligors under these Loans would result in a decrease in interest payments thereunder to the Compartment or an Underlying Fund. Conversely the interest rates payable by the obligors under such Loans

will typically be increased if the applicable financial ratios of the related obligors deteriorate. However, while a deterioration in the financial performance of obligors under these Loans would result in an increase in interest payments received by the Compartment or an Underlying Fund, increased payment obligations of such obligors could weaken the financial condition of such obligors in the future.

Loan prepayments

20.109 Loans are generally prepayable in whole or in part at any time at the option of the obligor thereof at par plus accrued unpaid interest thereon. Prepayments on Loans may be caused by a variety of factors which are often difficult to predict. During periods of declining interest rates, borrowers or issuers may exercise their option to prepay principal earlier than scheduled, especially for fixed-rate instruments. While below investment grade instruments frequently have call features that allow the issuer to redeem the instrument at dates prior to its stated maturity at a specified price (typically greater than par) only if certain prescribed conditions are met (call protection), senior loans typically have limited or no call protection. For premium bonds (bonds acquired at prices that exceed their par or principal value) purchased by the Compartment or an Underlying Fund prepayment risk may be enhanced. Consequently, there exists a risk that Loans purchased at a price greater than par may experience a capital loss as a result of such a prepayment. In addition, certain Loans may include excess cash flow capture and other mandatory prepayment provisions, which may accelerate the amortization of the applicable Loan. Any inability of the Compartment or an Underlying Fund to reinvest payments or other proceeds in Loans with comparable interest rates that satisfy the investment policy may adversely affect the returns of the Compartment or the relevant Underlying Fund in respect of the Loans.

20.110 The rate of prepayments, amortization and defaults may be influenced by various factors including, among other things:

- changes in obligor performance and requirements for capital;
- the level of interest rates and the shape of the yield curve;
- lack of credit being extended and/or the tightening of credit underwriting standards in the commercial lending industry and supply and demand economics in capital markets; and
- the overall economic environment.

Competitive Debt Environment

20.111 The Compartment and certain Underlying Funds may invest in various forms of debt instruments and investments. The business of investing in debt investments is highly competitive and involves a high degree of uncertainty. Market competition for investment opportunities includes traditional lending institutions, including commercial and investment banks, as well as a growing number of non-traditional participants, such as hedge funds, private equity funds, mezzanine funds, and other private investors, as well as Business Development Companies, and debt-focused competitors, such as issuers of collateralized loan obligations, or CLOs, and other structured loan funds. Some of these competitors may have access to greater amounts of capital and to capital that may be committed for longer periods of time or may have different return thresholds than the Compartment or the relevant Underlying Fund, and thus these competitors may have advantages not shared by the Compartment or the relevant Underlying Funds. In addition, competitors may have incurred, or may in the future incur, leverage to finance their debt investments.

Strong competition for investments could result in fewer investment opportunities for the Compartment or the Underlying Funds, as certain of these competitors are establishing investment vehicles that target the same or similar investments that the Compartment or Underlying Funds intends to purchase. Moreover, identifying attractive investment opportunities is difficult and involves a high degree of uncertainty. Investment Fund Managers may identify an investment that presents an attractive investment opportunity but may not be able to complete such investment in a manner that meets the objectives of the Compartment or the relevant Underlying Funds. The Compartment and/or Underlying Funds may incur significant expenses in connection with the identification of investment opportunities and investigating other potential investments that are ultimately not consummated, including expenses related to due diligence, transportation and legal, accounting and other professional services as well as the fees of other third-party advisers. These costs and expenses may have a negative impact on the value of any holdings of the Compartment in such Underlying Funds.

Lack of Suitable Investment

- 20.112** The ability of the Compartment or an Underlying Fund to acquire and/or maintain a portfolio that satisfies the investment policy and investment restrictions and any projections with respect thereto will be subject to, among other things, market conditions and the availability of such Loans. Any inability of the Compartment or an Underlying Fund to acquire Loans that satisfy its investment policy may adversely affect the returns of the Compartment or the relevant Underlying Fund in respect of the Loans. The amount and timing of purchases of Loans will affect the returns to the Compartment or the relevant Underlying Fund with respect thereto. Reduced liquidity and relatively lower volumes of origination or trading in Loans, in addition to restrictions on the terms of investment under the Compartment's or the relevant Underlying Fund's documentation and/or in suspension of new investments, could result in periods of time during which the Compartment or the relevant Underlying Fund is not able to fully invest its available committed capital in Loans or during which the Loans available for investment will not be of comparable quality. It is unlikely that the Compartment or an Underlying Fund's available unfunded capital commitment will be invested fully in Loans at any time. The level of earnings on the Compartment or an Underlying Fund's invested capital will depend on the availability of investments in Loans determined by the relevant investment manager to be appropriate investments by the Compartment or the relevant Underlying Fund and the interest rates thereon. The need to identify acceptable investments may require the purchase of Loans having lower yields than those Loans previously acquired by the Compartment or the relevant Underlying Fund as Loans mature, prepay or are sold. Any reinvestment by the Compartment or the relevant Underlying Fund with amounts from the payment, prepayment, redemption or disposition of Loans also exposes the Compartment or the relevant Underlying Fund to the market conditions prevailing at the time of reinvestment and could result in adverse changes in characteristics and quality of the Loans. In addition, obligors on the Loans may be more likely to exercise any rights they may have to redeem or refinance such Loans when interest rates or spreads are declining. Any decrease in the yield on the Loans will reduce the returns thereon to the Compartment or the relevant Underlying Fund.

Risks Associated with Payment of Sourcing or Operating Partners

- 20.113** The Compartment and/or an Underlying Fund may pay retainers, origination, performance or other fees to sourcing and/or operating partners. Such retainer fees are expected to be netted against an origination fee, if applicable, in connection with the related investment. However, if no such investment is consummated, the Compartment or the relevant Underlying Fund will bear any retainer amounts as an expense. Such expense may be

substantial. In addition, the relevant investment manager of the Compartment or the relevant Underlying Fund may commit to acquire a specified volume of Loans originated by a sourcing partner. In this situation, the manager may not have the opportunity to diligence the Loans acquired by the Compartment or the relevant Underlying Fund and, instead, will be relying on its contractual relationship with, and on-going diligence of, the sourcing partner.

Loan Risk

20.114 The Compartment may be directly or indirectly exposed to losses resulting from the default and foreclosure of Loans held by the Underlying Funds. The value of the underlying Loans, collateral (if any), the creditworthiness of the borrower and the priority of the lien on such Loans are each of great importance. In any reorganization or liquidation proceeding relating to a Qualifying Portfolio Undertaking or Portfolio Company in which the Compartment or an Underlying Fund has an indirect exposure to an interest in a Loan there is no guarantee as to the adequacy of the protection of the ultimate underlying interest, including the validity or enforceability of the Loan and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, the Compartment and the Underlying Funds cannot give an assurance that claims may not be asserted that might interfere with enforcement of their rights. In the event of a foreclosure, the Underlying Funds or a third party may need to assume direct ownership of the underlying asset. The liquidation proceeds upon sale of such asset may not satisfy the entire outstanding balance of principal and interest on the Loan, resulting in a loss which will have a consequent impact of the value of the Compartment or the relevant Underlying Fund. Any costs or delays involved in the effectuation of a foreclosure of the Loan or a liquidation of the underlying property will further reduce the value of the proceeds and thus increase the loss.

20.115 Loans invested in by the Compartment or Underlying Funds include, but may not be limited to forms of participations and assignments of portions of such Loans. Participations and assignments involve special types of risk, including credit risk, interest- rate risk and liquidity risk. Participations in commercial Loans for example may be secured or unsecured. Loan participations typically represent direct participation in a Loan to a corporate borrower, and generally are offered by banks or other financial institutions or lending syndicates. When the Compartment invests in an Underlying Fund which is purchasing Loan participations, the Compartment is indirectly exposed to the credit risk associated with the corporate borrower.

Credit Markets Risk

20.116 The Compartment's performance may be indirectly affected by default or perceived credit impairment of any individual investment, security or instrument held by an Underlying Fund and by general or sector-specific credit spread movement.

The Compartment will receive limited disclosure about the Loans

20.117 The Underlying Funds will not be required to provide the Compartment, the AIFM with all financial or other information (which may include material non-public information) it receives pursuant to the underlying Loans. Additionally, because the Loans consist primarily of Loans made to medium-sized businesses, there is unlikely to be any significant public information available regarding those businesses.

Limited Consent and Control Rights

- 20.118** As lenders in a Loan facility that has multiple lenders, the Compartment or Underlying Funds will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Compartment or Underlying Funds as compared to the other lenders.

Control Person Liability

- 20.119** An Underlying Fund could, as a result of a restructuring or other event with respect to a Portfolio Company, acquire a controlling interest in a Portfolio Company. The fact that an Underlying Fund exercises control or exerts influence (or merely has the ability to exercise control or exert influence) over a Portfolio Company may give rise to risks of liability (including under various theories of parental liability and piercing the corporate veil doctrines). These risks of liability may arise pursuant to laws, rules, regulations, court decisions or otherwise (including the laws, rules, regulations and court decisions that apply in jurisdictions in which Portfolio Companies or their subsidiaries are organized, headquartered or conduct business). Such liabilities may also arise to the extent that any such laws, rules, regulations or court decisions are interpreted or applied in a manner that imposes liability on all persons that stand to economically benefit (directly or indirectly) from ownership of Portfolio Companies, even if such persons do not exercise control or otherwise exert influence over such Portfolio Companies (e.g., investors). If these liabilities were to arise with respect to an Underlying Fund or its Portfolio Companies, the relevant Underlying Fund might suffer significant losses and incur significant liabilities and obligations. The having or exercise of control or influence over a Portfolio Company could expose the relevant Underlying Fund and its investors to claims by such Portfolio Company, its security holders and its creditors and regulatory authorities or other bodies.

Creditors' Committee and/or Board Participation

- 20.120** In connection with some investments, the Compartment or Underlying Funds may, but are not obligated to, seek representation on official and unofficial creditors' committees and/or boards (or comparable governing bodies) of the Qualifying Portfolio Undertakings or Portfolio Companies. While such representation may enable the relevant investment manager to enhance the value of the investments, it may also prevent the Compartment or the relevant Underlying Fund from disposing of the investments in a timely and profitable manner, because serving on a creditors committee increases the possibility that the Compartment or the relevant Underlying Fund will be deemed an "insider" or a "fiduciary" of the Qualifying Portfolio Undertaking or the Portfolio Company respectively. If an investment manager concludes that its obligations owed to the other parties as a committee or group member conflict with its duties owed to the Compartment or the relevant Underlying Fund, it may resign from that committee or group, and the Compartment or the relevant Underlying Fund may not realize the benefits, if any, of participation on the committee or group. If representation on a creditors committee or board causes the Compartment or the relevant Underlying Fund or the relevant investment manager to be deemed an affiliate or related party of the Qualifying Portfolio Undertaking or Portfolio Company respectively, the securities of such Qualifying Portfolio Undertaking or Portfolio Company held by the Compartment or the relevant Underlying Fund respectively become restricted securities, which are not freely tradable. Participation on a creditors' committee and/or board representation may also subject the Compartment or the relevant Underlying Fund to additional liability to which they would not otherwise be subject as an ordinary course, third-party investor.

Risks relating to Security, Guarantees and Repayment of Loans

Priority of Repayment

20.121 Qualifying Portfolio Undertakings or Portfolio Companies may have, and/or may be permitted to incur, other debt and liabilities that rank equally with or senior to Loans in which the Compartment or Underlying Funds may invest. If other indebtedness is incurred that ranks in parity in right of payment or proceeds of collateral with respect to Loans in which the Compartment or an Underlying Fund invests, the Compartment or the relevant Underlying Fund would have to share on an equal basis any distributions with other creditors in the event of a liquidation, reorganization, insolvency, dissolution or bankruptcy of such a Qualifying Portfolio Undertaking or Portfolio Company. Where the Compartment or an Underlying Fund holds a first lien to secure senior indebtedness, the Qualifying Portfolio Undertakings or Portfolio Companies respectively may be permitted to issue other senior Loans with liens that rank junior to the first liens granted to the Compartment or a particular Underlying Fund. The intercreditor rights of the holders of such other junior lien debt may, in any liquidation, reorganization, insolvency, dissolution or bankruptcy of such a Qualifying Portfolio Undertaking or Portfolio Company, affect the recovery that the Compartment or an Underlying Fund would have been able to achieve in the absence of such other debt.

20.122 Even where the senior Loans held by the Compartment or Underlying Funds are secured by a perfected lien over a substantial portion of the assets of a Qualifying Portfolio Undertaking or Portfolio Company respectively and their relevant subsidiaries, the Qualifying Portfolio Undertaking or Portfolio Company and their relevant subsidiaries will often be able to incur a substantial amount of additional indebtedness, which may have an exclusive lien over particular assets. For example, debt and other liabilities incurred by non-guarantor subsidiaries of Qualifying Portfolio Undertaking or Portfolio Companies respectively will be structurally senior to the debt held by the Compartment or an Underlying Fund. Accordingly, any such debt and other liabilities of such subsidiaries would, in the event of liquidation, dissolution, insolvency, reorganization or bankruptcy of such subsidiary, be repaid in full before any distributions to an obligor of the Loans held by the Compartment or the relevant Underlying Fund. Furthermore, these other assets over which other lenders have a lien may be substantially more liquid or valuable than the assets over which the Compartment or a particular Underlying Fund has a lien.

Defaults and Recoveries

20.123 The effect of an economic downturn on default rates and the ability of finance providers to protect their investment in a default situation are uncertain. The increasing diversification of the investor base in corporate Loans has been accompanied by an increase in the use of hedges, swaps and other derivative instruments to protect against or spread the economic risk of defaults. All of these developments may further increase the risk that historical recovery levels will not be realized.

20.124 Upon the Compartment's or any Underlying Fund's investment becoming a defaulted obligation, such defaulted obligation may become subject to either substantial workout negotiations or restructuring which may entail, among other things, a substantial reduction in the interest rate, a substantial write-down of principal and a substantial change in the terms, conditions and covenants with respect to such a defaulted obligation. The liquidity for defaulted obligations may be even more limited than the liquidity for performing obligations and to the extent that the defaulted obligations are sold, it is highly unlikely that proceeds from such sale will be equal to the amount of unpaid principal and interest thereon. Furthermore, there can be no assurance that the ultimate recovery on any defaulted obligation will be at least equal to any recovery rate used in the analysis of the Compartment or the relevant Underlying Fund.

Investments that may become Distressed

20.125 The Compartment or Underlying Funds may make investments that become distressed due to factors outside the control of the relevant investment manager. There is no assurance that there will be sufficient collateral to cover the value of the Loans and/or other investments purchased by the Compartment or Underlying Funds or that there will be a successful reorganization or similar action of the Qualifying Portfolio Undertaking or Portfolio Company or investment which becomes distressed. In any reorganization or liquidation proceeding relating to a Qualifying Portfolio Undertaking or Portfolio Company in which the Compartment or an Underlying Fund respectively invests, the Compartment or the relevant Underlying Fund may lose its entire investment, may be required to accept cash or securities with a value less than the Compartment's or the relevant Underlying Fund's original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the Compartment's or the relevant Underlying Fund's investments may not compensate the investors adequately for the risks assumed. For example, under certain circumstances, a lender who has inappropriately exercised control of the management and policies of a debtor may have its claims subordinated, or disallowed, or may be found liable for damage suffered by parties as a result of such actions. In addition, under circumstances involving a Qualifying Portfolio Undertaking's or a Portfolio Company's insolvency, payments to the Compartment or the relevant Underlying Fund and distributions by the Compartment or the relevant Underlying Fund to its investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

20.126 Troubled company and other asset-based investments require active monitoring and may, at times, require participation in business strategy or reorganization proceedings by the relevant investment manager. To the extent that the relevant investment manager becomes involved in such proceedings, the Compartment or the Underlying Funds may have participated more actively in the affairs of the Qualifying Portfolio Undertaking or Portfolio Company than that assumed generally by an investor. In addition, involvement by the relevant investment manager in an issuer's reorganization proceedings could result in the imposition of restrictions limiting the Compartment's or an Underlying Fund's ability to liquidate its position in the issuer.

Risks Associated with Loans to Companies in Distressed Situations

20.127 As part of its lending activities, the Compartment and/or an Underlying Fund may originate Loans to companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. Although the terms of such financing may result in significant financial returns to the Compartment or the relevant Underlying Fund, they involve a substantial degree of risk. Issuers of lower-rated securities generally are more vulnerable to real or perceived economic changes, political changes or adverse industry developments. If an issuer's financial condition deteriorates, accurate financial and business information may be limited or unavailable. In addition, lower-rated investments may be thinly traded and there may be no established secondary or public market. The level of analytical sophistication, both financial and legal, necessary for successful financing to companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Compartment or the relevant Underlying Fund will correctly evaluate the value of the assets collateralising the Compartment's or such Underlying Fund's Loans or the prospects for a successful reorganisation or similar action.

20.128 Investments in distressed instruments involve a material risk of involving the Compartment or an Underlying Fund in a related litigation. Such litigation can be time-consuming and expensive, and can frequently lead to unpredicted delays or losses. If the proceeding is converted to a liquidation, the liquidation value of the Qualifying Portfolio Undertaking or

Portfolio Company may not equal the liquidation value that was believed to exist at the time of the investment. In addition, the duration of a bankruptcy proceeding is difficult to predict. A creditor's return on investment can be impacted adversely by delays while the plan of reorganisation is being negotiated, approved by the creditors and confirmed by the court, and until it ultimately becomes effective. Certain claims, such as claims for taxes, wages and certain trade claims, may have priority by law over the claims of certain creditors and administrative costs in connection with such proceeding are frequently high and will be paid out of the debtor's estate prior to any return to creditors.

- 20.129** If a court were to find that the issuance of the instruments was a fraudulent transfer or conveyance, the court could void the payment obligations under the instruments, further subordinate the instruments to other existing and future indebtedness of the issuer or require the Compartment or an Underlying Fund to repay any amounts received by it with respect to the instruments. The Compartment or an Underlying Fund may be held liable for damages to injured parties or a bankruptcy court if it, is found to have interfered with the affairs of an Investment to the detriment of other creditors or shareholders. Moreover, such debt may be disallowed or subordinated to the claims of other creditors or treated as equity. Where the Company or an Underlying Fund have representatives on the boards of a Qualifying Portfolio Undertaking or Portfolio Company respectively, such involvement may also prevent the Compartment from freely disposing of its investments and may subject the Compartment or the relevant Underlying Fund to additional liability or result in re-characterization of its debt investments as equity.

Control Issues

- 20.130** Although the Compartment or an Underlying Fund may seek protective provisions, including, possibly, board representation, in connection with certain of the Compartment's or the relevant Underlying Fund's private investments, to the extent the Compartment or an Underlying Fund takes minority positions in companies in which it invests, the AIFM or the relevant Investment Fund Manager may not be in a position to exercise control over the management of such companies, and, accordingly, may have a limited ability to protect its position in such companies.

Risk of Foreign Jurisdictions

- 20.131** Debt investments may be subject to various laws enacted for the protection of creditors in the jurisdictions of incorporation of the borrowers thereunder and, if different, the jurisdictions from which the borrowers conduct their business and in which they hold their assets, which may adversely affect such borrower's abilities to make payment on a full or timely basis. These laws, particularly in insolvency scenarios, will differ depending on the country in which each borrower or its assets are located and may differ depending on the legal status of the borrower. In particular, it should be noted that a number of continental European jurisdictions operate "debtor-friendly" insolvency regimes which would result in delays in payments under infrastructure debt Investments where borrowers thereunder are subject to such regimes, in the event of their insolvency.

Insolvency Considerations with respect to Obligors of Loans may affect an Underlying Fund's Rights

- 20.132** Various laws enacted for the protection of creditors may apply to the Loans. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of obligor of a Loan, such as a trustee in bankruptcy, were to find that the obligor did not receive fair consideration or reasonably equivalent value for incurring the indebtedness constituting such Loan and, after giving effect to such indebtedness, the obligor (i) was insolvent, (ii) was engaged in a business for which the remaining assets of such obligor constituted unreasonably small

capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could determine to invalidate, in whole or in part, such indebtedness as a fraudulent conveyance, to subordinate such indebtedness to existing or future creditors of the obligor or to recover amounts previously paid by the obligor in satisfaction of such indebtedness. The measure of insolvency for purposes of the foregoing will vary. Generally, an obligor would be considered insolvent at a particular time if the sum of its debts were then greater than all of its property at a fair valuation or if the present fair saleable value of its assets were then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether the obligor was “insolvent” after giving effect to the incurrence of the indebtedness constituting the related Loan or that, regardless of the method of valuation, a court would not determine that the obligor was “insolvent” upon giving effect to such incurrence. In addition, in the event of the insolvency of an obligor of a Loan, payments made on such Loan could be subject to avoidance as a “preference” if made within a certain period of time (which may be as long as one year under federal bankruptcy law or even longer under state laws) before insolvency.

- 20.133** In general, if payments on Loans are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured, either from the initial recipient or from subsequent transferees of such payments. To the extent that any such payments are recaptured from the Compartment or an Underlying Fund, the returns of the Compartment or the relevant Underlying Fund in respect of the Loans will be reduced thereby. However, it is likely that avoidable payments could not be recaptured directly from a lender that has given value in exchange for the Loan, in good faith and without knowledge that the payments were avoidable. Nevertheless, there can be no assurance that the Compartment or an Underlying Fund will be able to avoid recapture on this or any other basis.

Borrower Fraud

- 20.134** Of paramount concern in originating Loans is the possibility of material misrepresentation or omission on the part of borrowers or guarantors. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying the Loans or may adversely affect the ability of the Compartment or Underlying Funds or their affiliates to perfect or effectuate a lien on the collateral securing the Loan. The Compartment or Underlying Funds or their affiliates will rely upon the accuracy and completeness of representations made by borrowers to the extent reasonable, but cannot guarantee such accuracy or completeness. Accordingly, the Compartment may be indirectly exposed to such risks.

Restructuring of Loans and the Insolvency of the Related Obligor May Have Adverse Effects

- 20.135** The particular restructuring strategy pursued with respect to a Loan may not maximize the value of or any recovery on such Loan. Any restructuring could alter, reduce or delay the payment of interest or principal from any Loan and, as such, could delay the timing and reduce the amount of payments made with respect thereto to the relevant Underlying Fund.

Restructurings of a Loan might result in extensions of its term, which would likely extend the average life of such Loan and, in the aggregate, could delay the timing of payments made with respect thereto to the Investments.

- 20.136** The relevant Underlying Fund (or the relevant Investment Fund Manager acting on its behalf) may participate on committees formed by creditors to negotiate the management of financially troubled obligors that may or may not be in bankruptcy or may seek to

negotiate directly with such obligors with respect to restructuring issues. If the relevant Underlying Fund (or the relevant Investment Fund Manager acting on its behalf) does join a creditors' committee, the participants of the committee would be interested in obtaining an outcome that is in their respective individual best interests and there can be no assurance of obtaining results most favourable to the Underlying Fund in such proceedings. By participating on such committees, the relevant Underlying Fund may be deemed to have duties to other creditors represented by the committees, which might expose the relevant Underlying Fund to liability to such other creditors who disagree with the relevant Underlying Fund's actions. Furthermore, by participating on such committees, the relevant Underlying Fund may be contractually obligated to hold the related Loan even if the Underlying Fund (or the relevant Investment Fund Manager acting on its behalf) believes it would be in the best interests of the Underlying Fund to sell. In addition, the AIFM, the Investment Advisor and their affiliates or other client accounts may also have or acquire equity securities or debt obligations of companies who are obligors of Loans held by the relevant Underlying Fund, and may have interests different from or adverse to those of that Underlying Fund with respect to its Loans. The relevant Underlying Fund and the Investment Advisor and/or its affiliates may be on any such committee representing such different interests, which may result in conflicts of interest.

20.137 Certain of the Loans may be cross-collateralized with other tranches of indebtedness incurred by the same obligor and may be cross-collateralized with indebtedness issued by more than one obligor. Cross-collateralization arrangements involving more than one obligor could be challenged as fraudulent conveyances by creditors of the related obligor in an action brought outside a bankruptcy case or, if the obligor were to become a debtor in a bankruptcy case, by the obligor's representative (or the obligor as debtor-in-possession), US trustee or creditors' committee. Among other things, a legal challenge to the granting of the liens may focus on the benefits realized by the related obligor from the applicable Loan proceeds, as well as the overall cross-collateralization. If a court were to conclude that the granting of the liens to cross-collateralize a Loan was a voidable fraudulent conveyance, such court could subordinate all or part of the pertinent Loan to existing or future indebtedness of that obligor, recover payments made under that Loan, or take other actions detrimental to the relevant Underlying Fund, including, under certain circumstances, invalidating the Loan or the Underlying Fund's interest in the collateral securing the cross- collateralized Loan.

20.138 Furthermore, as a general matter, financial restructurings have increasing complexity because lenders in the banking and capital markets use sophisticated financing techniques to fund lending operations, including Loan participations, investment funds, unitranche funding arrangements and other financing techniques. In the contracts documenting such arrangement, lenders often delegate some or all of their voting rights to other persons providing the funding, which may in turn further delegate such rights and consequently result in further delays to in-court and out-of-court restructurings and exacerbate the risks associated with insolvencies and restructuring.

Risks Associated with Securities Financing Transactions

General

20.139 Entering into repurchase agreements, reverse repurchase agreements and stocklending agreements create several risks for the Compartment and its Investors. The Compartment may be exposed to the risk that a counterparty to a securities financing transaction may default on its obligation to return assets equivalent to the ones provided to it by the Compartment. The Compartment may have a concentrated risk in a particular counterparty, which may mean that if such counterparty were to become insolvent or have

a liquidity problem, losses would be greater than if the Compartment had entered into contracts with multiple counterparties. It is also subject to liquidity risk if it is unable to liquidate collateral provided to it to cover a counterparty default. Such transactions may also carry legal risk in that the use of standard contracts to effect securities financing transactions may expose the Compartment to legal risks such as the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation. Such transactions may also involve operational risks in that the use of securities financing transactions and management of collateral are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Risks may also arise with respect to any counterparty's right of re-use of any collateral.

Securities Lending

- 20.140** The Compartment in accordance with its investment policy may engage in securities lending activities. As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. There is a risk that the value of the collateral received by the Compartment may fall below the value of the securities transferred. In addition, as the Compartment may invest cash collateral received under a securities lending arrangement, the Compartment will be exposed to the risk associated with such investments, such as failure or default of the issuer or the relevant security.

Reverse Repurchase Agreements

- 20.141** The Compartment may enter into reverse repurchase agreements. If the seller of securities to the Compartment under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Compartment will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, the Compartment's ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that the Compartment may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Compartment may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

Risks Associated with Total Return Swaps

- 20.142** The Compartment may enter into total return swap agreements i.e. a derivative whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty.
- 20.143** If there is a default by the counterparty to a swap contract, the Compartment will be limited to contractual remedies pursuant to the agreement related to the transaction. There is no assurance that swap contract counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, the Compartment will succeed in pursuing contractual remedies. The Compartment thus assumes the risk that it may be delayed in or prevented from exercising its rights with respect to the investments in its portfolio and obtaining payments owed to it pursuant to the relevant contract and therefore may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Furthermore, in addition to being subject to the credit risk of the counterparty to the total return swap, the Compartment is also subject to the credit risk of

the issuer of the reference obligation. Costs incurred in relation to entering into a total return swap, differences in currency values and costs associated with hedged/unhedged Classes or series of Shares may result in the value of the index/reference value of the underlying of the total return swap differing from the value attributed to the swap by the Compartment.

Hedging Transactions

20.144 Financial instruments such as forward contracts, currency options and interest rate swaps, caps and floors may be utilized by the Compartment to seek to hedge against fluctuations in the relative values of their portfolio positions as a result of changes in currencies, interest rates, equities and other financial instruments. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio position should increase. Moreover, it may not be possible for the Compartment to hedge against an exchange rate or interest rate fluctuation that is so generally anticipated that the Compartment is not able to enter into hedging transactions at a price sufficient to protect assets from the decline in value of the portfolio positions anticipated as a result of such fluctuations.

20.145 The success of hedging transactions is subject to the ability to correctly predict movements in the direction of currencies, interest rates, equities and other financial instruments. Therefore, while the Compartment may enter into such transactions to seek to reduce these risks, unanticipated changes may result in a poorer overall performance than if the Compartment or Compartment had not engaged in any such hedging transaction. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary. Moreover, for a variety of reasons, the Compartment may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the Compartment from achieving the intended hedge or expose them to risk of loss. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the Loans.

Foreign Exchange Risk

20.146 The Compartment may be invested in assets that are denominated in currencies that are different to its Reference Currency. Limited Shareholders may be exposed to foreign exchange risks. The ability to hedge foreign exchange risks may be affected by limited forward or option markets for the hedging of the Reference Currency against the currency of investment. Where there is a foreign exchange risk exposure for the Compartment, the AIFM may, where it is appropriate, hedge the risk. This will be effected at the Compartment level and the margins and premiums payable for such transactions shall not exceed the NAV of the Compartment. Performance may be strongly influenced by movements in FX rates because currency positions held may not correspond with the securities positions held.

Qualification of financial instruments issued by Qualifying Portfolio Undertakings

20.147 A Qualifying Portfolio Undertaking may, among other things, borrow through the receipt of senior financing. Depending on the laws and regulations that may be deemed appropriate to comply with by the Qualifying Portfolio Undertaking's creditors, financial instruments issued by the Qualifying Portfolio Undertaking to such creditors may be qualified as

securitization positions within the meaning of EUSR. Notwithstanding the foregoing and the fact that the Compartment may willingly opt to comply with related requirements, the Compartment may in accordance with its applicable laws and regulations opt to not consider these financial instruments as constituting a securitization investment within the meaning of EUSR.

Risks related to Investments in Mortgage Loans and MBS

Commercial Mortgage-Backed Securities (CMBS)

- 20.148** The Compartment and/or an Underlying Fund may invest in commercial mortgage-backed securities (**CMBS**) and other mortgage-backed securities, including subordinated tranches of such securities. The value of CMBS will be influenced by factors affecting the value of the underlying real estate portfolio, and by the terms and payment histories of such CMBS.
- 20.149** The value of CMBS and other mortgage-backed securities in which an Underlying Fund may invest generally will have an inverse relationship with interest rates. Accordingly, if interest rates rise, the value of such securities will decline. In addition, to the extent that the mortgage Loans which underlie specific mortgage-backed securities are prepayable, the value of such mortgage securities may be negatively affected by increasing prepayments, which generally occur when interest rates decline.
- 20.150** Mortgage Loans on commercial properties underlying mortgage-backed securities (**MBS**) often are structured so that a substantial portion of the loan principal is not amortised over the loan term but is payable at maturity and repayment of the loan principal, and thus, often depends upon the future availability of real estate financing from the existing or an alternative lender and/or upon the current value and saleability of the real estate. Therefore, the unavailability of real estate financing may lead to default. Many commercial mortgage Loans underlying MBS are effectively nonrecourse obligations of the borrower, meaning that there is no recourse against the borrower's assets other than the collateral. If borrowers are not able or willing to refinance or dispose of encumbered property to pay the principal and interest owed on such mortgage Loans, payments on the subordinated classes of the related MBS are likely to be adversely affected. The ultimate extent of the loss, if any, to the subordinated classes of MBS may only be determined after a negotiated discounted settlement, restructuring or sale of the mortgage note, or the foreclosure (or deed in lieu of foreclosure) of the mortgage encumbering the property and subsequent liquidation of the property. Foreclosure can be costly and delayed by litigation and/or bankruptcy. Factors such as the property's location, the legal status of title to the property, its physical condition and financial performance, environmental risks, and governmental disclosure requirements with respect to the condition of the property may make a third-party unwilling to purchase the property at a foreclosure sale or to pay a price sufficient to satisfy the obligations with respect to the related MBS. Revenues from the assets underlying such MBS may be retained by the borrower and the return on investment may be used to make payments to others, maintain insurance coverage, pay taxes or pay maintenance costs. Such diverted revenue is generally not recoverable without a court-appointed receiver to control collateral cash flow.

Residential Mortgage-Backed Securities (RMBS)

- 20.151** The Compartment and/or an Underlying Fund may invest certain of its assets in residential mortgage-backed securities (**RMBS**) and become holders of RMBS. Holders of RMBS bear various risks, including credit, market, interest rate, structural and legal risks. RMBS represent interests in pools of residential mortgage Loans secured by residential mortgage loans. Such Loans may be prepaid at any time. Residential mortgage Loans are obligations of the borrowers thereunder only and are not typically insured or guaranteed by any other person or entity, although such Loans may be securitised and the securities

issued in such securitization may be guaranteed or credit enhanced. The rate of defaults and losses on residential mortgage Loans will be affected by a number of factors, including general economic conditions and those in the area where the related mortgaged property is located, the borrower's equity in the mortgaged property and the financial circumstances of the borrower. If a residential mortgage Loan is in default, foreclosure of such residential mortgage Loan may be a lengthy and difficult process, and may involve significant expenses. Furthermore, the market for defaulted residential mortgage Loans or foreclosed properties may be very limited.

Foreclosure

- 20.152** In the event of any default under a secured Loan, an Underlying Fund may find it necessary to foreclose on such Loan. The foreclosure process is often lengthy and expensive, sometimes taking several years to litigate. Borrowers may resist foreclosure actions by asserting numerous claims, counterclaims and defenses. The expense and delay associated with foreclosure of a Loan could have a substantial negative effect on the amount recovered.
- 20.153** Any secured debt is secured only to the extent of its lien and only to the extent of underlying assets. If underlying assets are sold it is possible that the proceeds of such sale or disposition will not be equal to the amount of principal and interest owing to the Underlying Fund with respect to its Loan. Any costs or delays involved in the effectuation of a foreclosure of the Loan, or a liquidation of the collateral will further reduce the proceeds and thus increase the loss.
- 20.154** US federal or state law may grant liens on the collateral (if any) securing a Loan that have priority over the liens for the benefit of the lenders on such collateral. An example is a tax or other government lien on property of a borrower. To the extent a priority lien exists with respect to the collateral related to any Loan, the lien for the benefit of the Underlying Fund on the collateral will be subordinate to such lien. If the creditor holding such lien exercises its remedies, it is possible that, after such creditor is repaid, sufficient cash proceeds from the underlying collateral will not be available to pay the outstanding principal amount of such Loan.
- 20.155** At any time prior to or during the foreclosure proceedings, the borrower may file for bankruptcy, which would have the effect of staying the foreclosure actions and further delaying the foreclosure process.

Bankruptcy Proceedings

- 20.156** Borrowers may be subject to bankruptcy proceedings in the United States under the US bankruptcy code (the **Bankruptcy Code**), which proceedings may adversely and permanently affect the borrower.
- 20.157** The duration of a bankruptcy proceeding is difficult to predict, and a creditor's return on investment can be adversely affected by delays. Bankruptcy may require creditors to engage in substantial workout negotiations. Furthermore, the legal, professional, and administrative costs in connection with a bankruptcy proceeding are frequently high and are paid out of the borrower's estate prior to any return to creditors, and the debt of entities in bankruptcy will, in many cases, not pay current interest and may not accrue interest during bankruptcy.
- 20.158** The assets of a bankrupt entity are also at risk of suffering from an erosion of value, with any investments by an Underlying Fund in a bankrupt entity possibly resulting in a total loss

of principal. Certain claims that have priority by law (for example, claims for taxes) may be substantial, further eroding the value of any recovery by holders of other securities of the bankrupt entity.

- 20.159** In a chapter 11 bankruptcy proceeding, the Bankruptcy Code authorizes the borrower to use a creditor's collateral and to obtain additional credit by grant of a priority lien on its property, senior to liens that were first in priority prior to the filing, as long as the borrower provides what the presiding bankruptcy judge considers to be "adequate protection." Such adequate protection may, but need not always, consist of the grant of replacement or additional liens or the making of cash payments to the affected secured creditor.
- 20.160** Bankruptcy may also result in a substantial reduction in the interest rate, deferral of payments and/or a substantial write-down of the principal of a Loan or conversion of some or all of the debt to equity. In chapter 11, the Bankruptcy Code authorizes the borrower to restructure the terms of repayment of a class of debt even if the class fails to accept the restructuring as long as the restructured terms are "fair and equitable" to the class (i.e., priorities are respected) and certain other conditions are met.
- 20.161** The Underlying Fund may dispute a borrower's proposed restructuring through contested matters and adversary proceedings, but the resolution of such disputes are subject to rulings of the bankruptcy court and are beyond its control.

Risks Relating to Fraudulent Conveyances and Voidable Preferences by Borrowers

- 20.162** Under US legal principles, in a lawsuit brought by an unpaid creditor or representative of creditors of a borrower (including a bankruptcy trustee), if a court were to find that the borrower did not receive fair consideration or reasonably equivalent value for incurring the indebtedness or for granting security, and that after giving effect to such indebtedness or such security, the borrower (a) was insolvent, (b) was engaged in a business for which the remaining assets of such borrower constituted unreasonably small capital or (c) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could determine to invalidate, in whole or in part, such indebtedness as a fraudulent conveyance, to subordinate such indebtedness to existing or future creditors of such borrower, or to recover amounts previously paid by such borrower in satisfaction of such indebtedness. The measure of insolvency for purposes of the foregoing will vary. Generally, borrower would be considered insolvent at a particular time if the sum of its debts was then greater than all of its property at a fair valuation, or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply to determine whether the borrower was "insolvent" after giving effect to the incurrence of the indebtedness in which an Underlying Fund invested or that, regardless of the method of valuation, a court would not determine that the borrower was "insolvent" upon giving effect to such incurrence.
- 20.163** In addition, in the event of the insolvency of a borrower of indebtedness in which an Underlying Fund invests, payments made on such indebtedness could be subject to avoidance as a "preference" if made within a certain period of time (which may be as long as one year) before the borrower becomes a debtor in a bankruptcy case. In general, if payments on indebtedness are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured from the Underlying Fund to which such payments were made.
- 20.164** Even if the Underlying Fund does not engage in conduct that would form the basis for a successful cause of action based upon fraudulent conveyance or preference law, there

can be no assurance as to whether any lending institution or other party from which the Underlying Fund may acquire such indebtedness, or any prior holder of such indebtedness, has not engaged in any such conduct (or any other conduct that would subject such indebtedness to disallowance or subordination under insolvency laws) and, if it did engage in such conduct, as to whether such creditor claims could be asserted in a US court (or in the courts of any other country) against the Underlying Fund so that the Underlying Fund's claim against the borrower would be disallowed or subordinated.

General risks relating to Characteristics of Loans and their Underlying Assets

Investments in Undervalued Assets

20.165 The Compartment and/or an Underlying Fund may invest in undervalued Loans and other assets as part of its investment strategy. The identification of investment opportunities in undervalued Loans and other assets is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investments in undervalued assets offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial or complete losses.

20.166 The Compartment and/or an Underlying Fund may incur substantial losses related to assets purchased on the belief that they were undervalued by their sellers, if they were not in fact undervalued at the time of purchase. In addition, the Compartment and/or an Underlying Fund may be required to hold such assets for a substantial period of time before realizing their anticipated value, and there is no assurance that the value of the assets will not decline further during such time. Moreover, during this period, a portion of the Compartment or an Underlying Fund's assets would be committed to those assets purchased, thus preventing the Compartment or the relevant Underlying Fund from investing in other opportunities. In addition, the Compartment or the relevant Underlying Funds may finance such purchases with borrowed funds and thus will have to pay interest on such borrowed amounts during the holding period and accordingly the Compartment are directly and indirectly exposed to such risks which may impact Underlying Funds.

Agented Loans

20.167 The Loans may consist of agented Loans. Under the Loan documents with respect to agented Loans, a financial institution or other entity may be designated as the administrative agent, Loan agent and/or collateral agent or a person acting in a similar capacity. Under these arrangements, the obligor typically grants a lien to the collateral agent on behalf of the lenders and the obligor makes payments to the administrative agents, which distributes obligor payments to the related lenders including the Compartment or an Underlying Fund. Such administrative agent may also collect advances made by the lenders and pays them over to the obligor in connection with the closing of the related Loan and thereafter with respect to advances on revolving Loans and delayed draw Loans. Such administrative agents typically receive such payments into and distribute them from a commingled account.

20.168 Risks related to agented Loans include the possibility that a Loan agent may become bankrupt or insolvent. Such an event would delay, and possibly impair, any enforcement actions undertaken by the related lenders such as the Compartment or an Underlying Fund including attempts to realize upon the collateral securing the Loan and/or directing the applicable agent to take actions against the related obligor or the collateral securing a Loan and taking actions to realize on proceeds or payments made by obligor that are in the possession or control of such agent. In addition, agented Loans typically allow for agents to resign with certain advance notice. Such Loans may not, however, contain

provisions for the lenders to remove agents thereunder. Therefore, under circumstances where removal of an agent would be in the best interests of the lenders (including an Underlying Fund), the applicable loan documents would have to be amended by the lenders holding the requisite amount of the associated indebtedness with the agreement of one or more agents (which may not be forthcoming) to remove an agent thereunder. Further, if an agented Loan is a revolving Loan or a delayed draw Loan, there is the possibility of other lenders failing to satisfy their funding commitment, which could result in a dispute. Any such actions could expose an Underlying Fund to losses with respect to the related Loan.

Risks Associated with Revolver or Delayed-Draw Investments

- 20.169** The Compartment and/or Underlying Funds may make investments that are structured as “revolvers” or “delayed-draws”. These types of investments generally have funding obligations that extend over a period of time and which may extend beyond the investment period of an Underlying Fund. In such circumstances, the Underlying Fund may be required to reserve undrawn capital commitments for future funding obligations and may be required to fund such obligations after the termination of the relevant investment period. However, there can be no assurance that a borrower will ultimately draw down on any such Loan, in which case the Underlying Fund may never fund the investment (in full or in part), which may result in the Underlying Funds not fully deploying its committed capital. In addition, it is possible that a revolver or delayed-draw investment would be bifurcated by the relevant investment manager into separate investments, with certain investors (which may or may not include the Underlying Fund) funding the initial drawdowns and other investors (which may or may not include the Underlying Fund) funding the later drawdowns. In this situation, it is expected that only those investors that participate in such investment at the initial closing will benefit from any fees or other original issue discount from such investment.

Balloon Loans Present Refinancing Risk

- 20.170** The Loans may include Loans to middle market companies or participation interests therein that are balloon Loans. Balloon Loans involve a greater degree of risk than other types of Loans because they are structured to allow for small principal payments over the term of the Loan, requiring the obligor to make a large final (balloon) payment upon the maturity of the Loan. The ability of such obligor to make this final payment upon the maturity of the Loan typically depends upon its ability either to refinance the Loan prior to maturity or to generate sufficient cash flow to repay the Loan at maturity. The ability of any obligor to accomplish any of these goals will be affected by many factors, including the availability of financing at acceptable rates to such obligor, the financial condition of such obligor, the marketability of the collateral (if any) securing such Loan, the operating history of the related business, tax laws and the prevailing general economic conditions. Given their relative size and limited resources and access to capital, some obligors may have difficulty in repaying or refinancing their balloon Loans on a timely basis or at all. Consequently, such obligors of Loans that are balloon Loans may not have the ability to repay such Loans at maturity, and under such circumstances, the Compartment or an Underlying Fund could lose all or most of the principal of such Loans.

Interest Rate Risks

- 20.171** The Loans may bear interest at floating interest rates. To the extent interest rates increase, periodic interest obligations owed by the related obligors will also increase. As prevailing interest rates increase, some obligors may not be able to make the increased interest

payments on Loans or refinance their balloon Loans, resulting in payment defaults. Conversely, if interest rates decline, obligors may refinance their Loans at lower interest rates which could shorten the average life thereof and reduce the Compartment's or an Underlying Fund's expected returns with respect thereto.

- 20.172** In addition, Loans may feature interest rates which will vary based on certain financial ratios of the related obligor. The interest rates payable by the obligors under such Loans will typically be reduced if the applicable financial ratios of the related obligors improve and, accordingly, an improvement in the financial performance of obligors under these Loans would result in a decrease in interest payments thereunder to the Compartment or an Underlying Fund. Conversely the interest rates payable by the obligors under such Loans will typically be increased if the applicable financial ratios of the related obligors deteriorate. However, while a deterioration in the financial performance of obligors under these Loans would result in an increase in interest payments received by the Compartment or an Underlying Fund, increased payment obligations of such obligors could weaken the financial condition of such obligors in the future.

Limited Amortization Requirements

- 20.173** The Compartment and/or Underlying Funds may invest in Loans that have limited mandatory amortization requirements. While such a Loan may obligate a Qualifying Portfolio Undertaking or Portfolio Company to repay the Loan out of asset sale proceeds or with annual excess cash flow, such requirements may be subject to substantial limitations and/or "baskets" that would allow a Qualifying Portfolio Undertaking or Portfolio Company to retain such proceeds or cash flow, thereby extending the expected weighted average life of the investment. In addition, a low level of amortization of any debt over the life of the investment may increase the risk that a Qualifying Portfolio Undertaking or Portfolio Company will not be able to repay or refinance the Loans held by the Compartment or Underlying Funds when they come due at their final stated maturity.

Potential Early Redemption of Some Investments

- 20.174** The terms of Loans in which the Compartment or Underlying Funds invest may be subject to early redemption features, refinancing options, prepayment options or similar provisions which, in each case, could result in the issuer repaying the principal on an obligation held by the Compartment or Underlying Funds earlier than expected, either with no or a nominal prepayment premium. This prepayment right could result in the borrower repaying the principal on an obligation held by the Compartment or the relevant Underlying Funds earlier than expected, either with no or a nominal prepayment premium. This may happen when there is a decline in interest rates, or when the borrower's improved credit or operating or financial performance allows the refinancing of certain classes of debt with lower cost debt. Assuming that there is an improvement in the credit market conditions, early repayments of the debt could increase. There is no assurance that the Compartment or Underlying Funds will be able to reinvest proceeds received from prepayments in assets that satisfy its investment objectives, and any delay in reinvesting such proceeds may materially affect the performance of the Compartment or Underlying Funds. Conversely, if the prepayment does not occur within the expected time frame or if the debt does not otherwise become liquid, the term of the Underlying Funds may be longer than expected or the Compartment or the Underlying Funds may make distributions in kind. Accordingly, the Compartment are directly and indirectly exposed to such risks.

Contingent Liabilities

- 20.175** The Compartment and/or Underlying Funds may from time to time incur contingent liabilities in connection with an investment. For example, the Compartment and/or

Underlying Funds may originate or make a secondary purchase of a revolving credit facility. If the borrower subsequently draws down on the facility, the Compartment or Underlying Funds would be obligated to fund the amounts due which amount may be required to be funded after the termination of the commitment period. Additionally, in connection with the disposition of an investment, the Compartment or an Underlying Fund may be required to make warranties or representations about the business and financial affairs of the Portfolio Company typical of those made in connection with the sale of any business. The Compartment or the relevant Underlying Fund may also be required to indemnify the purchasers of the Qualifying Portfolio Undertaking or Portfolio Company to the extent that any such representation turns out to be inaccurate, or for other matters. The Compartment and/or Underlying Funds may incur numerous other types of contingent liabilities. There can be no assurance that the Compartment or an Underlying Fund will adequately reserve for its contingent liabilities and that such liabilities will not have an adverse effect on the Compartment or a particular Underlying Fund.

General Risks of Secured Loans

- 20.176** The Loans held by the Compartment and/or Underlying Funds which are secured may be subject to the risk that the Compartment's or the relevant Underlying Fund's security interests in the underlying collateral are not properly or fully perfected. Compounding these risks, the collateral securing debt investments will often be subject to casualty or devaluation risks.

Investing in First Lien Last Out Loans and Senior Secured Loans with Super-Priority Revolvers involves Certain Risks

- 20.177** To the extent permitted, a portion of the Loans may consist of first-lien last-out Loans (including, without limitation, the "last out" portion of unitranche Loans). A first-lien last-out Loan is a Loan that may be fully subordinated in right of payment or application of proceeds (other than permitted interest and principal payments) to the related senior secured Loans of the same obligor until such related senior secured Loans are paid in full. To the extent permitted, a portion of the Loans may consist of senior secured Loans that have a first lien on the related obligor's assets and where the related obligor has a super-priority revolving loan facility that will, in a default scenario, be paid prior to such Loan. For such Loans, if the super-priority revolving loan facility provides significant leverage to the obligor, then the risks relating to the Compartment's or an Underlying Fund's lien on the obligor's assets may be similar to the risks relating to second lien Loans. In such cases, the creditors holding the super-priority revolver will have a senior priority over Loans with respect to the related obligor's assets.

Certain Guarantees

- 20.178** The Compartment may invest in Underlying Funds which invest in debt that is guaranteed by a subsidiary of the issuer. In some circumstances, guarantees of debt issued by subsidiaries of a Portfolio Company and held by the Underlying Funds may be subject to fraudulent conveyance or similar avoidance claims made by other creditors of such subsidiaries under applicable insolvency laws. As a result, such creditors may take priority over the claims of the Compartment under such guarantees. Under fraudulent transfer law, a court may void or otherwise decline to enforce such debt and the Underlying Funds would no longer have any claim against such Portfolio Company or the applicable guarantor. In addition, the court might direct the Underlying Funds to disgorge any amounts already received from the Portfolio Company or a guarantor. In some cases, significant subsidiaries of Portfolio Companies may not guarantee the obligations of the Portfolio Company; in other cases, a Portfolio Company may have the ability to release subsidiaries as guarantors of the Portfolio Company's obligations. The repayment of such investments

may depend on cash flow from subsidiaries of a Portfolio Company that are not themselves guarantors of the Portfolio Company's obligations.

Counterparty, Broker and Credit Risks

Rights of Secured Parties versus Investors

- 20.179** The Compartment may enter into secured lending arrangements as part of its normal course of business and may transfer, mortgage, charge or encumber any assets or cash for the purpose of, among other things, providing margin or collateral in respect of permitted transactions. The Compartment may also grant security or permit security to be taken over assets by entities providing services to the Compartment in order to, among other things, secure any fees or obligations owed by the Compartment to these entities. The claims of a secured party will rank ahead of the claim of any Investor for the return of assets or monies from the Compartment, in particular, in the event of an insolvency or similar event. The Compartment may also grant security with respect to the property, rights or assets attributable to the Compartment, including, without limitation, any bank account established with respect to or the benefit of the Compartment and its interests or shares in Underlying Funds. The enforcement of any such security interests may result in a reduced return to Investors.

Custody Risks

- 20.180** Due to the nature of the Compartment assets, such assets are not capable of being held by a custodian or in a custodial network. Where assets of the Compartment can be and are held in a custodial network, as the Compartment may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Compartment which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to additional risks. In the event of the Compartment suffering a loss as a result of its assets being entrusted to such agents in those jurisdictions, such loss may not be recoverable by the Compartment.

Broker Credit Risk

- 20.181** The Compartment and the Underlying Funds and co-investments in which the Compartment invests will be exposed to the credit risk of the brokers and dealers and exchanges through which, and ultimately, the solvency of the counterparties with which, it deals, whether it engages in exchange-traded or off-exchange transactions. The Compartment and such vehicles may be subject to risk of loss of their assets held on deposit with a broker or other counterparty in the event of the entity's bankruptcy or similar procedure, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of the Compartment or the bankruptcy of an exchange clearing house. In the case of any such bankruptcy, the Compartment or the Underlying Funds might recover, even in respect of property specifically traceable to them, only a pro rata share of all property available for distribution to all of the broker's customers. Such an amount may be less than the amounts owed to the Compartment or the Underlying Funds.
- 20.182** The Compartment may pass cash or other assets to its counterparties as margin or collateral to an unlimited extent. At any one time, the Compartment may be exposed to the creditworthiness of its counterparties in respect of all or part of such margin or collateral. In the event of the insolvency of a counterparty, the Compartment might not be able to recover cash or assets of equivalent value in full. With respect to a company's right to the return of assets equivalent to investments of the Compartment which the prime broker borrows, lends or otherwise uses for its own purposes, the Compartment will rank as one

of the prime broker's unsecured creditors and, in the event of the insolvency of the prime broker, the Compartment might not be able to recover such equivalent assets in full. The prime broker (and/or other counterparties) may be granted a security interest over the interests in and rights in relation to the assets of the Compartment held by them. The prime broker may, at all times, appropriate for its own account and deal with assets of the Compartment. Securities so appropriated will continue to be recorded as being held for the benefit of the Compartment, however, such assets will become proprietary assets of the prime broker and it will only be contractually obliged to deliver equivalent securities (or cash in certain circumstances) to the Compartment. Where the prime broker delivers cash the replacement cost of assets may be greater. Any cash transferred to or held by the prime broker will not be treated as client money, but will be held as collateral and will not be subject to the client monies protections conferred by the applicable rules relating to client money. As a consequence, the Compartment's cash will not be segregated from the prime broker's own cash and will be used by the prime broker in the course of its investment business, and the Compartment will therefore rank as one of the prime broker's general creditors in relation thereto.

- 20.183** With respect to its trading of securities, currencies, forward and option contracts and swaps and repurchase agreements on a principal basis, the Compartment will be subject to the risk of the inability or refusal to perform with respect to such transactions on the part of the principals with which the relevant fund trades. Any such failure or refusal whether due to insolvency, bankruptcy or other causes, could subject the Compartment to substantial losses. The Compartment will not be excused from performance on any such transactions due to the default of third parties in respect of other trades which in accordance with the trading strategies of the relevant Underlying Fund were to have substantially offset such contracts.

General Risks

Leverage Utilised by the Compartment

- 20.184** The Compartment may borrow money in connection with its investment activities, to satisfy Redemption Requests from Limited Shareholders pursuant to the Redemption Program, to pay dividends (in the circumstances disclosed in this Special Section where corresponding accumulated net income (which income shall include distribution income but exclude any accumulated expenses) or accumulated realised and unrealised capital gains exist) and to otherwise provide the Compartment with liquidity – i.e., the Compartment may utilise leverage. Specifically, the Compartment may borrow money through a credit facility or other arrangements to fund investments and/or to manage timing issues in connection with the acquisition of its investments.
- 20.185** The use of leverage is speculative and involves certain risks. While leverage presents opportunities for increasing the total return of Investments held by the Compartment, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an Investment would be magnified to the extent that the Compartment is leveraged. The use of leverage will in this way magnify the volatility of changes in the value of an investment in the Compartment, especially in times of a “credit crunch” or during general market turmoil. The Compartment may be required to maintain minimum average balances in connection with its borrowings or to pay a commitment or other fee to maintain a line of credit; either of these requirements would increase the cost of borrowing over the stated interest rate. In addition, a lender to the Compartment may terminate or refuse to renew any credit facility into which the Compartment has entered. If the Compartment is unable to access additional credit, it may be forced to sell its interests in Investments at inopportune times, which may further depress the returns of the Compartment.

20.186 The Compartment will also be exposed to borrowing and/or leverage through its investment in Underlying Funds.

Currency Risk

20.187 Assets of the Compartment may be denominated in a currency other than the Reference Currency and changes in the exchange rate between the Reference Currency and the currency of the asset may lead to a depreciation of the value of the assets as expressed in its Reference Currency. It may not be possible or practical to hedge against such exchange rate risk. However, the AIFM may, but is not obliged to, mitigate any such risk by using financial instruments. The Compartment may from time to time enter into currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. Neither spot transactions nor currency exchange forward contracts eliminate fluctuations in the prices of securities or in foreign exchange rates or prevent loss if the prices of these securities should decline. Performance of the Compartment may be strongly influenced by movements in foreign exchange rates because currency positions held by the Compartment may not correspond with the securities positions held.

20.188 The Compartment may enter into currency exchange transactions and/or use techniques and instruments to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. Although these transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of the Compartment cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations.

Subscriptions

20.189 Ordinary Shares will be issued to a subscriber as of a Subscription Dealing Day. Prospective investors should note that all cleared subscription monies may be available for use by the Company (for the account of the Compartment) as from the Value Date by way of a transfer of the Administrator's own funds to cash accounts opened (i) in the name of the Depositary acting on behalf of the Company at an eligible bank or (ii) in the name of the Company at the Depositary or at an eligible bank. There is a risk that Shareholders default on their payment obligations. In such case, the Company will make the Depositary whole for any loss incurred and the Depositary will be entitled to recover any relevant amounts on demand from the Company payable out of the assets of the Compartment.

20.190 Furthermore, any fall in the value of the subscription prior to the Subscription Dealing Day will result in a corresponding reduction in the net asset value. Investors should be aware that they will not participate in any increase or fall in the value of the subscription prior to the physical allotment of Ordinary Shares on the relevant Subscription Dealing Day.

20.191 Investors should also note that, in respect of Subscription Dealing Days falling within Interval Weeks, the applicable NAV per Share may be determined on the basis of the Estimated NAV. As a result, the price at which Ordinary Shares are issued in respect of such Subscription Dealing Days may be at a NAV per Share that may be lower or higher

than the NAV per Share that is calculated on the basis of the NAV and, as a result.

20.192 Where a subscription for Ordinary Shares is accepted, the Ordinary Shares will be treated as having been issued with effect from the relevant Subscription Dealing Day notwithstanding that the subscriber for those Ordinary Shares may not be entered in the Register until after the relevant Subscription Dealing Day. The subscription monies paid by a subscriber for Ordinary Shares will accordingly be subject to investment risk in the Compartment from the relevant Subscription Dealing Day.

20.193 Save in the event of a suspension of dealings, Retail Investors shall be able during the subscription period and during a period of two weeks after the signature of the initial Subscription Agreement of the Shares in the Compartment, to cancel their subscription and have the money returned without penalty. Any interest earned on subscription money in respect of a rejected subscription will accrue to the benefit of the Compartment.

Redemption Risks

20.194 In the event that a Limited Shareholder chooses to participate in the Redemption Program, the Limited Shareholder will be required to provide the General Partner with its Redemption Request prior to knowing what the NAV per Share of the Class or series of Shares being redeemed will be on the Redemption Date. Although a Limited Shareholder will have the ability to withdraw a Redemption Request prior to the relevant applicable deadline, to the extent a Limited Shareholder seeks to sell Ordinary Shares as part of the Redemption Program, the Limited Shareholder will be required to do so without knowledge of what the redemption price of the Ordinary Shares will be on the Redemption Date.

20.195 Redemption Requests to repurchase Ordinary Shares may be made at a price that is lower than the price that was paid for those Ordinary Shares. As a result, to the extent a Limited Shareholder is able to sell Ordinary Shares pursuant to the Redemption Program, the price at which it may sell Ordinary Shares, which will be at a price equal to the NAV per Share as of the relevant Valuation Date, may be lower than the amount that was paid in connection with the purchase of such Ordinary Shares.

20.196 Since Ordinary Shares are not publicly traded, and it is not intended to list the Ordinary Shares on a national securities exchange, the fair value of Ordinary Shares may not be readily determinable. Any redemption of Ordinary Shares pursuant to the Redemption Program will be at a price equal to the NAV per Share as of the last Valuation Date. Inputs into the determination of fair value of Shares require significant management judgement or estimation.

20.197 In connection with the determination of the fair value of Ordinary Shares, investment professionals from the AIFM may use valuations based upon the Compartment's most recent financial statements and projected financial results. The participation of the AIFM's investment professionals in the valuation process could result in a conflict of interest as the Asset Management Fee is based on the Compartment's net assets and Performance Fees will be based, in part, on unrealized losses.

20.198 The redemption of Ordinary Shares pursuant to the Redemption Program will have the effect of increasing the proportionate interest in the Compartment of Limited Shareholders who do not redeem their Ordinary Shares. Limited Shareholders who retain their Ordinary Shares may be subject to increased risks that may result from the decrease in the Compartment's aggregate assets. These risks include the potential for greater volatility due to decreased diversification. A decrease in the aggregate assets of the Compartment may result in Limited Shareholders who do not redeem their Ordinary Shares bearing higher costs to the extent that certain expenses borne by the Company for the account of

the Compartment are relatively fixed and may not decrease if assets decline. These effects may be reduced or eliminated to the extent that additional purchases of Ordinary Shares are made by new and existing investors from time to time, although there can be no assurances that such new or additional purchases will occur.

- 20.199** As a result of Ordinary Shares that are redeemed in connection with the Redemption Program and are accepted for redemption, there will be a change in the income ratio and an increase in the expense ratios of Ordinary Shares owned by Limited Shareholders remaining in the Compartment (assuming no further issuances of Ordinary Shares in the Compartment).

Substantial Repurchases

- 20.200** Substantial requests for the General Partner to redeem shares pursuant to the Redemption Program could require the General Partner to liquidate certain Investments of the relevant Compartment more rapidly than otherwise desirable in order to raise cash to fund the redemptions and achieve a market position appropriately reflecting a smaller asset base. This could have a material adverse effect on the value of the Shares.

- 20.201** To the extent that the Company obtains redemption proceeds for the account of the relevant Compartment by disposing of its interest in certain Investments, such Compartment will thereafter hold a larger proportion of its assets in the remaining Investments, some of whose interests at times may be less liquid or illiquid. This could adversely affect the ability of the General Partner to fund subsequent Redemption Requests or to conduct future redemptions at all under the Redemption Program. In addition, after giving effect to such dispositions, the remaining Investments may not reflect the AIFM's ideal judgments as to the desired portfolio composition of the Compartment's Investments, in that the Compartment's performance may be tied to the performance of fewer Investments and/or may not reflect the AIFM's judgement as to the Compartment's optimal exposure to particular asset classes or investment strategies. These consequences may be particularly applicable if the General Partner received requests to redeem substantial amounts of Shares and may have a material adverse effect on the relevant Compartment's ability to achieve its investment objective and the value of the Shares. In addition, substantial redemptions of Shares could result in a sizeable decrease in the relevant Compartment's net assets, resulting in an increase in such Compartment's total annual operating expense ratio.

Effect of Repurchases

- 20.202** The redemption of Ordinary Shares pursuant to the Redemption Program will have the effect of increasing the proportionate interest in the Compartment of Limited Shareholders who do not redeem their Ordinary Shares. Limited Shareholders who retain their Ordinary Shares may be subject to increased risks that may result from the decrease in the Compartment's aggregate assets. These risks include the potential for greater volatility due to decreased diversification. A decrease in the aggregate assets of the Compartment may result in Limited Shareholders who do not redeem their Ordinary Shares bearing higher costs to the extent that certain expenses borne by the Compartment are relatively fixed and may not decrease if assets decline. These effects may be reduced or eliminated to the extent that additional purchases of Ordinary Shares are made by new and existing Investors from time to time, although there can be no assurances that such new or additional purchases will occur. As a result of Ordinary Shares that are redeemed in connection with the Redemption Program and accepted for redemption, there will be a change in the income ratio and an increase in the expense ratios of Ordinary Shares owned by Limited Shareholders remaining in the Compartment (assuming no further issuances of Ordinary Shares).

Distributions during the operation of the Redemption Program

- 20.203** Under the Redemption Program, a Limited Shareholder will cease to be a Limited Shareholder in respect of any Ordinary Shares relating to the Compartment redeemed pursuant to an Redemption Request as of the relevant Redemption Date. If the Compartment makes a distribution to the Limited Shareholders after the relevant Redemption Request Deadline but prior to the corresponding Redemption Date (i.e. when the Ordinary Shares accepted for redemption by the Compartment remain in issue), all Ordinary Shares, including those Ordinary Shares that are due to be redeemed by the Compartment on the Redemption Date, shall be entitled to participate in such distribution (subject to the terms of this Memorandum). As a result, a non-redeeming Limited Shareholder may receive a lower amount of distribution proceeds than they would have otherwise received had the Compartment made such distribution to the remaining Limited Shareholders after the corresponding Redemption Date.

ELTIF Regulation Risk

- 20.204** The investment opportunities for a fund are subject to the ELTIF Regulation and specifically the eligible assets requirements of the ELTIF Regulation. Therefore, there can be no guarantee as to the number of investment opportunities that are eligible for investment by such fund. Furthermore, compliance with such requirements will be monitored during the life of the investments and in circumstances where a potential or actual breach of such requirements occurs, the Investment Manager and the AIFM will need to take mitigating or remedial actions to ensure compliance with the ELTIF Regulation. Such actions may include the divestment of an asset at a non-optimal point which may have an impact on returns.

ELTIF Amending Regulation Risk

- 20.205** It is expected that a fund subject to the ETIF Regulation will have to comply with the ELTIF Delegated Regulation as stipulated by the Regulation (EU) 2023/606 of the European Parliament and of the Council of 15 March 2023 as regards the requirements pertaining to the investment policies and operating conditions of European long-term investment funds and the scope of eligible investment assets, the portfolio composition and diversification requirements and the borrowing of cash and other fund rules (the “ELTIF Amending Regulation”) and which will be developed by the European Securities and Markets Authority. Compliance with the ELTIF Delegation Regulation as well as any future amendments to the ELTIF Regulation will likely need to occur within a specified timeframe. Therefore, there is a risk that the features of a fund subject to the ELTIF Regulation will be amended to implement the ELTIF Delegated Regulation or any future amendments to the ELTIF Regulation.

THE FOREGOING LIST OF RISK FACTORS IS NOT EXHAUSTIVE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN PROFESSIONAL ADVISERS BEFORE DECIDING TO SUBSCRIBE.

21. TAX CONSIDERATIONS

- 21.1** An investment in the Compartment involves complex tax considerations which are not described in this Special Section except to the extent set forth in this Tax Considerations section. The Investor is advised to consult its own tax advisors regarding the taxation (under the laws of Luxembourg, the United States and any other applicable jurisdictions) of all aspects of acquiring, holding and disposing of an interest in the Compartment, the taxation of the Compartment and the entities through which it invests and the Investments including, without limitation, any withholding tax or value added tax considerations.

General

- 21.2** Any change in the Compartment's tax status or in taxation legislation could affect the value of the investments held by the Compartment and affect the Compartment's ability to provide the investor with returns.
- 21.3** Where the Compartment invests in securities that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Compartment will not be able to recover such withheld tax and so any such change would have an adverse effect on the NAV. Where the Compartment sells securities short that are subject to withholding tax at the time of sale, the price obtained will reflect the withholding tax liability of the purchaser. In the event that in the future such securities cease to be subject to withholding tax, the benefit thereof will accrue to the purchaser and not to the Compartment. Investors shall also refer to the clause of the General Section entitled "Taxation".

US Tax Risks

- 21.4** An investment in the Compartment involves complex US federal, state and local income tax risks. These risks include:
- (a) Taxation at Source of Certain US Source Income
- 21.5** With respect to the Compartment's income that is not effectively connected with a US trade or business carried on by the Compartment, certain categories of income (including dividends (and certain substitute dividends and other dividend equivalent payments) and certain types of interest income) derived from US sources will be subject to a US tax of 30%, which tax is generally withheld from such income.
- (b) US Trade or Business Risk
- 21.6** It is expected that the Underlying Funds will operate in a manner so as to qualify for the trading safe harbors under the Code. However, the Compartment may not directly control the Underlying Funds and, therefore, cannot guarantee that each of the Underlying Funds will qualify for the trading safe harbors. It is possible that the operations of an Underlying Fund may be deemed to constitute a US trade or business. In such a case, the Underlying Fund (or the Compartment, with respect to an Underlying Fund that is classified as a partnership for US tax purposes) will be treated as deriving income that is effectively connected with a US trade or business. Income of the Compartment that is effectively connected with a US trade or business generally will be subject to regular US federal income taxation at a maximum rate of 21% and an additional branch profits tax of 30% and will generally subject the Compartment to US income tax filing obligations.

United States Federal Income Taxation

- 21.7** The following discussion is a general summary of certain US federal tax consequences that may result to the Compartment and its investors in connection with their investment in the Compartment. The discussion does not purport to deal with all of the US federal income tax consequences applicable to the Compartment or to all categories of investors, some of whom may be subject to special rules. The following discussion assumes that the Compartment will not otherwise hold any interests (other than as a creditor) in, a "United States real property holding corporation" or other "United States real property interest" as defined in the Code. Furthermore, the discussion assumes that no "United States person,"

as defined for US federal income tax purposes, owns or will own, directly or indirectly, or will be considered as owning by application of certain tax law rules of constructive ownership, any Shares in the Compartment. The Compartment does not, however, guarantee that will always be the case. Investors should consult their own tax advisers regarding the tax consequences to them of an investment in the Compartment under applicable US federal, state, local and non-US income tax laws as well as with respect to any special gift, estate and inheritance tax issues in light of their particular circumstances.

- 21.8** Unless otherwise noted, the following discussion assumes that each compartment of the Company (including the Compartment) will be treated as a separate entity for US federal income tax purposes. The law in this area is uncertain. Thus, it is possible that the US Internal Revenue Service might take a contrary view, treating the Company (including all of its Compartments) as a single entity for US federal tax purposes.

Taxation of the Compartment

- 21.9** The Compartment intends to be treated as a corporation for US federal income tax purposes. The Compartment generally intends to conduct its affairs so that it will not be deemed to be engaged in a trade or business in the United States and, therefore, none of its income will be treated as “effectively connected” with a US trade or business. If none of the Compartment’s income is effectively connected with a US trade or business, certain categories of income (including dividends (and certain substitute dividends and other dividend equivalent payments) and certain types of interest income) derived by the Compartment from US sources will be subject to a US tax of 30%, which tax is generally withheld from such income. Certain other categories of income, generally including capital gains (including those derived from options transactions) and interest on certain portfolio debt obligations (which may include US government securities), original issue discount obligations having an original maturity of 183 days or less, and certificates of deposit, will not be subject to this 30% tax. If, on the other hand, the Compartment derives income which is effectively connected with a US trade or business carried on by the Compartment, such income will be subject to US federal income tax at the rate applicable to US domestic corporations, and the Compartment would also be subject to a branch profits tax. Thus, the Compartment would be taxable on capital gains, as well as other income, which is treated as effectively connected with its US trade or business, and would be required to file US tax returns.

Taxation of Non-US Limited Shareholders

- 21.10** The US tax consequences to a non-US investor of distributions from the Compartment and of dispositions of Shares generally depends on the investor’s particular circumstances, including whether the investor conducts a trade or business within the United States or is otherwise taxable as a United States person. Except as described below, it is not expected that a Limited Shareholder that is a non-US person would be subject to US federal income tax with respect to gains derived from the sale or exchange (including a redemption) of, or any distributions received in respect of Shares, provided that such Limited Shareholder does not have certain present or former connections with the United States (e.g., holding the Shares in connection with the conduct of a US trade or business or, in the case of gains, an individual Limited Shareholder’s being present in the United States for 183 days or more during the taxable year of sale or exchange), which connections will not exist solely by reason of investing in the Compartment.
- 21.11** Investors may be required to provide additional tax certifications to the Compartment to establish their tax status for certain US tax reporting and withholding purposes.

FATCA Considerations

- 21.12** Pursuant to FATCA, the Compartment will be subject to US federal withholding taxes (at a 30% rate) on payments of certain amounts made to such it (“withholdable payments”), unless it complies (or is deemed compliant) with extensive reporting and withholding requirements. Withholdable payments generally include interest (including original issue discount), dividends, rents, annuities, and other fixed or determinable annual or periodical gains, profits or income, if such payments are derived from US sources. Income which is effectively connected with the conduct of a US trade or business, is not, however, included in this definition.
- 21.13** To avoid the withholding tax, unless deemed compliant, the Compartment will be required to enter into an agreement with the United States to identify and disclose identifying and financial information about each US taxpayer (or foreign entity with substantial US ownership) which invests in such entity, and to withhold tax (at a 30% rate) on withholdable payments and related payments made to any investor which fails to furnish information requested by the Compartment to satisfy its obligations under the agreement. Pursuant to an intergovernmental agreement between the United States and Luxembourg, the Compartment may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports US taxpayer information to the Luxembourg government. Certain categories of US investors, generally including, but not limited to, tax-exempt organizations, publicly traded corporations, banks, regulated investment companies, real estate investment trusts, common trust funds, brokers, dealers and middlemen, and state and federal governmental entities, are exempt from such reporting. Detailed guidance as to the mechanics and scope of this reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future Compartment operations.
- 21.14** Investors will be required to furnish appropriate documentation certifying as to their US or non-US tax status, together with such additional tax information as the Compartment or its agents may from time-to-time request. Failure to provide requested information or (if applicable) satisfy its own FATCA obligations may subject an investor to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption of such Investor’s Shares.

Future Tax Legislation, Necessity of Obtaining Professional Advice

- 21.15** Future amendments to the Code, other legislation, new or amended Treasury Regulations, administrative rulings or decisions by the Internal Revenue Service, or judicial decisions may adversely affect the federal income tax or other tax aspects of an investment in the Compartment, with or without advance notice, retroactively or prospectively. The foregoing analysis is not intended as a substitute for careful tax planning. The tax matters relating to the Compartment are complex and are subject to varying interpretations. Moreover, the effect of existing tax laws and of proposed changes in tax laws on Limited Shareholders will vary with the particular circumstances of each investor and, in reviewing this Memorandum and any exhibits hereto, these matters should be considered.
- 21.16** In no event will the General Partner or its members, AIFM, the Investment Advisor or their respective affiliates, investors, managers, officers, counsel or other professional advisors be liable to any investor for any federal, state, local or non-US tax consequences of an investment in the Compartment, whether or not such consequences are as described above.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE INVESTORS.

THE INVESTOR IS SOLELY RESPONSIBLE FOR ALL TAX CONSEQUENCES TO THE INVESTOR OF AN INVESTMENT IN THE COMPARTMENT AND IS ADVISED TO CONSULT ITS OWN TAX ADVISORS AS TO ALL OF THE TAX CONSEQUENCES ATTRIBUTABLE TO ACQUIRING, HOLDING AND DISPOSING OF AN INTEREST IN THE COMPARTMENT, THE TAXATION OF THE COMPARTMENT AND THE TAXATION OF THE INVESTMENTS. NOTHING CONTAINED HEREIN SHOULD BE CONSTRUED TO BE LEGAL, TAX OR OTHER ADVICE.

THE FOREGOING LIST OF RISK FACTORS AND POTENTIAL CONFLICTS OF INTEREST DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE COMPARTMENT.

Appendix I

Annex II

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: StepStone (Luxembourg) SCA SICAV – StepStone Private Credit ELTIF
(the “**Compartment**”)

Legal entity identifier: 635400UQQSBSS3EXJS97

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

- Yes No
- | | |
|--|---|
| <input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% | <input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments |
| <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy | <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___% | <input type="checkbox"/> with a social objective |
| | <input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments |



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What environmental and/or social characteristics are promoted by this financial product?

The Compartment will promote certain environmental and social characteristics including, but not limited to, those set out below:

Environmental Characteristics

- Combat climate change
- Resilience to climate change
- Reduction in waste

Social Characteristics

- Diversity and inclusion
- Human rights and labour relations

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The AIFM has selected sustainability indicators to assess, measure and monitor the above environmental and social characteristics that the Compartment promotes. The table below specifies the sustainability indicators, the detail of the metric, permitted threshold and data sources:

No.	Environmental / Social characteristic	Sustainability indicator	Metric	Data source
1	Combating Climate Change	Initiatives to reduce GHG emissions	Proportion of the underlying portfolio companies that promote the combatting of climate change through their business model, initiatives and/ or through margin ratchets (e.g., margin ratchet tied to reduction of GHG emissions)	Initial Loan Characteristics File ESG Questionnaire, populated by third-party investment managers for Underlying Funds and by the AIFM for direct investments And where available, the
		Production of oil, gas and consuma	The proportion of the portfolio companies exposed to the production of oil, gas and	

		ble fuels	consumable fuels sector, as defined by reference to the Global Industry Classification Standards (“GICS”) developed by MSCI and Standard & Poor’s which is expected to be 0%. ³	SFDR disclosures by 3 rd party managers
2	Resilience to Climate Change	Initiatives to adjust to climate change	Proportion of the underlying portfolio companies that promote resilience to climate change through their business model, initiatives and/ or through margin ratchets (e.g., climate transition plans)	
3	Reduction in waste	Initiatives to reduce waste	Proportion of the underlying portfolio companies that promote reduction of waste through their business model, initiatives and/ or through margin ratchets	
		Hazardous waste	The proportion of the portfolio companies in the generation of nuclear energy sector, as defined by reference to the Global Industry Classification Standards (“GICS”) developed by MSCI and Standard & Poor’s which is expected to be 0%.	
4	Diversity and Inclusion	Diversity and Inclusion initiatives	Proportion of the underlying portfolio companies that promote diversity and inclusion through their business model, initiatives and/ or through margin ratchets	
5	Human Rights and Labour Relations	Initiatives that promote human rights and labour relations	Proportion of the underlying portfolio companies that promote human rights and labour relations through their business model, initiatives and/ or through	

³ 0% for the Controlled Portion; 0-5% for the Non-Controlled Portion.

			margin ratchets
		Manufacture of armaments and defence	<p>The proportion of the underlying portfolio companies in the manufacture of armaments and defence sector (where more than 50% of the revenues are generated in military aerospace or defence equipment), as defined by reference to the Global Industry Classification Standards (“GICS”) developed by MSCI and Standard & Poor’s which is expected to be 0%.</p> <p>The proportion of the underlying portfolio companies violating the Swiss War Material Act, which is expected to be 0%.</p>
		Pornography/ Adult entertainment	The proportion of the underlying portfolio companies that is in the pornography and adult entertainment sector which is expected to be 0%.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

N/A. The Compartment promotes environmental and social characteristics but does not intend to make sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

N/A

----- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

N/A

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No

The AIFM considers principal adverse impacts on sustainability factors in the following manner:

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Adverse sustainability indicator number 1 in Table 1, Annex I of SFDR Level 2 Regulation related to Scope 1, Scope 2, Scope 3 and Total GHG emissions is considered through collecting, reporting and engaging on aforementioned sustainability indicator “Initiatives to reduce GHG emissions”.
- Adverse sustainability indicator number 4 in Table 1, Annex I of SFDR Level 2 Regulation related to exposure to companies active in the fossil fuel sector is considered through the AIFM’s binding investment exclusions of the companies operating in the “Oil, Gas and Consumable Fuels” industry, as defined by reference to the Global Industry Classification Standards (“GICS”).
- Adverse sustainability indicator number 14 in Table 1, Annex I of SFDR Level 2 Regulation related to the exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is considered through the AIFM’s binding investment exclusions of Chapter 2: Prohibited War Material of Swiss War Material Act and the exclusion of manufacture of armaments and defence sector (where more than 50% of the revenues are generated in military aerospace or defence

equipment), as defined by reference to the Global Industry Classification Standards (“GICS”).

The above adverse sustainability indicators are also assessed prior to making an investment decision as part of the AIFM’s ESG scoring and Responsible Investing (“RI”) due diligence process. Prior to investing into an Underlying Fund managed by a third-party manager, the AIFM will undertake a due diligence exercise to assess the following in respect of such third-party manager: (i) commitment to responsible investing; (ii) responsible investing through the investment process (including promotion of environmental and social characteristics); (iii) post-investment monitoring and reporting; and (iv) investment strategy focusing on the extent to which the relevant third-party manager seeks to make investments with positive social or environmental outcomes. Each third-party manager will be assigned an overall rating between 1 and 4, with 4 being the highest. The AIFM will base its selection of third-party managers and funds on the outcome of its ESG scoring framework.

The AIFM also tracks ESG critical incidents that could have an adverse impact on sustainability factors at the level of third-party managers and seeks confirmation from third-party managers pre-investment as well as post-investment that no critical incidents have occurred at the level of the relevant underlying portfolio companies. Critical ESG incidents include (but are not limited to) the following:

- any specific events that may result in negative impact to, or harm the reputation of, the underlying portfolio company or third-party manager;
- incidents that violate the third-party manager’s stated ESG policy; and
- incidents that are a breach of the third-party manager’s code of conduct.

Finally, the AIFM is in the process of integrating a data collection request on investments and in the legal documents with party managers, on the underlying assets, which will be obliged to report on the following sustainability indicators:

1. Initiatives to reduce GHG emissions
2. Initiatives to adjust to climate change
3. Initiatives to reduce waste
4. Diversity and Inclusion initiatives
5. Initiatives that promote human rights and labour relations

These indicators will help identify assets which align with environmental and social characteristics that the Compartment promotes (“Aligned with E/S characteristics”). Portfolio companies which satisfy any of the sustainability indicators 1. – 5. outlined above are considered to be aligned with E/ S characteristics. For a detailed description of the indicators and their respective metrics, please refer to the response to the second question in this pre-contractual disclosure document (*What environmental and/or social characteristics are promoted by this financial product?*).

Based on the results of the RI due diligence process, the AIFM will decide what action to take to reduce or limit any identified adverse impact. For example, this may

include not proceeding with an investment, limiting the size of the position or engaging with the company to with the intention of putting pressure on them to reduce the adverse impact.

The AIFM will utilize the collected data to report the share of “Aligned with E/S characteristics” as well as to engage with the third-party managers regarding increasing the share of E/S aligned assets in their respective Underlying Funds.

Further information on how the AIFM considers principal adverse impacts will be set out in the Compartment’s annual report.



The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The Compartment seeks to achieve its objective by primarily investing its assets on a fund of funds basis in investment funds, investment vehicles, client accounts managed by the AIFM or its affiliates and/or balance sheet investments, as further described below (the “Underlying Funds”), that operate various credit related strategies. The Compartment may hold interests in the Underlying Funds directly or indirectly. Certain of the Underlying Funds into which the Compartment will invest may be managed by the AIFM. The Compartment may also invest in investment funds for which the AIFM does not act as alternative investment fund manager (but the relevant Underlying Fund may, for the avoidance of doubt, be managed by an affiliate of the AIFM).

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Compartment does not follow a rigid investment policy that would restrict it from participating in any market, strategy or investment and the Compartment may be concentrated in one or more investment strategies from time to time. The Compartment’s assets may be deployed in whatever investment strategies are deemed appropriate under prevailing economic and market conditions to seek to achieve the Compartment’s investment objective. The Compartment is not limited in relation to the investment strategies to which it has exposure through the Underlying Funds, provided such investment strategies are substantially credit-related.

The Underlying Funds may undertake a variety of investment strategies including, without limitation, corporate lending (including, for example, investments in broadly syndicated or tightly syndicated loans, direct lending (including senior secured, unitranche, mezzanine, co-investments, opportunistic investments and bank transactions), CLO-related strategies (including equity, warehousing and mezzanine) and non-corporate lending (including, for example, core and transitional real estate, structured products and infrastructure-related debt.

In assessing Underlying Funds, the AIFM will assess the Underlying Funds’ strategies with a view to whether such strategies offer attractive risk-adjusted returns, take into account environmental and social characteristics, diversified exposures, capital deployment management, market capacity and experienced investment managers.

Finally, the investment strategy is further focused on limiting negative externalities through its binding investment restrictions and the extent to which the environmental and social characteristics of the Compartment are attained will be monitored on a regular basis and reported in the Compartment’s periodic reporting.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

With exception of the Non-Controlled Portion, the AIFM excludes investment in companies and ensures that agreements with the third-party managers of Underlying Funds include a requirement to exclude investments in companies in the following sectors (defined by reference to the Global Industry Classification Standards (“GICS”) developed by MSCI and Standard & Poor’s) that it identifies as contributing significantly to climate change or that produce significant amounts of waste:

- oil, gas and consumable fuels; and
- generation of nuclear energy.

With exception of the Non-Controlled Portion, the AIFM excludes investment in companies and ensures that agreements with the third-party managers of Underlying Funds also exclude investments in companies in the following sectors that it considers to be harmful to the social characteristics that the Compartment promotes:

- the manufacture of armaments and defence (where more than 50% of the revenues are generated in military aerospace or defence equipment); and
- pornography / adult entertainment.

With exception of the Non-Controlled Portion, the AIFM excludes investment in companies and ensures that agreements with the third-party managers of Underlying Funds also exclude investments in companies which do not comply with the requirements of Chapter 2: Prohibited War Material of Swiss War Material Act.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Whilst the Compartment pursues an investment strategy that includes negative screening for the purposes of attaining the environmental and social characteristics that it promotes, it is not possible to ascertain what percentage of the investible universe as a whole is excluded based on that strategy.

● ***What is the policy to assess good governance practices of the investee companies?***

The AIFM assesses good governance on investee company level as well as – where applicable – on third-party manager level.

Good governance assessment on third-party manager level: Prior to appointing a third-party manager, the AIFM undertakes an extensive due diligence assessment of the third-party manager. This due diligence process includes ESG scoring and operational due diligence as part of which the AIFM assesses good governance practices including (but not limited to) sound management structures, employee relations, remuneration of staff and tax compliance. Furthermore, as part of the ESG scoring framework, the AIFM checks the existence of policies related to anti-bribery,

anti-money laundering, anti-corruption, conflicts of interests and code of ethics. The AIFM also tracks ESG critical incidents of appointed third-party managers. Critical ESG incidents include (but are not limited to) the following:

- any specific events that may result in negative impact to, or harm the reputation of, the portfolio company or third-party manager;
- incidents that violate the third-party manager's stated ESG policy; and
- incidents that are a breach of the third-party manager's code of conduct.

In addition, the AIFM checks whether a third-party manager has been subject to a fine or warning by a supervisory authority and/or has experienced instances of whistleblowing over the past 5 years.

The AIFM further looks to understand how material ESG issues identified in due diligence are incorporated in the post-investment plans and monitored, and then reported to LPs. Combined, this approach allows the identification of key ESG risks at the portfolio level, including whether they are being driven by the GP's systematic approach or an asset specific issue.

Post-investment, a third-party firm performs background and adverse media checks on the third-party managers as well their key C-suite professionals. The findings are being by the StepStone Monitoring team and shared with the wider team on a weekly basis. Topics covered include (i) identity checks, (ii) regulatory license information, (iii) sanctions and watchlist, (iv) regulatory violations, (v) criminal litigation, (vi) civil litigation, (vii) bankruptcy and insolvency, (viii) adverse media and other risk areas.

Good governance assessment on investee company level: The AIFM, during initial due diligence and periodically thereafter, seeks confirmation from the third-party managers that they have in place a process to assess the good governance practice of the investee companies. The AIFM seeks confirmation from third-party managers pre-investment as well as post-investment that no critical incidents have occurred at the level of investee companies and whether a investee company has been subject to a fine or warning by a supervisory authority and/or has experienced instances of whistleblowing over the past 5 years.

Good governance assessment on co-investment level: Prior to investing into a co-investment opportunity, the AIFM applies its Responsible Investing Due Diligence for Co-Investments framework. Within this framework, the AIFM evaluates the good governance practices including (among others) sound management structures, employee relations, remuneration of staff and tax compliance. The Responsible Investment Working Group for private debt is responsible for reviewing and approving the Responsible Investing Due Diligence for Co-Investments.

What is the asset allocation planned for this financial product?

#1 Aligned with E/S characteristics

Through its application of the binding elements of the investment strategy described above, the AIFM commits to invest a minimum of 10% of the Compartment's net assets of the fully invested portfolio in investments that



Asset allocation
describes the share of
investments in specific
assets.

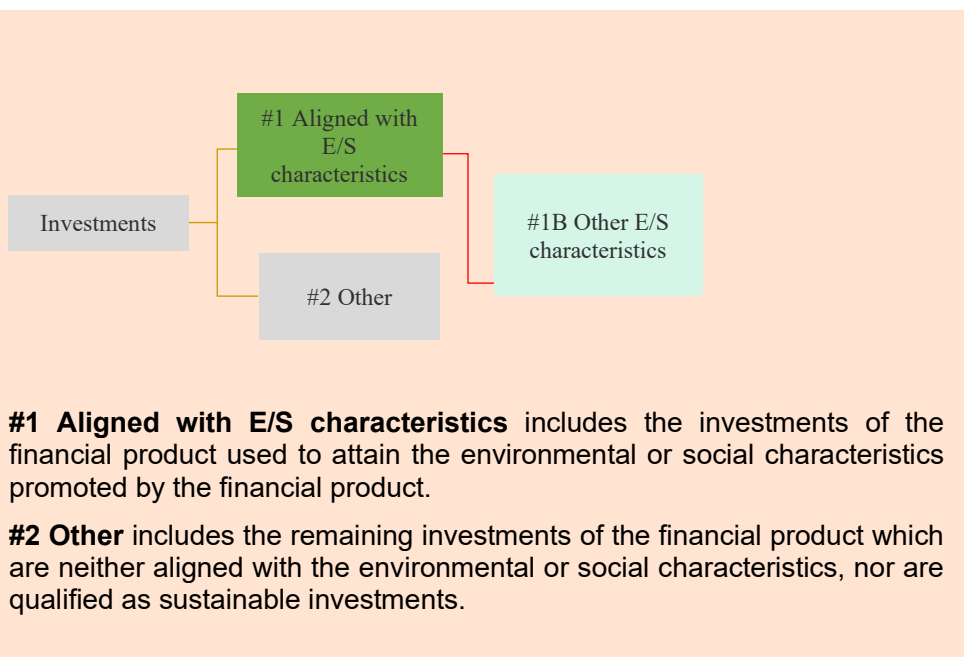
are aligned with the E/S characteristics that the Compartment promotes.

#1B Other E/S characteristics

The AIFM will not make sustainable investments and therefore all of the assets within #1 will fall within #1B Other E/S characteristics.

#2 Other

The remaining investments, including the Non-Controlled Portion, are aligned with the broader investment strategy of the Compartment which do not specifically align with the E/S characteristics promoted by the Compartment but which nevertheless meet the good governance requirement. Such investments will also include those used specifically for diversification, hedging or liquidity management purposes.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The Compartment does not use derivatives for the attainment of its environmental or social characteristics.



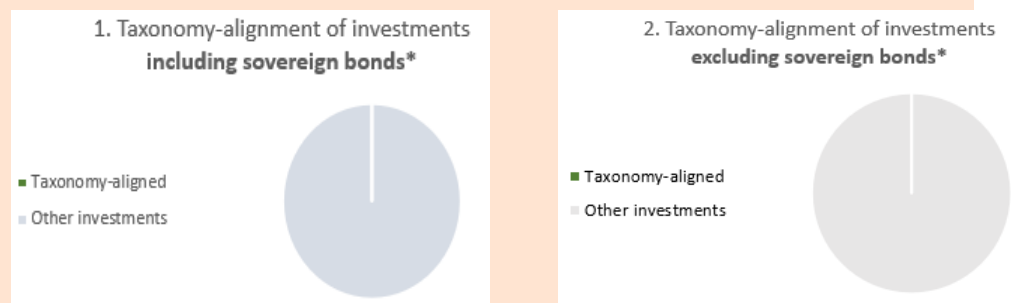
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Compartment promotes environmental characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in any “sustainable investment” within the meaning of the SFDR. Accordingly, the Compartment currently does not take into account the EU criteria for environmentally sustainable economic activities as per the EU Taxonomy and expects 0% of the Compartment’s investments to be in EU Taxonomy-aligned investments.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy⁴?

- Yes:
 - In fossil gas
 - in nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

What is the minimum share of investments in transitional and enabling activities?

N/A

⁴ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of socially sustainable investments?

Not applicable.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The purpose of the investments under #2 Other, which includes the Non-Controlled Portion, is to pursue the attainment of the Compartment’s broader investment strategy where such investments which may not fully align with the E/S characteristics the Compartment is pursuing, or where the AIFM may not have access to sufficient information to conclude that such investments are aligned with the E/S characteristics promoted by the Compartment. They also include investments made for the purposes of diversification, hedging and liquidity management. The AIFM does however ensure that such investments comply with the good governance requirements set out above.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index is designated as a reference benchmark to determine whether the Compartment is aligned with environmental and social characteristics promoted.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.stepstonegroup.com/fund/stepstone-private-credit-eltif/>

