

be no assurance as to whether any such regulatory scrutiny or initiatives will have an adverse impact on the private investment industry, including the ability of the Fund to achieve its objectives. It is impossible to predict what, if any, changes may be instituted with respect to the regulations applicable to the Fund, the Manager, the U.S. Adviser, the General Partner, the Second GP and their respective affiliates, the markets in which they operate and invest or the counterparties with which they do business, or what effect such legislation or regulations might have. There can be no assurance that the Fund, the Manager, the U.S. Adviser, the General Partner, the Second GP and their respective affiliates will be able, for financial reasons or otherwise, to comply with future laws and regulations, and any regulations which restrict the ability of the Fund to implement its investment strategy.

Brexit

The UK has formally notified the European Council of its intention to leave the European Union ("**Brexit**"). Under the process for leaving the European Union contemplated in article 50 of the Treaty on the Functioning of the European Union, the UK will remain a member state until a withdrawal agreement is entered into, or failing that, two years following the notification of the intention to leave. The terms and precise timetable of withdrawal are unknown at this time. Furthermore, as a result of Brexit, other European countries may seek to conduct referenda with respect to their continuing membership with the European Union. Given these possibilities and others that are not anticipated, at this time, it is difficult to predict how the UK withdrawal from the European Union will be implemented and what the economic, tax, fiscal, legal, regulatory and other implications will be for the asset management industry, the broader European and global financial markets generally and for private funds such as the Fund and the Fund's investments. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the UK or the European Union, including companies or assets held or considered for prospective investment by the Fund.

The future application of European Union-based legislation to the private fund industry in the UK and the European Union will ultimately depend on how the UK renegotiates its relationship with the European Union. There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on the Fund and its investments, including the ability of the Fund to achieve its investment objectives. Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, and increased legal, regulatory or compliance burden for Investors, the Manager and/or the Fund, each of which may have a negative impact on the operations, financial condition, returns or prospects of the Fund.

Brexit may also have an adverse effect on the tax treatment of the Fund and its investments. In particular, the European Union directives preventing withholding taxes being imposed on intra-group dividends, interest and royalties may no longer apply to payments made into and out of the UK, meaning that instead the UK's double tax treaty network would need to be relied upon. Further, there may be changes to the operation of VAT.

While the most immediate impacts on corporate transactions will likely be related to changes in market conditions, the development of new regulatory regimes and parallel competition law enforcement may have an adverse impact on transactions, particularly those occurring in, or impacted by conditions in, the UK and Europe.

Anti-money laundering compliance

The General Partner, the Second GP or the Manager may be required by law, regulation or government authority or where it is in the best interests of the Fund, in each case as a whole, to disclose information in respect of the identity of Investors. In addition, the General Partner, the Second GP or the Manager may be required by law, regulation or government authority to disclose certain information about the Fund and its arrangements with Investors, including disclosing the existence of, disclosing copies of, and reporting certain information about, any side letters or other arrangements that the Fund enters into with Investors that allow Investors to invest in the Fund under terms that vary from those applicable to other Investors.

The General Partner, the Second GP or the Manager may be required by law, regulation or government authority to suspend the account of an Investor or take other anti-money laundering steps. Where the General Partner, the Second