

A|C|P Arlington Capital Partners Overview

For the Rhode Island State Investment Commission Only



AUGUST 2025

Arlington Capital Partners Overview

Washington, D.C.-area private investment firm specializing in government regulated industries

Singular Focus

- 25-year focus on core regulated verticals: **Aerospace & Defense** (“A&D”), **Government Services & Technology**, and **Healthcare**
- Target markets are **large** and **growing**, with **high barriers to entry**
- Operating out of a single office in the D.C. area, Arlington is immersed in a **rich ecosystem** of targets, customers, government agencies/regulators, and relevant talent, with **deep networks** to support deal sourcing and portfolio company success
- Partner with founders and management teams to build strategically important market leaders through **organic and inorganic growth**
- ACP companies provide **mission-critical** products and services that save lives, improve effectiveness, and reduce costs
- One of the most active investors in our target markets: 175+ investments since inception

Stable Team with Deep Domain Expertise

- Four Managing Partners average **23 years’ experience** working together
- Senior investment team has 129+ years of ACP experience
- Approximately **40 total professionals**, including 26 investment professionals, supported by a unique **network of operating executives**¹
- Deep domain expertise and security clearances make Arlington a trusted partner to the U.S. Department of Defense and intelligence agencies

Attractive Risk-Adjusted Returns

- Demonstrated, consistent track record of delivering outsized returns **across economic and political cycles**
- Majority of exits to strategic buyers
- Returns are driven by **growth** and **value orientation**; disciplined use of leverage

One strategy, one focus, one team

ACP Funds Overview













Active Fund

ACP Fund	Vintage Year	Committed Capital	Platform Investments	Realized Investments
Fund VI	2022	\$3,810	11	0
Fund V	2019	\$1,692	10	1
Fund IV	2016	\$700	9	3
Fund III	2012	\$415	9	9
Fund II	2005	\$585	8	8
Fund I	2000	\$452	6	6
Since Inception		\$7,654	53	27

Note: As of June 30, 2025 unless otherwise indicated. Past performance is not indicative of future results.

Fund VI Update

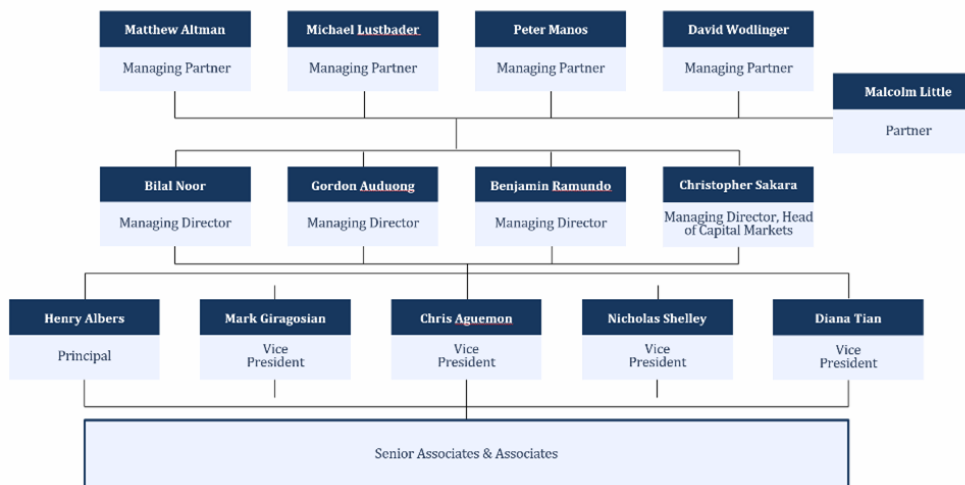
~60% invested across twelve platforms to date

Company	ACP Vertical	Investment Date
 BLUEHALO	Gov't Services & Technology	Sep-22
 avsbio	Healthcare	Dec-22
 KINETIC ENGINE SYSTEMS	Aerospace & Defense	May-23
 KEEL	Aerospace & Defense	Jun-23
 ids	Gov't Services & Technology	Aug-23
 neumo	Gov't Services & Technology	Oct-23
 EXOSTAR® We build trust.	Gov't Services & Technology	Nov-23
 Afton Scientific	Healthcare	Jan-24
 GRVTY	Gov't Services & Technology	Jun-24
 TYTO Athene 	Gov't Services & Technology	Jul-24
 TEAM Technologies	Healthcare	Nov-24
Project Cambridge	Healthcare	Est. Aug-25

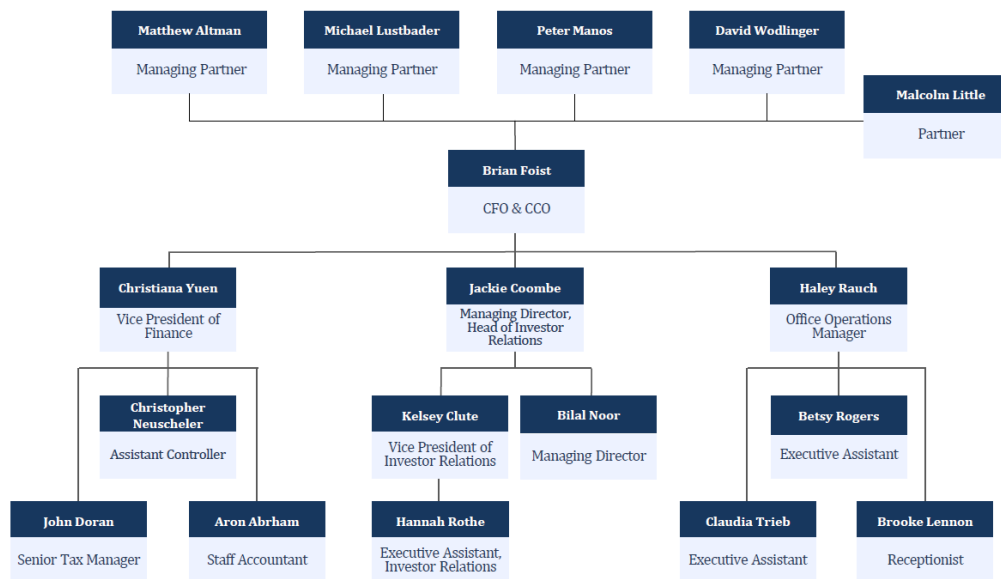
Presented for illustrative purposes only. There can be no assurances as to the availability of investment opportunities to Arlington and its investments funds. Nothing contained herein may be relied upon as a guarantee, promise or forecast, or a representation as to future performance of any investment fund or portfolio investment. Actual portfolio investments of Arlington's investment funds may vary from the illustrative information shown above.

Stable, Experienced Team

Investment Team



Operations Team



Market Opportunity

Target markets are large and growing, with high barriers to entry

Aerospace & Defense



Government Services & Technology



Healthcare



Consistent Investment Themes Since Inception

	Fund I	Fund II	Fund III	Fund IV	Fund V	Fund VI
 Regulated Precision Component Manufacturing		 	 	  	  	 
 Technologically Differentiated Government Services			 	 	 	 
 Regulated Precision Healthcare Manufacturing & Outsourced Services			 		  	  
 Critical Infrastructure Support Services					 	
 Compliance Driven Software & Technology		 	 			  

Logos represent select investments

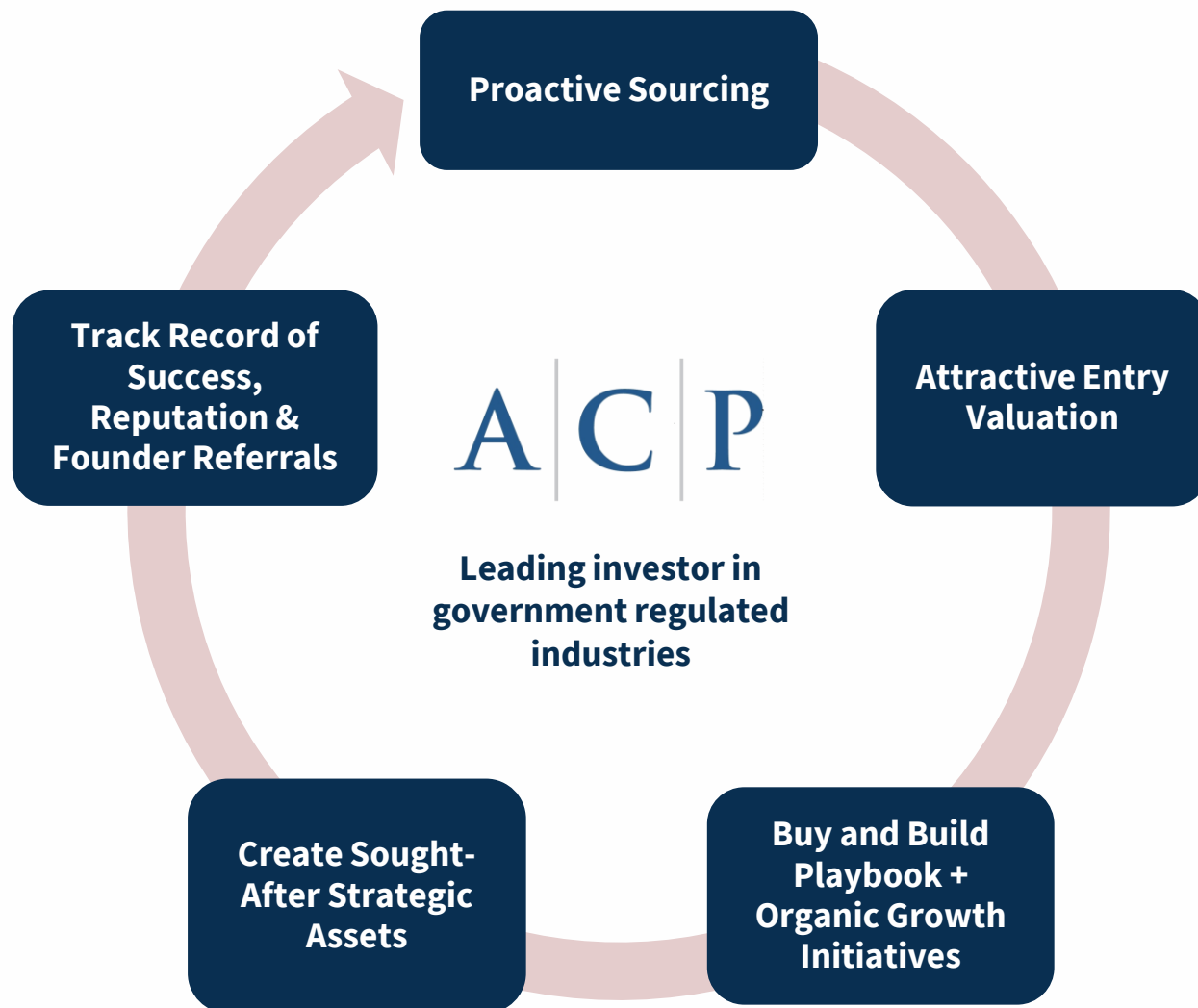
Consistent Activity Across Cycles

Historically, our focus on mission-critical themes and “purple” initiatives has generated sustainable, long-term growth and performance regardless of political backdrop¹

All Realized A&D
and Gov't Services
Investments

Bush Presidency							Obama Presidency							Trump Pres.				Biden Pres.				Trump		
Democratic Congress			Republican Congress				Democratic Congress							Republican Congress				Democratic Congress				Rep.		
2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Recession		2003		2005	Recession			Budget Crisis / Sequestration			COVID-19				DOGE									
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Entry Date		Exit Date																						

Summary



Important Disclosures

THIS CONFIDENTIAL PRESENTATION (THIS “PRESENTATION”) IS PROVIDED FOR INFORMATIONAL AND DISCUSSION PURPOSES ONLY TO A LIMITED NUMBER OF SELECTED INSTITUTIONAL AND SOPHISTICATED INDIVIDUAL INVESTORS AND IS NOT, AND MAY NOT, BE RELIED ON IN ANY MANNER AS, LEGAL, TAX, INVESTMENT OR ACCOUNTING ADVICE OR AS AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY LIMITED PARTNER INTERESTS OR OTHER INTERESTS IN ANY FUND OR OTHER INVESTMENT VEHICLE SPONSORED BY ARLINGTON CAPITAL PARTNERS (“ARLINGTON,” “ACP” OR THE “FIRM”) OR ANY OF ITS AFFILIATES (EACH, A “FUND,” AND TOGETHER, THE “FUNDS”). ANY SUCH OFFER OR SOLICITATION WILL ONLY BE MADE PURSUANT TO THE FINAL CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM, OR OTHER SIMILAR OFFERING DOCUMENTS (AS AMENDED, SUPPLEMENTED AND/OR RESTATED FROM TIME TO TIME, A “MEMORANDUM”), WHICH WILL DESCRIBE CERTAIN RISKS RELATED TO AN INVESTMENT IN SUCH PARTNERSHIP AND WHICH WILL QUALIFY IN ITS ENTIRETY THE INFORMATION SET FORTH HEREIN. AND SUCH FUND’S SUBSCRIPTION DOCUMENTS.

CERTAIN STATEMENTS HEREIN ARE THE OPINIONS AND BELIEFS OF ARLINGTON; OTHER MARKET PARTICIPANTS COULD TAKE DIFFERENT VIEWS. NEITHER ARLINGTON NOR ANY OF ITS AFFILIATES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN AND NOTHING CONTAINED HEREIN SHOULD BE RELIED UPON AS A PROMISE OR REPRESENTATION AS TO PAST OR FUTURE PERFORMANCE OF ANY FUND OR ANY OTHER ENTITY. RECIPIENTS OF THIS PRESENTATION AGREE THAT ARLINGTON, ITS AFFILIATES AND THEIR RESPECTIVE PARTNERS, MEMBERS, EMPLOYEES, OFFICERS, DIRECTORS, AGENTS, AND REPRESENTATIVES SHALL HAVE NO LIABILITY FOR ANY MISSTATEMENT OR OMISSION OF FACT OR ANY OPINION EXPRESSED HEREIN.

THE INFORMATION CONTAINED HEREIN MUST BE KEPT STRICTLY CONFIDENTIAL AND MAY NOT BE REPRODUCED OR REDISTRIBUTED IN ANY FORMAT WITHOUT THE EXPRESS WRITTEN APPROVAL OF A FUND’S GENERAL PARTNER. NOTWITHSTANDING THE FOREGOING, EACH INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE, OR OTHER AGENT THEREOF) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF A FUND AND ITS INVESTMENTS AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO SUCH INVESTOR RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE; PROVIDED, HOWEVER, THAT SUCH DISCLOSURE SHALL NOT INCLUDE THE NAME (OR OTHER IDENTIFYING INFORMATION NOT RELEVANT TO THE TAX STRUCTURE OR TAX TREATMENT) OF ANY PERSON AND SHALL NOT INCLUDE INFORMATION FOR WHICH NONDISCLOSURE IS REASONABLY NECESSARY IN ORDER TO COMPLY WITH APPLICABLE SECURITIES LAWS.

STATEMENTS IN THIS PRESENTATION ARE AS OF JUNE 30, 2025 UNLESS STATED OTHERWISE, AND THE DELIVERY OF THIS PRESENTATION SHALL NOT UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME AFTER SUCH DATE. THE INFORMATION PROVIDED HEREIN WILL NOT BE UPDATED OR OTHERWISE REVISED TO REFLECT INFORMATION THAT SUBSEQUENTLY BECOMES AVAILABLE, OR CIRCUMSTANCES EXISTING OR CHANGES OCCURRING AFTER THE DATE OF THE INFORMATION SET FORTH HEREIN. UNLESS OTHERWISE INDICATED HEREIN, ALL INVESTMENT PERFORMANCE IS PRESENTED AS OF JUNE 30, 2025.

EACH RECIPIENT AGREES THAT IT WILL (I) NOT COPY, REPRODUCE, OR DISTRIBUTE THIS PRESENTATION, IN WHOLE OR IN PART, TO ANY PERSON OR PARTY (INCLUDING ANY EMPLOYEE OF THE RECIPIENT OTHER THAN AN EMPLOYEE DIRECTLY INVOLVED IN EVALUATING A FUND) WITHOUT THE PRIOR WRITTEN CONSENT OF ARLINGTON; (II) KEEP PERMANENTLY CONFIDENTIAL ALL INFORMATION CONTAINED HEREIN THAT IS NOT ALREADY PUBLIC; AND (III) USE THIS PRESENTATION SOLELY FOR THE PURPOSE SET FORTH IN THE FIRST PARAGRAPH ABOVE.

IN CONSIDERING ANY PERFORMANCE DATA CONTAINED HEREIN, EACH RECIPIENT SHOULD BEAR IN MIND THAT PAST OR TARGETED PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT A FUND WILL ACHIEVE COMPARABLE RESULTS OR THAT TARGET RETURNS WILL BE MET. INVESTORS MAY SUFFER THE LOSS OF THEIR ENTIRE INVESTMENT. EACH RECIPIENT SHOULD ALSO BEAR IN MIND THAT PAST OR TARGETED PORTFOLIO CHARACTERISTICS ARE NOT INDICATIVE OF FUTURE PORTFOLIO CHARACTERISTICS AND THESE CAN BE NO ASSURANCE THAT A FUND WILL HAVE COMPARABLE PORTFOLIO CHARACTERISTICS OR THAT THE TARGET PORTFOLIO CHARACTERISTICS WILL BE ACHIEVED. IN ADDITION, THERE CAN BE NO ASSURANCE THAT UNREALIZED INVESTMENTS WILL BE REALIZED AT THE VALUATIONS SHOWN, AS ACTUAL REALIZED RETURNS WILL DEPEND ON, AMONG OTHER FACTORS, FUTURE OPERATING RESULTS, THE VALUE OF THE ASSETS AND MARKET CONDITIONS AT THE TIME OF DISPOSITION, ANY RELATED TRANSACTION COSTS, AND THE TIMING AND MANNER OF SALE, ALL OF WHICH MAY DIFFER FROM THE ASSUMPTIONS ON WHICH THE VALUATIONS CONTAINED HEREIN ARE BASED. NO INVESTOR IN ANY FUND HAS ACHIEVED THE RETURNS OF THE INDIVIDUAL INVESTMENTS SET FORTH HEREIN, AND FUND-LEVEL RETURNS OF THE FUNDS THAT MADE EACH INVESTMENT MAY BE LOWER THAN THE INVESTMENT-LEVEL RETURNS INDICATED HEREIN. PROSPECTIVE INVESTORS AND OTHER RECIPIENTS ARE CAUTIONED NOT TO RELY ON THE PRIOR PERFORMANCE INFORMATION SET FORTH HEREIN IN MAKING A DECISION WHETHER OR NOT TO PURCHASE AN INTEREST. UNLESS OTHERWISE INDICATED, THE PRIOR PERFORMANCE INFORMATION CONTAINED HEREIN HAS NOT BEEN AUDITED OR VERIFIED BY ANY INDEPENDENT PARTY AND IS NOT NECESSARILY REPRESENTATIVE OF THE RETURNS THAT MAY BE RECEIVED BY AN INVESTOR IN THE FUND OR ANY OTHER ARLINGTON FUND.

STATEMENTS CONTAINED IN THIS PRESENTATION (INCLUDING THOSE RELATING TO CURRENT AND FUTURE MARKET CONDITIONS AND TRENDS IN RESPECT THEREOF) THAT ARE NOT HISTORICAL FACTS ARE BASED ON CURRENT EXPECTATIONS, ESTIMATES, PROJECTIONS, OPINIONS AND/OR BELIEFS OF ARLINGTON. SUCH STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS, AND UNDUE RELIANCE SHOULD NOT BE PLACED THEREON. IN ADDITION, NO REPRESENTATION OR WARRANTY IS MADE WITH RESPECT TO THE REASONABleness OF ANY ESTIMATES, FORECASTS, ILLUSTRATIONS, PROSPECTS OR RETURNS, WHICH SHOULD BE REGARDED AS ILLUSTRATIVE ONLY, OR THAT ANY PROFITS WILL BE REALIZED. CERTAIN INFORMATION CONTAINED IN THIS PRESENTATION CONSTITUTES “FORWARD-LOOKING STATEMENTS,” WHICH CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS “MAY,” “WILL,” “SHOULD,” “EXPECT,” “ANTICIPATE,” “TARGET,” “PROJECT,” “ESTIMATE,” “INTEND,” “CONTINUE” OR “BELIEVE,” OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREOF OR COMPARABLE TERMINOLOGY. DUE TO VARIOUS RISKS AND UNCERTAINTIES, INCLUDING BUT NOT LIMITED TO THOSE SET FORTH IN THE RISK FACTOR SECTION OF THE APPLICABLE MEMORANDUM, ACTUAL EVENTS OR RESULTS OR THE ACTUAL PERFORMANCE OF ANY FUND MAY DIFFER MATERIALLY FROM THOSE REFLECTED OR CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS. EACH RECIPIENT SHOULD ALSO BEAR IN MIND THAT PAST OR TARGETED PORTFOLIO CHARACTERISTICS ARE NOT INDICATIVE OF FUTURE PORTFOLIO CHARACTERISTICS AND THERE CAN BE NO ASSURANCE THAT ANY FUND WILL HAVE COMPARABLE PORTFOLIO CHARACTERISTICS OR THAT TARGET PORTFOLIO CHARACTERISTICS WILL BE ACHIEVED.

CASE STUDIES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND ARE INTENDED TO ILLUSTRATE ARLINGTON’S EXPERIENCE IN THE RELEVANT INVESTMENT STRATEGY AND THE PROFILE AND TYPES OF INVESTMENTS PREVIOUSLY PURSUED BY ARLINGTON. IT SHOULD NOT BE ASSUMED THAT INVESTMENTS MADE IN THE FUTURE WILL BE COMPARABLE IN QUALITY OR PERFORMANCE TO THE INVESTMENTS DESCRIBED HEREIN. CASE STUDIES AND OTHER SELECTED TRANSACTIONS MAY NOT BE REPRESENTATIVE OF ALL TRANSACTIONS OF A GIVEN TYPE OR OF INVESTMENTS GENERALLY FURTHER, REFERENCES TO THE INVESTMENTS INCLUDED IN THE ILLUSTRATIVE CASE STUDIES SHOULD NOT BE CONSTRUED AS A RECOMMENDATION OF ANY PARTICULAR INVESTMENT OR SECURITY. THERE CAN BE NO ASSURANCE THAT THE FUND WILL BE ABLE TO IMPLEMENT ITS INVESTMENT STRATEGY, ACHIEVE ITS INVESTMENT OBJECTIVE, OR AVOID SUBSTANTIAL LOSSES. THERE CAN BE NO ASSURANCE THAT GROWTH TRENDS (IF ANY) WILL CONTINUE. FURTHER, CERTAIN STATEMENTS CONTAINED IN ANY CASE STUDIES OR TRANSACTION EXAMPLES ARE BASED ON ARLINGTON’S EXPERIENCE AND AVAILABLE MARKET INFORMATION AND CONTAIN SUBJECTIVE JUDGMENTS, BELIEFS AND OPINIONS WHICH ARE SUBJECT TO CHANGE.

CERTAIN HYPOTHETICAL ILLUSTRATIONS SET FORTH HEREIN CONTAIN PROJECTIONS, ASSUMPTIONS AND EXPECTATIONS WITH RESPECT TO THE PERFORMANCE OF COMPANIES OF A FUND. THESE PROJECTIONS AND HYPOTHETICAL RETURNS HAVE BEEN PREPARED AND ARE SET OUT FOR ILLUSTRATIVE PURPOSES ONLY, AND DO NOT CONSTITUTE FORECASTS. THEY HAVE BEEN PREPARED BASED ON ARLINGTON’S CURRENT VIEW IN RELATION TO FUTURE EVENTS AND VARIOUS ASSUMPTIONS AND ESTIMATIONS, INCLUDING ESTIMATIONS AND ASSUMPTIONS WITH RESPECT TO EVENTS THAT HAVE NOT OCCURRED, ANY OF WHICH MAY PROVE INCORRECT. WHILE THE PROJECTIONS ARE BASED ON ASSUMPTIONS AND ESTIMATIONS THAT ARLINGTON BELIEVES ARE REASONABLE UNDER THE CIRCUMSTANCES, THEY ARE SUBJECT TO UNCERTAINTIES, CHANGES (INCLUDING CHANGES IN ECONOMIC, OPERATIONAL, POLITICAL, LEGAL, TAX AND OTHER CIRCUMSTANCES) AND OTHER RISKS, INCLUDING, BUT NOT LIMITED TO, BROAD TRENDS IN BUSINESS AND FINANCE, TAX AND OTHER LEGISLATION AFFECTING A FUND, INTEREST RATES, INFLATION, MARKET CONDITIONS AND OTHER FACTORS, ALL OF WHICH ARE UNKNOWNABLE AND BEYOND ARLINGTON’S CONTROL AND ANY OF WHICH MAY CAUSE THE RELEVANT ACTUAL, FINANCIAL AND OTHER RESULTS TO BE MATERIALLY DIFFERENT FROM THE RESULTS EXPRESSED OR IMPLIED BY SUCH PROJECTIONS. OTHER VARIABLES THAT COULD MATERIALLY AND ADVERSELY AFFECT ACTUAL OPERATING RESULTS MAY INCLUDE, WITHOUT LIMITATION, (I) AVAILABILITY AND COSTS OF FINANCING; (II) INCREASES IN COSTS OF MATERIALS OR SERVICES; (III) FORCE MAJEURE EVENTS (E.G., TERRORIST ATTACKS, EXTREME WEATHER CONDITIONS, EARTHQUAKES, WAR, ETC.); (IV) SUPPLY/DEMAND IMBALANCES; (V) CURRENCY FLUCTUATIONS; (VI) LITIGATION AND DISPUTES; (VII) INABILITY TO OBTAIN NECESSARY LICENSES AND GOVERNMENT, REGULATORY OR OTHER APPROVALS; (VIII) COMPETITION; AND (IX) OTHER FACTORS. NO ASSURANCE, REPRESENTATION OR WARRANTY IS MADE BY ANY PERSON THAT ANY OF THE HYPOTHETICAL RESULTS WILL BE ACHIEVED AND NO RECIPIENT SHOULD RELY ON SUCH HYPOTHETICAL ILLUSTRATIONS. NONE OF THE FUNDS, ARLINGTON, ITS AFFILIATES OR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, PARTNERS, SHAREHOLDERS, ADVISERS AND AGENTS OF ANY THE FOREGOING MAKES ANY ASSURANCE, REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH HYPOTHETICAL ILLUSTRATIONS. NOTHING CONTAINED IN THIS PRESENTATION MAY BE RELIED UPON AS A GUARANTEE, PROMISE OR FORECAST OR A REPRESENTATION AS TO THE FUTURE. A BROAD RANGE OF RISK FACTORS COULD CAUSE ANY FUND TO FAIL TO MEET ITS INVESTMENT OBJECTIVES AND THERE CAN BE NO ASSURANCE THAT SUCH FUND WILL ACHIEVE ITS OBJECTIVES, INCLUDING THOSE DESCRIBED IN THE RISK FACTOR SECTION IN THE APPLICABLE MEMORANDUM.

Important Disclosures (continued)

HISTORICAL PORTFOLIO COMPANY SALES AND EBITDA FIGURES PRESENTED IN THESE MATERIALS MAY BE REFLECTED ON A PRO FORMA BASIS FOR MATERIAL ADD-ON ACQUISITIONS AND DIVESTITURES, AND OTHER SIGNIFICANT TRANSACTIONS, IF APPLICABLE. ADDITIONALLY, AMOUNTS CONTAINED IN THESE MATERIALS ARE GENERALLY UNAUDITED AND MAY BE FLASH OR PRELIMINARY AMOUNTS REPORTED BY PORTFOLIO COMPANY MANAGEMENT. PORTFOLIO COMPANY EBITDA REPORTED TO ARLINGTON MAY BE ADJUSTED FOR PURPOSES OF DETERMINING THE ESTIMATED FAIR VALUE OF SUCH PORTFOLIO COMPANY IN ACCORDANCE WITH ARLINGTON'S VALUATION POLICY. SALES AND EBITDA FIGURES DISCUSSED IN THESE MATERIALS WITH RESPECT TO COMPANIES PRE-ACQUISITION ARE BELIEVED TO BE FROM RELIABLE SOURCES, BUT ARLINGTON DOES NOT ATTEST TO THEIR ACCURACY.

CERTAIN INFORMATION CONTAINED IN THIS PRESENTATION HAS BEEN OBTAINED FROM PUBLISHED AND NON-PUBLISHED SOURCES PREPARED BY OTHER PARTIES, WHICH IN CERTAIN CASES HAVE NOT BEEN UPDATED THROUGH THE DATE HEREOF. WHILE SUCH INFORMATION IS BELIEVED TO BE RELIABLE FOR THE PURPOSES OF THIS PRESENTATION, ARLINGTON DOES NOT ASSUME ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION AND SUCH INFORMATION HAS NOT BEEN INDEPENDENTLY VERIFIED BY ARLINGTON. EXCEPT WHERE OTHERWISE INDICATED HEREIN, THE INFORMATION PROVIDED IN THIS PRESENTATION IS BASED ON MATTERS AS THEY EXIST AS OF THE DATE OF PREPARATION OF THIS PRESENTATION AND NOT AS OF ANY FUTURE DATE, AND WILL NOT BE UPDATED OR OTHERWISE REVISED TO REFLECT INFORMATION THAT SUBSEQUENTLY BECOMES AVAILABLE, OR CIRCUMSTANCES EXISTING OR CHANGES OCCURRING AFTER THE DATE HEREOF. IN THIS PRESENTATION, REFERENCES TO " \$" OR "US\$" SHALL BE TO THE LAWFUL CURRENCY OF THE UNITED STATES. THIRD-PARTY FIRM OR COMPANY NAMES, BRANDS OR LOGOS USED IN THIS PRESENTATION REMAIN THE PROPERTY OF THEIR RESPECTIVE HOLDERS. THE INCLUSION OF ANY THIRD-PARTY FIRM AND/OR COMPANY NAMES, BRANDS AND/OR LOGOS DOES NOT IMPLY ANY AFFILIATION WITH THESE FIRMS OR COMPANIES. NONE OF THESE FIRMS OR COMPANIES HAVE ENDORSED ARLINGTON OR ANY FUND.

CERTAIN INFORMATION CONTAINED IN THIS PRESENTATION IS BASED ON CURRENT EXPECTATIONS, ESTIMATES, PROJECTIONS, OPINIONS AND BELIEFS OF PORTFOLIO COMPANY MANAGEMENT. PORTFOLIO COMPANY FINANCIAL RESULTS (INCLUDING MODELS OF FUTURE FINANCIAL RESULTS) INCLUDING, WITHOUT LIMITATION, REVENUES, EBITDAS, MARGINS, LEVERAGE AND OTHER ACCOUNTING METRICS, REFERENCED HEREIN ARE PROVIDED FOR DISCUSSION PURPOSES ONLY AND DO NOT CONSTITUTE FUND PERFORMANCE. ADDITIONALLY, SUCH FINANCIAL RESULTS ARE GENERALLY UNAUDITED AND ARE NOT VERIFIED BY AN INDEPENDENT PARTY AND MAY BE PRELIMINARY AMOUNTS REPORTED BY PORTFOLIO COMPANY MANAGEMENT. THERE CAN BE NO ASSURANCE HISTORICAL TRENDS WILL CONTINUE OR LEAD TO PROFITABLE OUTCOMES FOR ANY FUND OR INVESTORS.

THIS PRESENTATION IDENTIFIES A NUMBER OF BENEFITS INHERENT IN ARLINGTON'S SERVICES AND OPERATIONS ON BEHALF OF THE FUND, ALTHOUGH THE FUND IS ALSO SUBJECT TO A NUMBER OF MATERIAL RISKS ASSOCIATED WITH THESE BENEFITS, AS FURTHER IDENTIFIED IN THE FUND'S DEFINITIVE DOCUMENTS. ALTHOUGH ARLINGTON BELIEVES THAT ARLINGTON, ITS PERSONNEL AND THE OPERATING EXECUTIVES USED, EMPLOYED OR RETAINED BY ARLINGTON WILL HAVE COMPETITIVE ADVANTAGES IN IDENTIFYING, DILIGENCING, MONITORING, CONSULTING, IMPROVING AND ULTIMATELY SELLING INVESTMENTS ON BEHALF OF THE FUNDS, THERE CAN BE NO GUARANTEE THAT ARLINGTON WILL BE ABLE TO MAINTAIN SUCH ADVANTAGES OVER TIME, OUTPERFORM THIRD PARTIES OR THE FINANCIAL MARKETS GENERALLY, OR AVOID LOSSES. FOR ADDITIONAL INFORMATION REGARDING RISKS AND POTENTIAL CONFLICTS OF INTEREST REGARDING AN INVESTMENT IN THE FUND, PLEASE SEE THE RISK FACTORS IN THE MEMORANDUM.

DESCRIPTIONS OF PRIOR DEAL FLOW SHOULD NOT BE RELIED UPON AS ANY INDICATION OF FUTURE DEAL FLOW. THERE CAN BE NO ASSURANCE ANY PIPELINE INVESTMENTS REFERENCED HEREIN WILL BE CONSUMMATED BY ANY FUND OR PORTFOLIO COMPANY, OR CONSUMMATED ON THE TERMS DESCRIBED HEREIN. THERE CAN BE NO ASSURANCE THAT ARLINGTON WILL BE ABLE TO ADHERE TO ITS OPERATIONAL TIMELINE OR INITIATIVES WITH RESPECT TO ANY INVESTMENT, OR THAT ARLINGTON'S OPERATIONAL PLAYBOOK WILL YIELD POSITIVE RESULTS. ACTUAL INITIATIVES AND RESULTS MAY SIGNIFICANTLY VARY. ANY COMPENSATION PAID TO OPERATING EXECUTIVES, CASH OR OTHERWISE, SHALL BE BORNE BY THE RELEVANT FUND AND/OR THE PORTFOLIO COMPANIES, AND NO SUCH AMOUNTS SHALL OFFSET OR OTHERWISE REDUCE MANAGEMENT FEES PAYABLE BY THE FUND.

EACH RECIPIENT ACKNOWLEDGES THAT IT IS AWARE THAT THIS PRESENTATION CONTAINS OR MAY CONTAIN MATERIAL, NON-PUBLIC INFORMATION CONCERNING ARLINGTON AND CURRENT OR PROSPECTIVE INVESTMENTS, INCLUDING RELATING TO ITS PORTFOLIO COMPANIES THAT HAVE OR MAY IN THE FUTURE HAVE SECURITIES LISTED OR TRADED ON A PUBLIC MARKET OR TRADING VENUE. EACH RECIPIENT AGREES, AND AGREES TO ADVISE ITS REPRESENTATIVES AND AFFILIATES, WHO WILL HEREBY BE DEEMED TO HAVE AGREED, THAT APPLICABLE LAWS, INCLUDING UNITED STATES SECURITIES LAWS, RESTRICT ANY PERSON WHO HAS MATERIAL NON-PUBLIC INFORMATION ABOUT A COMPANY FROM PURCHASING OR SELLING (OR ATTEMPTING TO PURCHASE OR SELL) SECURITIES OF SUCH COMPANY (AND OPTIONS, WARRANTS AND RIGHTS RELATING THERETO), FROM COMMUNICATING SUCH INFORMATION TO ANY OTHER PERSON UNDER CIRCUMSTANCES IN WHICH IT IS REASONABLY FORESEEABLE THAT SUCH PERSON IS LIKELY TO PURCHASE OR SELL SUCH SECURITIES; FROM UNLAWFULLY DISCLOSING SUCH INFORMATION AND/OR FROM ENGAGING IN ACTUAL OR ATTEMPTED MARKET MANIPULATION. EACH RECIPIENT AGREES, AND AGREES TO CAUSE ITS REPRESENTATIVES AND AFFILIATES, WHO WILL HEREBY BE DEEMED TO HAVE AGREED, NOT TO PURCHASE OR SELL SUCH SECURITIES IN VIOLATION OF ANY SUCH LAWS OR TO ENGAGE IN ANY SUCH BEHAVIORS. THE ABOVE IS PROVIDED FOR INFORMATION PURPOSES ONLY. EACH RECIPIENT IS ENCOURAGED TO SEEK THE ADVICE OF ITS OWN LEGAL COUNSEL REGARDING THE INSIDER TRADING OR MARKET ABUSE REGIMES THAT MAY BE APPLICABLE TO IT.

IMPORTANT INFORMATION FOR INVESTORS REFERRED BY EVERCORE

THIS DISCLOSURE STATEMENT IS BEING PROVIDED TO YOU TO DESCRIBE THE RELATIONSHIP BETWEEN ARLINGTON CAPITAL GROUP VII, L.L.C. (THE "COMPANY"), AND EVERCORE GROUP L.L.C. ("EVERCORE") RELATING TO YOUR POTENTIAL INVESTMENT.

THE COMPANY AND EVERCORE HAVE ENTERED INTO A MARKETING AGREEMENT UNDER WHICH THE COMPANY WILL COMPENSATE EVERCORE FOR REFERRING INVESTORS TO ONE OR MORE SEPARATE INVESTMENT VEHICLES, ENTITIES, FEEDERS OR OTHER ARRANGEMENTS SPONSORED, MANAGED OR ADVISED BY AN AFFILIATE OF THE COMPANY (TOGETHER, A "FUND"). FOR FULL DISCLOSURE, PLEASE NOTE THAT EVERCORE (I) IS NOT, TO THE BEST OF ITS KNOWLEDGE, CURRENTLY A COMPANY ADVISORY CLIENT OR AN INVESTOR IN ANY COMPANY-SPONSORED FUND, THOUGH CERTAIN EMPLOYEES OF EVERCORE MAY BE INVESTORS IN THE FUND, WHICH MAY BE DEEMED TO RESULT IN MATERIAL CONFLICTS OF INTEREST ON THE PART OF EVERCORE, AND (II) IS ENTITLED TO A FEE BASED ON YOUR COMMITMENT TO THE FUND, SUBJECT TO CERTAIN EXCEPTIONS, AND THEREFORE HAS A MATERIAL INCENTIVE TO SOLICIT INVESTORS TO COMMIT CAPITAL TO THE FUND.

EVERCORE HAS PROVIDED, IS PROVIDING OR IN THE FUTURE IS EXPECTED TO PROVIDE OTHER SERVICES TO THE COMPANY, ITS AFFILIATES, CLIENTS, PORTFOLIO COMPANIES AND INVESTORS WHOM IT SOLICITS, SUCH AS INVESTMENT BANKING, ADVISORY, VALUATION AND/OR ASSET MANAGEMENT AND OTHER SERVICES. EVERCORE WILL GENERALLY HAVE ONGOING RELATIONSHIPS (INCLUDING WITH RESPECT TO THE FOREGOING SERVICES) WITH THE COMPANY AND ITS AFFILIATES, CLIENTS, PORTFOLIO COMPANIES AND INVESTORS WHOM THEY SOLICIT. EVERCORE AND ITS PERSONNEL ALSO POTENTIALLY MAY, FROM TIME TO TIME, INVEST IN THE COMPANY'S FUNDS, PORTFOLIO COMPANIES AND/OR COMPANIES THAT HAVE INTERESTS DIFFERENT FROM OR ADVERSE TO THE COMPANY, OR ANY OF ITS AFFILIATES' CLIENTS AND/OR THEIR PORTFOLIO COMPANIES. THESE OTHER RELATIONSHIPS AND THE FEES THAT MAY HAVE BEEN OR MAY BE PAID TO EVERCORE IN RESPECT THEREOF MAY BE DEEMED TO RESULT IN MATERIAL CONFLICTS OF INTEREST ON THE PART OF EVERCORE.

YOU ACKNOWLEDGE HAVING READ AND UNDERSTOOD THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT.

Important Disclosures (continued)

SUMMARY RISK FACTORS: WHAT FOLLOWS IS A BRIEF SUMMARY OF CERTAIN, BUT NOT ALL, MATERIAL RISKS APPLICABLE TO AN INVESTMENT IN AN ARLINGTON INVESTMENT FUND. PLEASE ALSO REFER TO THE MEMORANDUM OF THE APPLICABLE ARLINGTON INVESTMENT FUND, WHICH CONTAINS MORE EXPANSIVE DESCRIPTIONS OF CERTAIN RISKS RELATED TO AN INVESTMENT IN SUCH FUND.

POTENTIAL LOSS OF INVESTMENT – NO GUARANTEE OR REPRESENTATION IS MADE THAT THE INVESTMENT PROGRAM USED BY ARLINGTON WILL BE SUCCESSFUL. AN INVESTMENT IN AN ARLINGTON FUND REPRESENTS A SPECULATIVE INVESTMENT AND INVOLVES A HIGH DEGREE OF RISK. AN INVESTMENT IN AN ARLINGTON FUND SHOULD BE DISCRETIONARY CAPITAL SET ASIDE STRICTLY FOR SPECULATIVE PURPOSES. INVESTORS MUST HAVE THE FINANCIAL ABILITY, SOPHISTICATION/EXPERIENCE AND WILLINGNESS TO BEAR THE RISKS OF AN INVESTMENT IN AN ARLINGTON FUND. AN INVESTMENT IN AN ARLINGTON FUND IS NOT SUITABLE FOR ALL INVESTORS. AN INVESTOR COULD LOSE OR A SUBSTANTIAL PORTION OF HIS/HER/ITS INVESTMENT. ONLY QUALIFIED ELIGIBLE INVESTORS MAY INVEST IN AN ARLINGTON FUND. BECAUSE OF THE NATURE OF THE TRADING ACTIVITIES, THE RESULTS OF THE AN ARLINGTON FUND'S OPERATIONS MAY BE VOLATILE FROM MONTH TO MONTH AND FROM PERIOD TO PERIOD. ACCORDINGLY, INVESTORS SHOULD UNDERSTAND THAT PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. PRIVATE FUNDS TYPICALLY REPRESENT THAT THEIR RETURNS HAVE A LOW CORRELATION TO THE MAJOR MARKET INDICES. INVESTORS SHOULD BE AWARE THAT PRIVATE EQUITY FUNDS MAY INCUR LOSSES BOTH WHEN MAJOR INDICES ARE RISING AND FALLING.

ILLIQUIDITY. AN INVESTMENT IN AN ARLINGTON FUND IS SPECULATIVE, ILLIQUID, AND LONG-TERM IN NATURE, AND IS SUITABLE ONLY FOR THOSE INVESTORS WHO HAVE THE FINANCIAL SOPHISTICATION AND EXPERTISE TO EVALUATE THE MERITS AND RISKS OF AN INVESTMENT IN AN ARLINGTON FUND AND FOR WHICH SUCH ARLINGTON FUND DOES NOT REPRESENT A COMPLETE INVESTMENT PROGRAM. THERE CAN BE NO GUARANTEE THAT AN ARLINGTON FUND RETURNS WILL EXHIBIT A LOW CORRELATION WITH OTHER COMPONENTS OF ANY FUND INVESTOR'S PORTFOLIO, OR THAT AN INVESTOR WILL RECEIVE A RETURN OF ITS CAPITAL.

LACK OF DIVERSIFICATION. EXCEPT AS SET FORTH IN THE RELEVANT GOVERNING AGREEMENTS, INVESTORS IN AN ARLINGTON FUND HAVE NO ASSURANCE AS TO THE DEGREE OF DIVERSIFICATION IN SUCH FUND'S INVESTMENTS. THE AGGREGATE RETURN OF AN ARLINGTON FUND MAY BE ADVERSELY AFFECTED BY THE UNFAVORABLE PERFORMANCE OF ONE OR A LIMITED NUMBER OF SUCH FUND'S INVESTMENTS.

ROLE OF ARLINGTON AND ITS INVESTMENT PROFESSIONALS. INVESTORS IN AN ARLINGTON FUND ARE PLACING THEIR ENTIRE CAPITAL COMMITMENT IN THE DISCRETION OF, AND ARE DEPENDENT UPON THE SKILL AND EXPERIENCE OF, ARLINGTON AND ITS INVESTMENT PROFESSIONALS. THERE CAN BE NO ASSURANCE THAT ANY SUCH PROFESSIONAL WILL CONTINUE TO BE ASSOCIATED WITH ARLINGTON THROUGHOUT THE LIFE OF THE AN ARLINGTON FUND, OR THAT ANY REPLACEMENT WILL PERFORM WELL.

USE OF LEVERAGE – ARLINGTON FUNDS MAY UTILIZE LEVERAGE AND MAY ALSO INVEST IN FORWARD CONTRACTS, OPTIONS, SWAPS AND OVER-THE-COUNTER DERIVATIVE INSTRUMENTS, AMONG OTHERS. LIKE OTHER LEVERAGED INVESTMENTS, TRADING IN THESE SECURITIES MAY RESULT IN LOSSES IN EXCESS OF THE AMOUNT INVESTED.

REGULATORY RISK –ARLINGTON FUNDS ARE NOT REGISTERED UNDER THE 1940 ACT. AS A RESULT, INVESTORS WILL NOT RECEIVE THE PROTECTIONS OF THE 1940 ACT AFFORDED TO INVESTORS IN REGISTERED INVESTMENT COMPANIES (I.E., "MUTUAL FUNDS"). ARLINGTON FUND OFFERING DOCUMENTS ARE NOT REVIEWED, RECOMMENDED OR APPROVED BY FEDERAL OR STATE REGULATORS AND ITS PRIVATELY PLACED INTERESTS ARE NOT FEDERALLY OR STATE REGISTERED. IN ADDITION, THE ARLINGTON FUNDS MAY ENGAGE IN TRADING ON NON- U.S. EXCHANGES AND MARKETS. THESE MARKETS AND EXCHANGES MAY EXERCISE LESS REGULATORY OVERSIGHT AND SUPERVISION OVER TRANSACTIONS AND PARTICIPANTS IN TRANSACTIONS.

VALUATIONS – THE NET ASSET VALUE OF AN ARLINGTON FUND MAY BE DETERMINED BY ITS ADMINISTRATOR IN CONSULTATION WITH ITS MANAGER OR ADVISOR. MOST PORTFOLIO ASSETS ARE EXPECTED TO BE ILLIQUID AND WITHOUT A READILY ASCERTAINABLE MARKET VALUE AND ACCURACY OF VALUATIONS OF OTHER MANAGERS MAY BE DIFFICULT TO VERIFY. SINCE THE VALUE ASSIGNED TO PORTFOLIO ASSETS AFFECTS A MANAGER'S OR ADVISOR'S COMPENSATION, THE MANAGER'S OR ADVISOR'S INVOLVEMENT IN THE VALUATION PROCESS CREATES A POTENTIAL CONFLICT OF INTEREST. THE VALUE ASSIGNED TO SUCH ASSETS MAY DIFFER SUBSTANTIALLY FROM THE VALUE THAT AN ARLINGTON FUND IS ABLE TO REALIZE. INSTANCES OF MISPRICED PORTFOLIOS, DUE TO FRAUD OR NEGLIGENCE, HAVE OCCURRED IN THE INDUSTRY.

FEES, EXPENSES AND CARRIED INTEREST – MANAGEMENT FEES AND CARRIED INTEREST TERMS OF ARLINGTON FUNDS WILL REDUCE ANY PROFITS GENERATED BY ITS INVESTMENTS AND MAY CREATE AN INCENTIVE FOR ARLINGTON TO MAKE INVESTMENTS THAT ARE RISKIER OR MORE SPECULATIVE THAN WOULD BE THE CASE IF SUCH COMPENSATION ARRANGEMENTS WERE NOT IN EFFECT. ARLINGTON FUNDS MAY BE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT, ADVISORY AND BROKERAGE FEES. IT MAY BE NECESSARY FOR THOSE POOLS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS. PLEASE REFER TO THE APPLICABLE MEMORANDUM FOR A MORE COMPLETE DESCRIPTION OF RISKS AND A COMPREHENSIVE DESCRIPTION OF THE FEES AND EXPENSES TO BE CHARGED TO AN ARLINGTON FUND.

VOLATILE MARKETS – MARKET PRICES ARE DIFFICULT TO PREDICT AND ARE INFLUENCED BY MANY FACTORS, INCLUDING: CHANGES IN INTEREST RATES, WEATHER CONDITIONS, GOVERNMENT INTERVENTION AND CHANGES IN NATIONAL AND INTERNATIONAL POLITICAL AND ECONOMIC EVENTS. THE PRICE OF EQUITY SECURITIES FLUCTUATES BASED ON CHANGES IN A COMPANY'S FINANCIAL CONDITION AND OVERALL MARKET AND ECONOMIC CONDITIONS. PLEASE REFER TO THE APPLICABLE FUND MEMORANDUM FOR A MORE COMPREHENSIVE DESCRIPTION OF VOLATILITY FACTORS.

LIMITATIONS OF RELATED PERFORMANCE – THE PERFORMANCE SHOWN HEREIN IS NOT AN INDICATION OF HOW A FUND WOULD HAVE PERFORMED IN THE PAST OR WILL PERFORM IN THE FUTURE. EACH FUND'S PERFORMANCE IN THE FUTURE WILL BE DIFFERENT FROM THE PERFORMANCE SHOWN DUE TO FACTORS INCLUDING, BUT NOT LIMITED TO, DIFFERENCES IN CASH FLOWS, FEES, EXPENSES, PERFORMANCE CALCULATION METHODS, AND PORTFOLIO SIZES AND COMPOSITION.

OPERATING EXECUTIVES/SENIOR ADVISORS AND CERTAIN ARLINGTON PROFESSIONALS. – OPERATING EXECUTIVES ARE CONSULTANTS AND NOT ARLINGTON PERSONNEL. COSTS OF NON-EMPLOYEES MAY BE BORNE BY A FUND OR THE RELEVANT PORTFOLIO COMPANY. PLEASE SEE THE APPLICABLE FUND'S LIMITED PARTNERSHIP AGREEMENT AND MEMORANDUM FOR FURTHER DETAILS.

Important Disclosures (continued)

IMPACT OF GOVERNMENT REGULATION, REIMBURSEMENT AND REFORM. CERTAIN OR ALL INDUSTRY SEGMENTS IN WHICH THE ARLINGTON FUNDS INVEST ARE (OR MAY BECOME) (I) HIGHLY REGULATED AT BOTH THE FEDERAL AND STATE LEVELS IN THE UNITED STATES AND INTERNATIONALLY AND (II) SUBJECT TO FREQUENT REGULATORY CHANGE. CERTAIN SEGMENTS MAY BE HIGHLY DEPENDENT UPON VARIOUS GOVERNMENT (OR PRIVATE) REIMBURSEMENT PROGRAMS. WHILE THE ARLINGTON INTENDS TO INVEST IN COMPANIES THAT SEEK TO COMPLY WITH APPLICABLE LAWS AND REGULATIONS, THE LAWS AND REGULATIONS RELATING TO CERTAIN INDUSTRIES ARE COMPLEX, MAY BE AMBIGUOUS OR MAY LACK CLEAR JUDICIAL OR REGULATORY INTERPRETIVE GUIDANCE. AN ADVERSE REVIEW OR DETERMINATION BY ANY APPLICABLE JUDICIAL OR REGULATORY AUTHORITY OF ANY SUCH LAW OR REGULATION, OR AN ADVERSE CHANGE IN APPLICABLE REGULATORY REQUIREMENTS OR REIMBURSEMENT PROGRAMS, COULD HAVE A MATERIAL ADVERSE EFFECT ON THE OPERATIONS AND/OR FINANCIAL PERFORMANCE OF THE COMPANIES IN WHICH THE ARLINGTON INVESTS.

REGULATIONS AFFECTING THE AEROSPACE INDUSTRY. THE AEROSPACE INDUSTRY IS HIGHLY REGULATED IN THE UNITED STATES BY THE FEDERAL AVIATION ADMINISTRATION (THE "FAA") AND IN OTHER COUNTRIES BY SIMILAR AGENCIES. PORTFOLIO COMPANIES IN OR SERVICING THE AEROSPACE INDUSTRY MAY NEED TO BE CERTIFIED TO ENGINEER AND SERVICE PARTS AND COMPONENTS USED IN SPECIFIC AIRCRAFT MODELS. THE U.S. DEPARTMENT OF DEFENSE, AND MOST OTHER MILITARY ORGANIZATIONS MAY REQUIRE COMPLIANCE WITH ADDITIONAL GOVERNMENT REGULATIONS WHEN SERVICING THEIR EQUIPMENT AND MAY CONDUCT REVIEWS SIMILAR TO THOSE CONDUCTED BY CIVIL REGULATORY AUTHORITIES. SUCH PORTFOLIO COMPANIES MAY ALSO BE SUBJECT TO OR PROVIDE SERVICES TO OTHERS THAT ARE SUBJECT TO A VARIETY OF U.S. COMMERCE, TREASURY AND STATE DEPARTMENT REGULATIONS AND OTHER GOVERNMENTAL TRADE REGULATIONS THAT CAN INCREASE COSTS AND ADD TO THE COMPLEXITY OF DOING BUSINESS.

GENERAL RISKS OF INVESTMENTS IN HEALTHCARE COMPANIES. WHILE INVESTMENTS IN HEALTHCARE COMPANIES OFFER THE OPPORTUNITY FOR SIGNIFICANT GAINS, SUCH INVESTMENTS ALSO INVOLVE A HIGH DEGREE OF BUSINESS AND FINANCIAL RISK AND CAN RESULT IN SUBSTANTIAL OR TOTAL LOSS. HEALTHCARE COMPANIES MAY FACE INTENSE COMPETITION, INCLUDING COMPETITION FROM COMPANIES WITH GREATER FINANCIAL RESOURCES, MORE EXTENSIVE RESEARCH AND DEVELOPMENT, SALES AND MARKETING, CUSTOMER SERVICES AND SUPPORT AND OTHER CAPABILITIES AND A LARGER NUMBER OF QUALIFIED MANAGERIAL AND TECHNICAL PERSONNEL. COMPANIES IN WHICH ARLINGTON INVESTS COULD DETERIORATE AS A RESULT OF, AMONG OTHER FACTORS, AN ADVERSE DEVELOPMENT IN THEIR BUSINESS, A CHANGE IN THE COMPETITIVE ENVIRONMENT, OR AN ECONOMIC DOWNTURN. AN ARLINGTON FUND'S PORTFOLIO COMPANIES MAY OPERATE AT A LOSS OR WITH SUBSTANTIAL VARIATIONS IN OPERATING RESULTS FROM PERIOD TO PERIOD, AND MANY WILL NEED SUBSTANTIAL ADDITIONAL CAPITAL TO SUPPORT ADDITIONAL RESEARCH AND DEVELOPMENT ACTIVITIES OR EXPANSION, TO ACHIEVE OR MAINTAIN A COMPETITIVE POSITION, AND/OR TO EXPAND OR DEVELOP MANAGEMENT RESOURCES.

POTENTIAL CONFLICTS OF INTEREST. INVESTMENTS IN ARLINGTON FUNDS WILL INVOLVE POTENTIAL CONFLICTS OF INTEREST AND A HIGH DEGREE OF RISK (INCLUDING THE POSSIBLE LOSS OF A SUBSTANTIAL PART, OR EVEN THE ENTIRE AMOUNT, OF SUCH INVESTMENT) DUE TO, AMONG OTHER THINGS, THE NATURE OF THE ARLINGTON'S INVESTMENTS AND INVESTMENT STRATEGY, WHICH RECIPIENTS SHOULD CAREFULLY CONSIDER BEFORE INVESTING IN AN ARLINGTON FUND. THE ABOVE IS A SUMMARY OF ONLY CERTAIN RISKS AND POTENTIAL CONFLICTS OF INTEREST ASSOCIATED WITH AN INVESTMENT IN AN ARLINGTON FUND AND IS QUALIFIED IN ITS ENTIRETY BY THE MORE DETAILED CONSIDERATIONS IN THE APPLICABLE FUNDS MEMORANDUM, WHICH MUST BE REVIEWED CAREFULLY PRIOR TO MAKING AN INVESTMENT IN AN ARLINGTON FUND.