

**H.I.G. BAYSIDE LOAN OPPORTUNITY FUND IV, L.P.  
H.I.G. BAYSIDE LOAN OPPORTUNITY FEEDER FUND IV, L.P.**

**Private Placement of  
Limited Partnership Interests**

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**SUBSCRIPTION BOOKLET**

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**INSTRUCTIONS FOR SUBSCRIBERS**

This Subscription Booklet contains:

- (A) a Subscription Agreement (the “Subscription Agreement”) with two sets of duplicate signature pages;
- (B) a Power of Attorney (the “Power of Attorney”);
- (C) two forms of an Investor Qualification Statement (the “IQS”);
- (D) duplicate signature pages to *each of* the Agreement of Limited Partnership of H.I.G. Bayside Loan Opportunity Fund IV, L.P. (the “Main Fund”) and the Agreement of Exempted Limited Partnership of H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P. (the “Feeder Fund”), and all amendments thereto (as applicable, the “Partnership Agreement”);
- (E) a form of Incumbency Certificate;
- (F) a Form PF Questionnaire (the “PF Questionnaire”);
- (G) a Consent to Electronic Delivery of Schedule K-1;
- (H) a Form W-9 of the Internal Revenue Service;
- (I) two UK FATCA Self-Certification Forms; and
- (J) a Privacy Notice.

*Each* of the applicable above-mentioned documents (including *all* of the signature pages) must be completed and properly executed (including notarization for the Subscription Agreement and Power of Attorney) by or on behalf of the person or entity making the investment (the “Subscriber”) before a subscription will be accepted; provided that the form W-9 is only required for United States persons (and the appropriate form W-8, which is available at [www.irs.gov](http://www.irs.gov), is required for non-United States persons) (See “Taxpayer Identification Number and Certification” instructions below). In addition, a Privacy Notice (the “Privacy Notice”) is included at the end of this Subscription Booklet.

Please direct any questions regarding the terms and provisions of this offering or regarding the subscription procedure to: H.I.G. Bayside Loan Advisors IV, LLC, Attention: Investor Relations, 1450 Brickell Ave., 31st Floor, Miami, Florida 33131, Email: [investorrelations@higcapital.com](mailto:investorrelations@higcapital.com), Telephone: (305) 379-2322.

## General Instructions

**1. Subscription Agreement.** On *each* of the two duplicate signature pages to the Subscription Agreement fill in: (a) the date the Subscription Agreement was signed by or on behalf of the Subscriber, (b) the total amount of the Subscriber's desired commitment, (c) which partnership the Subscriber is subscribing for interests in (i.e. the Main Fund or the Feeder Fund, as applicable, the "Partnership"), (d) the Subscriber's contact information, (e) the Subscriber's printed name, (f) the Subscriber's signature (or in the case of an authorized representative signing on behalf of an entity, such person's signature and title as an authorized representative), and (g) the Subscriber's social security number or tax identification number, as applicable. *Please note that each of the two duplicate Subscription Agreement signature pages must be notarized.*

**2. Power of Attorney.** On the Power of Attorney signature page fill in: (a) the date the Power of Attorney was signed by (or on behalf of) the Subscriber, (b) the Subscriber's printed name, (c) the Subscriber's signature (or in the case of an authorized representative signing on behalf of an entity, such person's signature and title as an authorized representative), and (d) the Subscriber's social security number or tax identification number, as applicable. *Please note that the Power of Attorney also must be notarized.*

**3. Investor Qualification Statement ("IQS").** Two forms of the IQS are included in this Subscription Booklet.

(a) IQS for Individuals. The IQS for Individuals must be completed by any Subscriber that is a natural person (*i.e.*, an individual) or a natural person investing through a *revocable* grantor trust, an individual retirement account or a self-directed employee benefit plan. In the event the Subscriber consists of more than one natural person subscribing as joint tenants or tenants in common (other than a husband and wife subscribing as joint tenants), each should complete a separate IQS. If you are a husband and wife subscribing as joint tenants, only one IQS for Individuals is required; however, both the husband and wife must sign such IQS.

(b) IQS for Entities. The IQS for Entities must be completed by any Subscriber that is a corporation, partnership, limited liability company, trust, retirement system or similar entity, and, as applicable, such Subscriber must comply with the additional requirements set forth in the footnotes to the IQS, which may require that an IQS also be prepared for one or more additional persons or entities.

(c) IQS Signature Page. On the signature page to the applicable IQS fill in: (i) the date the IQS was signed by (or on behalf of) the Subscriber, (ii) the Subscriber's printed name, (iii) the Subscriber's signature (or in the case of an authorized representative signing on behalf of a Subscriber that is not an individual, such representative's signature and title as an authorized representative), and (iv) the wire transfer instructions for the bank account in which the Subscriber desires to receive distributions. This signature page does *not* need to be notarized.

4. **Partnership Agreement Signature Pages.** On *each* of the two duplicate signature pages to the *applicable* Partnership Agreement provided fill in: (a) the Subscriber's printed name and (b) the Subscriber's signature (or in the case of an authorized representative signing on behalf of a Subscriber that is not an individual, such representative's signature and title as authorized representative). *Please note that each of the two duplicate signature pages to the Feeder Fund Partnership Agreement must be witnessed or notarized.*

5. **Incumbency Certificate.** The Incumbency Certificate is *only required to be completed by Investors that are not individuals*. On the attached incumbency certificate, please fill in the name and title of each person authorized to execute documentation in connection with this investment and have each such person sign this page in the space next to his or her name. This certificate must also be signed by an authorized signatory at the bottom of the page. This page does *not* need to be notarized.

6. **Form PF.** Please complete the Form PF Questionnaire, then execute the questionnaire in the space provided.

7. **Attorneys-In-Fact.** If any of the subscription documents included or referenced in this Subscription Booklet are executed for a Subscriber by its attorney-in-fact, a copy of the applicable power of attorney must be provided together with the executed subscription documents.

8. **Taxpayer Identification Number and Certification.** For purposes of this paragraph 8, "United States person" means (i) a United States citizen or resident, (ii) a partnership, corporation or limited liability company organized under United States law, (iii) a United States estate (or any other estate whose income from sources outside of the United States is subject to United States federal income tax regardless of the source) or (iv) a trust if a court within the United States is able to exercise primary supervision over the trust's administration and one or more United States persons have the authority to control all of its substantial decisions or if a valid election to be treated as a United States person is in effect with respect to such trust.

(a) **United States Persons:** Each Subscriber that is a "United States person" (as well as each beneficial owner of any amounts expected to be paid or allocated for United States federal income tax purposes to a Foreign Flow-Through Subscriber (a "**Beneficial Owner**") if such Beneficial Owner is a United States person) must complete a Form W-9. For purposes of this paragraph 8, "Foreign Flow-Through Subscriber" means any Subscriber organized as a Flow-Through Entity (as defined in Section 3(l) of the enclosed Subscription Agreement) that is not a "United States person." These forms are necessary for the Partnership to comply with its tax filing obligations and to establish that the Subscriber or Beneficial Owner, as the case may be, is not subject to certain withholding tax obligations applicable to non-United States persons. The completed forms should be returned with the Subscriber's Subscription Agreement. ***Do not send them to the IRS.***

(b) **Non-United States Persons:** Subscribers and Beneficial Owners (as defined above) that are not "United States persons" are required to provide information about their status for withholding tax and FATCA (in the case of foreign entities)

purposes on Form W-8BEN (“Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)”) or Form W-8BEN-E (“Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)”) (for non-United States Beneficial Owners), Form W-8IMY (for non-United States intermediaries, Flow-Through Entities, and certain United States branches), Form W-8EXP (for non-United States governments, non-United States central banks of issue, non-United States tax-exempt organizations, non-United States private foundations, and governments of certain United States possessions), or Form W-8ECI (for non-“United States persons” receiving income that is effectively connected with the conduct of a trade or business in the United States), as more specifically described in the instructions accompanying those forms. Any Subscriber or Beneficial Owner that is not a “United States person” must also provide a United States taxpayer identification number or Global Intermediary Identification Number (“GIIN”) (if applicable) on the applicable Form W-8. Subscribers may access the IRS website ([www.irs.gov](http://www.irs.gov)) to obtain the appropriate form W-8 and its instructions. The completed forms should be returned with the Subscriber’s Subscription Agreement. ***Do not send them to the IRS.***

Non-United States persons may also be asked to provide certain information with respect to themselves and, if applicable, their beneficial owners, under the Foreign Account Tax Compliance Act (“FATCA”) provisions of the Internal Revenue Code (the “Code”) in order for the Partnership to be in compliance with FATCA and to avoid withholding under Chapter 4 of the Code. The information required under the FATCA provisions of the Code might be separate and distinct from the Form W-8 certifications described above.

**9. Consent to Electronic Delivery of Schedule K-1.** Subscribers may elect to receive Schedule K-1 Electronically by executing the attached Consent to Receive Schedule K-1 Electronically and returning it with the subscription materials. This consent may be withdrawn at any time by following the instructions provided in the attached consent.

**10. UK FATCA Self-Certification Forms.** Each Subscriber to the Feeder Fund must complete the applicable Self-Certification Form. Two forms of UK Self-Certification Form are included in this booklet. Subscribers to the Main Fund do not need to complete a UK Self-Certification Form.

(a) Instructions for Individuals. The UK Self Certification Form for Individuals must be completed by any Subscriber that is a natural person (*i.e.*, an individual). In the event the Subscriber consists of more than one natural person subscribing as joint tenants or tenants in common, each should complete a separate individual UK Self Certification Form for Individuals.

(b) Instructions for Entities. The UK Self Certification Form for Entities must be completed by any Subscriber that is a legal person or legal arrangement including a corporation, partnership, limited liability company, trust, retirement system or similar entity.

**11. Privacy Notice (only for individuals and certain entities that are “alter egos” of individuals).** The Privacy Notice, which is provided to you as a result of the privacy notice and disclosure regulations promulgated by the Federal Trade Commission under the Gramm-Leach-Bliley Act, explains the manner in which the Partnership collects, utilizes and maintains nonpublic personal information about each Subscriber. The Privacy Notice applies only to Subscribers who are individuals and to certain entities that are essentially “alter egos” of individuals (e.g., revocable grantor trusts, individual retirement accounts or certain estate planning vehicles).

**Returning Subscription Materials for  
the Closing**

The initial closing of this subscription shall take place at such date and/time as H.I.G. Bayside Loan Advisors IV, LLC (the “General Partner”) may determine. Subscription materials should be submitted to the General Partner as promptly as possible.

All subscription documents (including all signature pages for the Subscription Agreement and Power of Attorney suitably notarized) are to be executed and returned to H.I.G. Bayside Loan Advisors IV, LLC at the following address:

H.I.G. Capital, L.L.C.  
1450 Brickell Avenue, 31<sup>st</sup> Floor  
Miami, Florida 33131  
Attn.: Richard Siegel  
rsiegel@higcapital.com  
investorrelations@higcapital.com  
Fax: (305) 381-4180

The General Partner reserves the right at any time to accept or reject all or any portion of any subscription in its sole discretion. If a subscription is rejected in its entirety, all subscription documents will be returned to the Subscriber. If a subscription is accepted, in whole or in part, the Subscriber will receive (i) a copy of the accepted Subscription Agreement, (ii) a copy of the executed Partnership Agreement, and (iii) a copy of the applicable legal opinion.

Name of Subscriber  
(Please Print or Type)

THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY U.S. STATE, THE EUROPEAN UNION OR OTHER NON-U.S. JURISDICTION, OR THE MUTUAL FUNDS LAW (2013 REVISION) OF THE CAYMAN ISLANDS, AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SUCH LAWS, AND MAY NOT BE TRANSFERRED, ASSIGNED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE SECURITIES LAWS AND IN ACCORDANCE WITH THE APPLICABLE PARTNERSHIP'S GOVERNING DOCUMENTS.

**H.I.G. BAYSIDE LOAN OPPORTUNITY FUND IV, L.P.  
H.I.G. BAYSIDE LOAN OPPORTUNITY FEEDER FUND IV, L.P.**

**SUBSCRIPTION AGREEMENT**

1. Agreement of Subscriber to Become a Limited Partner. The undersigned subscriber (the "Subscriber") hereby agrees to become a limited partner in either (but not both of) H.I.G. Bayside Loan Opportunity Fund IV, L.P., a limited partnership formed under the laws of the State of Delaware (the "Main Fund") or H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P., an exempted limited partnership formed under the laws of the Cayman Islands (the "Feeder Fund") and together with the Main Fund, or individually as the context requires, the "Partnership"), and to make aggregate cash contributions to the capital of the Partnership pursuant to a commitment in the aggregate amount accepted by H.I.G. Bayside Loan Advisors IV, LLC, the general partner of the Partnership (the "General Partner"), as set forth on the signature page above the General Partner's signature on the acceptance page to this subscription agreement (this "Subscription Agreement"), which commitment shall in no event be more than the requested commitment amount set forth above the Subscriber's signature on the signature page to this Subscription Agreement, or, if the line for the commitment amount on the signature page above the General Partner's signature on the acceptance page is left blank, as set forth above the Subscriber's signature on the signature page (the "Commitment" and, collectively with the amounts that the other partners in the Partnership have agreed to contribute to the capital of the Partnership and, in each case, the General Partner has agreed to accept, the "Commitments"). The Subscriber agrees to fund its Commitment in such amounts and in such manner as called for by the General Partner, as provided in the Agreement of Limited Partnership of the Main Fund and the Agreement of Exempted Limited Partnership of the Feeder Fund, each, as amended from time to time (collectively and individually as the context requires, the "Partnership Agreement"). Unless otherwise defined herein, capitalized terms used in this Subscription Agreement will have the meanings given to such terms in the Partnership Agreement. The General Partner may accept



in its sole discretion all or any portion of the requested commitment amount set forth above the Subscriber's signature on the signature page to this Subscription Agreement and may accept all or any remaining portion of such requested commitment amount at one or more subsequent closings, in each case by delivery to the Partnership of a duplicate signature page hereto with respect to such remaining portion then accepted or notice to the Partnership of the execution thereof. Prompt notice of such acceptance also will be given to the Subscriber either by delivery of the General Partner's acceptance page to this Subscription Agreement signed by the General Partner or by notice of such execution. If so accepted, this Subscription Agreement may not be cancelled, terminated or revoked by the Subscriber.

2. Investor Qualification Statement and Tax Forms. The attached Investor Qualification Statement that the Subscriber has completed (together with all similar and/or related statements and/or agreements required to be completed with respect to the Subscriber's Commitment (e.g., by certain direct or indirect owners or control persons or entities)), the "Investor Qualification Statement") and each of the tax forms that the Subscriber has delivered pursuant to Items 8 and 10 of the Instructions for Subscribers that accompany this Subscription Agreement, or which Subscriber may deliver to the General Partner, upon the General Partner's request, in the future (collectively, the "Tax Forms"), are incorporated herein by reference in their entirety and made a part hereof, and the Subscriber represents, warrants and agrees that all of the statements, answers and information in the Investor Qualification Statement and the Tax Forms are true and correct as of the date hereof, will be true and correct as of the date and/or dates of the acceptance of this subscription and, as of each such date, do not and will not omit to state any material fact necessary in order to make the statements contained therein not misleading.

3. Representations, Warranties and Covenants of the Subscriber. In connection with the Subscriber's agreement to subscribe for limited partnership interests in the Partnership, the Subscriber represents, warrants and agrees as of the date hereof and through and including each date that this Subscription Agreement is accepted in whole or in part by the General Partner as follows:

(a) Authorization.

- (i) If the Subscriber is a natural person or if beneficial ownership of the Subscriber is held by an individual through a revocable grantor trust, an individual retirement account or a self-directed employee plan, the Subscriber or the Subscriber's beneficial owner (as applicable) is at least twenty-one (21) years old and it is within the Subscriber's right, power and capacity to execute this Subscription Agreement and the Partnership Agreement, to invest in the Partnership and to fund its Commitment as contemplated by this Subscription Agreement and the Partnership Agreement. If the Subscriber lives in a community property state in the United States, either (1) the source of the Subscriber's Commitment will be the Subscriber's separate property and the Subscriber will hold the interest in the Partnership as separate property, or (2) the Subscriber has the authority alone to bind the community with respect to this Subscription

Agreement, the Power of Attorney, the Partnership Agreement and all agreements contemplated hereby and thereby.

- (ii) If the Subscriber is a corporation, limited liability company, partnership, trust, retirement system or other entity, the Subscriber is duly organized, formed or incorporated, as the case may be under the jurisdiction set forth in the attached Investor Qualification Statement, and the Subscriber is authorized, empowered and qualified to execute this Subscription Agreement and the Partnership Agreement, to invest in the Partnership and to fund its Commitment as contemplated by this Subscription Agreement and the Partnership Agreement. The individual signing this Subscription Agreement, the Partnership Agreement and all agreements contemplated hereby and thereby on the Subscriber's behalf has been duly authorized to do so.
- (b) Execution; Binding Obligation. The Subscriber agrees to execute the Partnership Agreement and the Power of Attorney simultaneously with the execution of this Subscription Agreement. The Partnership Agreement and the Power of Attorney shall become binding upon the Subscriber on the later of (i) the date of the Partnership Agreement and (ii) the date, if any, that the General Partner accepts this subscription in whole or in part. This Subscription Agreement is a valid and binding agreement, enforceable against the Subscriber in accordance with its terms. The Subscriber understands that, except as explicitly provided for by law in certain non-United States jurisdictions, the Subscriber is not entitled to cancel, terminate or revoke this Subscription Agreement or any of the powers conferred herein.
- (c) No Conflict. The execution and delivery of this Subscription Agreement (including the Investor Qualification Statement), the Power of Attorney and the Partnership Agreement by the Subscriber, the consummation of the transactions contemplated hereby and the performance of the Subscriber's obligations under this Subscription Agreement, the Power of Attorney and the Partnership Agreement will not conflict with, or result in any violation of or default under, any provision of any governing instrument applicable to the Subscriber, or any agreement or other instrument to which the Subscriber is a party or by which the Subscriber or any of its properties are bound, or any United States or non-United States permit, franchise, judgment, decree, statute, order, rule or regulation applicable to the Subscriber or the Subscriber's business or properties.
- (d) Offering Materials and Other Information. The Subscriber has received and read a copy of the confidential Private Placement Memorandum of the Partnership, dated as of August 2014, as amended and supplemented on or prior to the initial acceptance date for this subscription (the "Private Placement Memorandum"), this Subscription Agreement and the Partnership Agreement (collectively, the "Offering Materials"), as well as the Form ADV Part 2 for H.I.G. Capital, L.L.C., and the Subscriber has relied on nothing other than the Offering Materials in deciding whether to make an investment in the Partnership. In addition, the

Subscriber acknowledges that the Subscriber has been given the opportunity to (i) ask questions and receive satisfactory answers concerning the terms and conditions of the offering, (ii) perform its own independent investigations and (iii) obtain additional information in order to evaluate the merits and risks of an investment in the Partnership and to verify the accuracy of the information contained in the Offering Materials. No statement, printed material or other information that is contrary to the information contained in the Offering Materials has been given or made by or on behalf of the General Partner and/or the Partnership to the Subscriber. The Subscriber has consulted, to the extent deemed appropriate by the Subscriber, with the Subscriber's own advisers as to the financial, tax, legal, accounting, regulatory and related matters concerning an investment in the Interests (as defined below) and on that basis understands the financial, tax, legal, accounting, regulatory and related consequences of an investment in the Interests, and believes that an investment in the Interests is suitable and appropriate for the Subscriber.

(e) No Registration of Interests. The Subscriber understands that the limited partnership interests subscribed for hereunder (the "Interests") have not been, and will not be, registered under the United States Securities Act of 1933, as amended (together with the rules promulgated thereunder, the "Securities Act"), or any state or non-United States securities laws, and are being offered and sold in reliance upon United States federal, state and applicable non-United States exemptions from registration requirements for transactions not involving a public offering. The Subscriber recognizes that reliance upon such exemptions is based in part upon the representations of the Subscriber contained in this Subscription Agreement (including the Investor Qualification Statement and the Tax Forms). The Subscriber represents and warrants that the Interests will be acquired by the Subscriber solely for the account of the Subscriber, for investment purposes only and not with a view to the distribution thereof. The Subscriber represents and warrants that the Subscriber (i) is a sophisticated investor with the knowledge and experience in business and financial matters to enable the Subscriber to evaluate the merits and risks of an investment in the Partnership, (ii) is able to bear the economic risk and lack of liquidity of an investment in the Partnership, (iii) has no need for liquidity for the term of, and beyond the term of the Partnership, and (iv) is able to bear the risk of loss of its entire investment in the Partnership. The Subscriber's Commitment, together with the Subscriber's other investments that are not readily marketable, is not disproportionate to the Subscriber's net worth.

(f) Regulation D and Regulation S under the Securities Act.

(i) The Subscriber either (x) is an "accredited investor" as that term is defined in Regulation D promulgated under the Securities Act ("Regulation D") or (y) is not a "U.S. Person" as that term is defined in Rule 902 of Regulation S promulgated under the Securities Act ("Rule 902"). If the Subscriber is not a "U.S. Person" under the Securities Act, the Subscriber further represents, warrants and covenants that (A) the Subscriber is not subscribing for Interests for the account or benefit of any person that is a

“U.S. Person” under the Securities Act, (B) the offer and sale of an Interest to the Subscriber constitute an “Offshore Transaction,” as that term is defined in Rule 902 and/or has been made in conformity with Regulation D and (C) the Subscriber will resell the Interests, in whole or in part, only (1) in accordance with the provisions of applicable non-United States securities laws and regulations, applicable state securities laws and regulations and the Partnership Agreement and (2) in accordance with the provisions of Regulation S (Rules 901 through 905) promulgated under the Securities Act and the “Preliminary Notes” (as that term is defined in Regulation S), pursuant to a registration under the Securities Act or pursuant to an available exemption from registration under the Securities Act.

- (ii) As of the date hereof, the Subscriber has not been subject to any event specified in Rule 506(d)(1) of the Securities Act or any proceeding or event that could result in any event (a “Disqualifying Event”) that would either require disclosure under the provisions of Rule 506(e) of the Securities Act or result in disqualification under Rule 506(d)(1) of the Partnership’s use of the Rule 506 exemption under Regulation D. The Subscriber will immediately notify the General Partner in writing if the Subscriber becomes subject to a Disqualifying Event at any date after the date hereof. Furthermore, Subscriber agrees and covenants to (x) provide documentation as reasonably requested by the General Partner related to any such Disqualifying Event and (y) to the extent available, use its best efforts to implement a remedy to address the Disqualifying Event or remedy the Disqualifying Event in a manner that will not affect the Partnership’s or its affiliates ongoing and/or future reliance on the Rule 506 exemption under Regulation D of the Securities Act.
  
- (g) Investment Company Act Matters. The Subscriber understands that (i) the Partnership does not intend to register as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder (the “Investment Company Act”), and (ii) the Subscriber will not be afforded the protections provided to investors in registered investment companies under the Investment Company Act. Except as expressly indicated on the attached Investor Qualification Statement, the Subscriber was not formed or reformed (as interpreted under the Investment Company Act) for the specific purpose of making an investment in the Partnership, and, under the ownership attribution rules promulgated under Section 3(c)(1) of the Investment Company Act, no more than one person will be deemed a beneficial owner of the Subscriber’s Partnership Interest. The Subscriber is a “qualified purchaser” as that term is defined under the Investment Company Act and the rules and regulations promulgated thereunder.
  
- (h) Acknowledgement of Risks; Restrictions on Transfer. The Subscriber recognizes that (i) an investment in the Partnership involves certain risks, (ii) the Interests will be subject to certain restrictions on transferability as described in the

Partnership Agreement and (iii) as a result of the foregoing, the marketability of the Interests will be severely limited. The Subscriber agrees that it will not transfer, sell, assign, pledge, charge, mortgage or otherwise dispose of all or any portion of the Interests in any manner that would violate the Partnership Agreement, the Securities Act or any United States federal or state or non-United States securities laws or subject the Partnership or the General Partner or any of its affiliates to regulation under (or make materially more burdensome for such Person any regulatory requirement under) the Investment Company Act, the United States Investment Advisers Act of 1940, as amended, and the rules and regulations promulgated thereunder (the “Investment Advisers Act”), the rules and regulations of the United States Securities and Exchange Commission or the laws and regulations of any United States federal, state or municipal authority or any non-United States governmental authority having jurisdiction thereover.

- (i) Additional Investment Risks. The Subscriber is aware that (i) the Partnership has no financial or operating history, (ii) investment returns set forth in the Private Placement Memorandum or in any supplemental letters or materials thereto are not necessarily comparable to or indicative of the returns, if any, that may be achieved on investments made by, or in, the Partnership, (iii) the General Partner or a person or entity selected by the General Partner (which may be a manager, member, shareholder, partner or affiliate thereof) will receive substantial compensation in connection with the management of the Partnership, and (iv) no United States federal, state or local or non-United States agency, governmental authority or other person has passed upon the Interests or made any finding or determination as to the fairness of this investment.
- (j) No Public Solicitation of Subscriber. The Subscriber confirms that it is not subscribing for any Interest as a result of any form of general solicitation or general advertising, including (i) any advertisement, article, notice or other communications published in any newspaper, magazine or similar media (including any internet site that is not password protected) or broadcast over television or radio or (ii) any seminar or meeting whose attendees were invited by any general solicitation or general advertising.
- (k) Investment Advisers Act Matters. The Subscriber, as well as any other direct or indirect beneficial owner of the Subscriber that would be identified as a “client” under Rule 205-3 of the Investment Advisers Act, is a “qualified client” within the meaning of the Investment Advisers Act and the rules and regulations promulgated thereunder, and *either* (i) has a net worth (excluding for natural persons, the value of such person’s primary residence less the indebtedness secured by such residence, up to the estimated fair market value of such residence) in excess of \$2,000,000 (including, for natural persons, assets held jointly with such person’s spouse) *or* (ii) is making a direct or indirect Commitment to the Partnership, together with its commitments to other funds managed by H.I.G. Capital, L.L.C. of at least \$1,000,000 or (iii) is a “qualified purchaser” as such term is defined under the Investment Company Act and the rules and regulations promulgated thereunder. The Subscriber agrees that the

General Partner and the Partnership may provide in any electronic medium (including via email or website access) any disclosure or document that is required by applicable securities laws to be provided to the Subscriber. In addition, the Subscriber hereby agrees that the board or committee designated in the Partnership Agreement to provide Investment Advisers Act approvals on behalf of the Subscriber, including, without limitation, any approvals required under Section 206(3) of the Investment Advisers Act and any consent to a transaction which would result in the “assignment” (within the meaning of the Investment Advisers Act) of the General Partner’s interest in the Partnership, is appointed and authorized to do so on behalf of the Subscriber.

- (l) Tax Status of Flow-Through Subscriber. If the Subscriber is a partnership, a limited liability company treated as a partnership for United States federal income tax purposes, a grantor trust (within the meaning of §§671-679 of the United States Internal Revenue Code of 1986, as amended (the “Code”)) or an S corporation (within the meaning of §1361 of the Code) (each a “Flow-Through Entity”), the Subscriber represents and warrants that either:
- (i) no person or entity will own, directly or indirectly through one or more Flow-Through Entities, an interest in the Subscriber such that more than 70% of the value of such person’s or entity’s interest in the Subscriber is attributable to the Subscriber’s investment in the Partnership; or
  - (ii) if one or more persons or entities will own, directly or indirectly through one or more Flow-Through Entities, an interest in the Subscriber such that more than 70% of the value of such person’s or entity’s interest in the Subscriber is attributable to the Subscriber’s investment in the Partnership, neither the Subscriber nor any such person or entity has or had any intent or purpose to cause such person (or persons) or entity (or entities) to invest in the Partnership indirectly through the Subscriber in order to enable the Partnership to qualify for the 100-partner safe harbor under Treasury Regulation §1.7704-1(h).
- (m) ERISA Status of Subscriber. The Subscriber represents and warrants that (i) except as disclosed by the Subscriber to the General Partner in the attached Investor Qualification Statement, the Subscriber is not (A) an “employee benefit plan” that is subject to Part 4 of Subtitle B of Title I of the United States Employee Retirement Income Security Act of 1974, as amended (“ERISA”), (B) an individual retirement account or annuity (“IRA”) that is subject to Section 4975 of the Code, or (C) a fund of funds, an insurance company separate account or an insurance company general account or another entity (such as a group trust), in each case whose underlying assets are deemed under United States Department of Labor rules and regulations that address the applicability of ERISA to entities in which employee benefit plans invest, including § 2510.3-101 *et seq.*, as amended and modified by Section 3(42) of ERISA, to include “plan assets” of any “employee benefit plan” or IRA (each a “benefit plan investor”), (ii) if the Subscriber is a benefit plan investor, neither the General Partner nor any of its

affiliates acted as a “fiduciary” within the meaning of Section 3(21) of ERISA with respect to the purchase of any Interest by the Subscriber and (iii) the purchase of the Subscriber’s Interest has been duly authorized in accordance with its governing documents. The Subscriber understands that the Partnership will *not* be a “venture capital operating company” as defined in the United States Department of Labor Regulations §2510.3-101 *et seq.*, as amended.

- (n) Plan Investors. If the Subscriber is a benefit plan investor (as defined above), a governmental plan as defined in Section 3(32) of ERISA or a non-U.S. employee benefit plan or other retirement account (collectively referred to in this subparagraph as a “Plan Investor”), the Subscriber represents and warrants that on the date hereof:
- (i) the decision to commit assets of the Plan Investor for investment in the Partnership was made by fiduciaries independent of the Partnership, General Partner and any of their agents, representatives or affiliates, which fiduciaries (x) are duly authorized to make such investment decision and have not relied on any advice or recommendations of the Partnership, General Partner or any of their agents, representatives or affiliates and (y) in consultation with their advisers, have carefully considered the impact of ERISA, the Code, and the regulations, rules, procedures and judicial decisions thereunder, and any applicable foreign, state or local law substantially similar to ERISA or Section 4975 of the Code or otherwise applicable to the Plan Investor (“Similar Law”), on an allocation of assets to the Partnership;
  - (ii) none of the Partnership, the General Partner or any of their agents, representatives or affiliates has exercised any discretionary authority or control with respect to the Plan Investor’s commitment of assets to the Partnership, nor has the Partnership, the General Partner or any of their agents, representatives or affiliates rendered individualized investment advice to the Plan Investor based upon the Plan Investor’s investment policies or strategies, overall portfolio composition or diversification with respect to its commitment to invest in the Partnership and the investment program thereunder;
  - (iii) it understands that none of the Partnership, the General Partner or any of their agents, representatives or affiliates will be acting as a fiduciary under ERISA, the Code or any Similar Law to the Plan Investor with respect to the Partnership or the assets of the Plan Investor invested in the Partnership;
  - (iv) if the Partnership or the General Partner, on behalf of the Partnership, concludes in its discretion that it is probable that the continuation of any Plan Investor as an investor in the Partnership would either of itself or as a contributing factor result in all or any portion of the assets of the Partnership being deemed to constitute “plan assets” of the Plan Investors

for the purposes of ERISA, Section 4975 of the Code or any Similar Law, the Partnership or the General Partner, on behalf of the Partnership, shall take such actions as it deems necessary or appropriate to mitigate, prevent or cure such adverse consequences, taking into account the interests of the Partnership and all partners in the Partnership as a whole, including, without limitation, in the Partnership's or the General Partner's (on behalf of the Partnership) discretion, causing an immediate redemption of some or all of any Plan Investor's Interest in the Partnership;

- (v) the terms of this Subscription Agreement and the Partnership Agreement, including all appendices and attachments hereto and thereto and the Partnership's contemplated investment program, comply with the instruments and guidelines governing such Plan Investor, and the Subscriber shall promptly advise the Partnership and the General Partner in writing of any changes of which it becomes aware in any governing law or any regulations thereunder or interpretations thereof affecting the duties, responsibilities, liabilities or obligations of the Partnership, the General Partner or any of their agents, representatives or affiliates with respect to the Plan Investor;
  - (vi) the Plan Investor's acquisition and holding of the Interests comply with ERISA, the Code and any Similar Law and do not and will not constitute a non-exempt prohibited transaction under ERISA, the Code or any Similar Law; and
  - (vii) it agrees that it will provide additional information reasonably requested by the Partnership, or the General Partner for purposes of complying with ERISA or any Similar Law.
- (o) Anti-Money Laundering Matters.
- (i) The Subscriber acknowledges that the Partnership seeks to comply with all applicable anti-money laundering laws and regulations. In furtherance of these efforts, the Subscriber represents, warrants and agrees that: (x) no part of the funds used by the Subscriber to acquire the Interests or to satisfy its capital commitment obligations with respect thereto has been, or shall be, directly or indirectly derived from, or related to, any activity that may contravene United States federal or state or non-United States laws or regulations, including anti-money laundering laws and regulations and (y) no capital commitment, contribution or payment to the Partnership by the Subscriber and no distribution to the Subscriber shall cause the Partnership or the General Partner to be in violation of any applicable anti-money laundering laws or regulations including, without limitation, Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001 and the United States Department of the Treasury Office of Foreign Assets Control ("OFAC") regulations. The Subscriber



acknowledges and agrees that, notwithstanding anything to the contrary contained in the Partnership Agreement, any side letter or any other agreement, to the extent required by any anti-money laundering law or regulation, the Partnership and the General Partner may prohibit additional capital contributions, restrict distributions or take any other reasonably necessary or advisable action with respect to the Interests, and the Subscriber shall have no claim, and shall not pursue any claim, against the Partnership, the General Partner or any other Person in connection therewith.

- (ii) The Subscriber represents and warrants that it is not now nor shall it be at any time during the term hereof an individual or corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government or any agency or political subdivision thereof, or any other form of entity (collectively, a “Person”) with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a “U.S. Person”), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise. Neither the Subscriber nor any Person who is an officer or director of Subscriber or who owns an interest in Subscriber is now nor shall be at any time during the term hereof be a Person with whom a U.S. Person, including a financial institution as such term is defined in 31 U.S.C. § 5312(a)(2), as amended, is prohibited from transacting business of the type contemplated by this Agreement.

(p) FATCA Matters.

- (i) Main Fund FATCA Matters. The Subscriber acknowledges that, to the extent applicable, the Main Fund will seek to comply with the Foreign Account Tax Compliance Act provisions of the Code and any rules, regulations, forms, instructions, agreements with the IRS, Intergovernmental agreements (each, an “IGA”) or other guidance issued in connection therewith (the “FATCA Provisions”). In furtherance of these efforts, the Subscriber agrees to promptly deliver any additional documentation or information, and updates thereto as applicable, which the Main Fund may request in order to comply with the FATCA Provisions, including, but not limited to (i) information the General Partner deems necessary to determine whether the Subscriber is a “foreign financial institution” as defined in Code §1471(d)(4) and Treasury Regulations thereunder, or a “non-financial foreign entity” as defined in Code § 1472(d) and Treasury Regulations thereunder, (ii) if the Subscriber is a foreign financial institution, any certification, statement or other information the General Partner deems necessary to determine whether the

Subscriber meets the requirements of Code §1471(b) (including entering into an agreement with the IRS pursuant to Code §1471(b) and complying with the terms thereof) or is otherwise exempt from withholding required under the FATCA Provisions and (iii) if Subscriber is a non-financial foreign entity, any certification, statement or other information the General Partner deems necessary to determine whether the Subscriber meets the requirements of Code §1472(b), which information may be given to the IRS, or is otherwise exempt from withholding required under the FATCA Provisions. Furthermore, in addition to any other information required to be provided pursuant to this Section 3(p), the Subscriber covenants and agrees to promptly provide, at any times requested by the General Partner, any information or verification the General Partner deems necessary for any non-U.S. person to enter into an agreement described in Code §1471(b), and any information required to comply with the terms of that agreement. The Subscriber acknowledges and agrees that, notwithstanding anything to the contrary contained in the Partnership Agreement, any side letter or any other agreement, the failure to promptly comply with such requests, or to provide such additional information, may result in the withholding of amounts with respect to, or other limitations on, distributions made to the Subscriber and such other reasonably necessary or advisable action by the Main Fund or the General Partner with respect to the Interests (including, without limitation, required withdrawal), and the Subscriber shall have no claim, and shall not pursue any claim, against the Partnership, the General Partner or any other Person in connection therewith.

- (ii) Feeder Fund FATCA Matters. The Subscriber acknowledges and agrees that: (1) the Feeder Fund is required to comply with the provisions of FATCA (defined below); (2) Subscriber will provide, in a timely manner, such information regarding the Subscriber and its beneficial owners and such forms or documentation as may be requested from time to time by the Feeder Fund (whether by its General Partner or other agents) to enable the Feeder Fund to comply with the requirements and obligations imposed on it pursuant to FATCA, specifically, but not limited to, forms and documentation which the Feeder Fund may require to determine whether or not the relevant investment is a "US Reportable Account" (or equivalent under any other FATCA regime) and to comply with the relevant due diligence procedures in making such determination; (3) any such forms or documentation requested by the Feeder Fund or its agents pursuant to subsection (2), or any financial or account information with respect to the Subscriber's investment in the Feeder Fund, may be disclosed to the Cayman Islands Tax Information Authority (or any other Cayman Islands governmental body which collects information in accordance with FATCA) and to any withholding agent where the provision of that information is required by such agent to avoid the application of any withholding tax on any payments to the Feeder Fund;

(4) Subscriber waives, and/or shall cooperate with the Feeder Fund to obtain a waiver of, the provisions of any law which: (x) prohibit the disclosure by the Feeder Fund, or by any of its agents, of the information or documentation requested from the Subscriber pursuant to subsection (2); (y) prohibit the reporting of financial or account information by the Feeder Fund or its agents required pursuant to FATCA; or (z) otherwise prevent compliance by the Feeder Fund with its obligations under FATCA; (5) if Subscriber provides information and documentation that is in anyway misleading, or it fails to provide the Feeder Fund or its agents with the requested information and documentation necessary in either case to satisfy the Feeder Fund's obligations under FATCA, the Feeder Fund reserves the right (whether or not such action or inaction leads to compliance failures by the Feeder Fund, or a risk of the Feeder Fund or its investors being subject to withholding tax or other penalties under FATCA): (A) to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory withdrawal of the Subscriber; and (B) to hold back from any withdrawal proceeds, or to deduct from the Subscriber's applicable net asset value, any liabilities, costs, expenses or taxes caused (directly or indirectly) by the Subscriber's action or inaction; and (6) Subscriber shall have no claim against the Feeder Fund, or its agents, for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Feeder Fund in order to comply with FATCA. For the purposes of this Section 3(p)(ii) only, "FATCA" means: (I) sections 1471 to 1474 of the US Internal Revenue Code of 1986 and any associated legislation, regulations or guidance, or similar legislation, regulations or guidance enacted in any jurisdiction which seeks to implement similar tax reporting and/or withholding tax regimes (II) any intergovernmental agreement, treaty, regulation, guidance or any other agreement between the Cayman Islands (or any Cayman Islands government body) and the United States, the United Kingdom or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement or implement the legislation, regulations or guidance described in subsection (1); and (III) any legislation, regulations or guidance in the Cayman Islands that give effect to the matters outlined in this Section 3(p)(ii).

- (q) Privacy Notice. If a natural person (or an entity that is an “alter ego” of a natural person (e.g., a revocable grantor trust, an individual retirement account or an estate planning vehicle)), the Subscriber has received and read a copy of the initial privacy notice with respect to the General Partner’s collection and maintenance of non-public personal information regarding the Subscriber, and the Subscriber hereby requests and agrees, to the extent permitted by applicable law, that the General Partner shall refrain from sending to the Subscriber (i) an annual privacy notice, as contemplated by 16 CFR Part 313, §313.5 (the Federal Trade Commission’s Final Rules regarding the Privacy of Consumer Financial Information (the “FTC’s Final Privacy Rules”)), provided that the General Partner

shall keep an annual privacy notice with the books and records of the business and such annual privacy notice shall be available to the Subscriber upon its request, and (ii) any other information regarding the customer relationship, as contemplated by 16 CFR Part 313, §313.9(c)(2) (the FTC's Final Privacy Rules). The Subscriber understands that, at any time subsequent to the date hereof, it may elect to receive any information contemplated by clauses (i) and (ii) above, but only to the extent that the General Partner is required by applicable law to deliver such information, by providing reasonable prior written notice to the General Partner to such effect.

- (r) Confidentiality. The Subscriber acknowledges and agrees that (i) it has received and will in the future receive Confidential Information regarding the Main Fund, the Feeder Fund, the General Partner, the Management Company, and each of their respective affiliates, any Parallel Investment Fund, each Alternative Investment Vehicle, each general partner, manager or other control person of the foregoing Persons and each existing or prospective Portfolio Company and its subsidiaries as well as the other Partners and Feeder Fund partners (collectively, the "Partnership Entities") as well as the other Partners and partners of any Parallel Investment Fund, (ii) such Confidential Information contains trade secrets and is proprietary, (iii) disclosure of such Confidential Information to third parties is not in the best interest of any of the Partnership Entities or the Partners and (iv) disclosure of such Confidential Information would cause substantial harm and damages to the Partnership Entities and the Partners. The Subscriber hereby represents and warrants that, except as previously disclosed to the General Partner in writing, (A) it is not subject to any law, statute, governmental rule or regulation or judicial or governmental order, judgment or decree requiring it to disclose any information or materials (whether or not Confidential Information) relating to any of the Partnership Entities or the other Partners to any Person(s) and (B) it is not required by any law, statute, governmental rule or regulation or judicial or governmental order, judgment or decree or any agreement or contract to obtain any consent or approval prior to agreeing to be bound by the confidentiality covenant set forth in the Partnership Agreement. The Subscriber hereby represents and warrants that except as previously disclosed in writing to the General Partner, it has taken all actions and obtained all consents necessary to enable it to comply with the provisions of Section 7.13 of the Partnership Agreement. The Subscriber hereby agrees that it will not use any Confidential Information it receives for any purpose other than monitoring and evaluating its investment in the Partnership. Any information provided to a Person at the direction or request of the Subscriber shall be treated for purposes hereof and for purposes of the Partnership Agreement as instead having been provided to such Person by the Subscriber, and such deemed disclosure by the Subscriber shall be subject to all of the limitations and other provisions in the Partnership Agreement relating to Confidential Information.

(s) Credit Facility Security.

(i) The Subscriber agrees that any loans, guarantees, credit facilities or other indebtedness of the Partnership (each, a "Credit Facility"), may be secured by (A) a pledge, charge or mortgage by the Partnership of all or a portion of the aggregate unfunded Commitments of all Partners and by a pledge by the Partnership of the Subscriber's pledge set forth in Section 3(t) hereof and (B) a pledge, charge or mortgage by the General Partner of its interest in the Partnership and the rights of the General Partner contained in the Partnership Agreement, including, without limitation, the right to call for additional Capital Contributions pursuant to Section 3.1 of the Partnership Agreement and to enforce all remedies against a Defaulting Partner that fails to fund its unfunded Commitment pursuant thereto and in accordance with the terms of the Partnership Agreement and such Partner's subscription agreement. All such rights granted to one or more lenders shall apply to its agents and its successors and assigns.

(ii) In connection with any Credit Facility, the Subscriber agrees that, subject to the other terms of the Partnership Agreement and this Subscription Agreement, (A) if the lender under such Credit Facility or the General Partner shall so request, the Subscriber, shall, with a minimum of fourteen (14) days advance notice to the Subscriber, confirm to such lender the amount of the Subscriber's Commitment and unfunded Commitment and any other relevant matters relating to the Partnership Agreement and this Subscription Agreement (including that the Subscriber's Commitment and unfunded Commitment obligations are unconditional), (B) the Subscriber will honor capital calls made by such lender acting in the name of the General Partner in accordance with the terms of the Partnership Agreement without deduction, offset, counterclaim or defense, but in no event shall such waiver prevent the Subscriber from asserting a separate cause of action against the Partnership, (C) the Subscriber will, at the time of its admission as a limited partner to the Partnership or as otherwise requested by the lender or the General Partner, execute a letter in a form reasonably required by such lender confirming the foregoing and its obligations under the Partnership Agreement and this Subscription Agreement and agreeing to use reasonable best efforts to provide (x) such financial information and reports as may be reasonably requested by the lender or (y) any similar confirmation letter required by a lender under a Credit Facility, (D) at the time of the Subscriber's admission as a limited partner to the Partnership or as otherwise requested by the lender or the General Partner, the Subscriber will provide to such lender copies of its formation documents (or similar documents reasonably acceptable to the lender under any Credit Facility) and (E) at the time of the Subscriber's admission as a limited partner to the Partnership or as otherwise requested by the lender or the General Partner, the Subscriber shall provide to such lender legal opinions or other evidence of corporate authority reasonably requested by such lender.

(t) Security Interest. If subscribing for a limited partnership interest in the Main Fund, to secure the Subscriber's obligations and liabilities to the Main Fund, the Subscriber hereby grants to the Main Fund and its assigns a security interest under

the Uniform Commercial Code, as enacted in the State of Delaware, in the Subscriber's interest in the Main Fund and any proceeds thereof. In addition to the remedies provided in the Partnership Agreement and this Subscription Agreement, the Subscriber agrees that the General Partner may at any time avail itself of any or all legal remedies that may be available to a secured creditor under the laws of any applicable jurisdiction to compel payment by the Defaulting Partner of any unfunded Commitment with respect to such interest in the Partnership, other amounts due under the Partnership Agreement, reasonable court costs, damages, expenses and attorneys' fees. The Subscriber acknowledges and agrees that, if it becomes a Defaulting Partner and any Person purchases its interest in the Partnership, it shall be relieved of its obligation to make any payment due under the Partnership Agreement only to the extent such payments are actually made by the purchaser.

- (u) Additional Representations for Non-U.S. Subscribers. If the Subscriber is not a United States Person, the Subscriber hereby makes those additional representations applicable to residents of the Subscriber's country of residence as specified in Appendix I to this Subscription Agreement, which shall be incorporated into, and be a part of, this Subscription Agreement.

#### 4. Miscellaneous Provisions.

- (a) Indemnification. To the fullest extent permitted by applicable law, the Subscriber agrees to indemnify and hold harmless the Partnership, the General Partner, the Management Company and each manager, officer, director, shareholder, partner or member of the General Partner and/or the Management Company and each other Person that controls, is controlled by, or is under common control with, any of the foregoing within the meaning of Section 15 of the Securities Act (each, an "Indemnified Party"), from and against any and all losses, claims, damages, expenses and liabilities relating to or arising out of (i) any breach of any representation, warranty or certification, or any breach of or failure to comply with any covenant or undertaking, made by or on behalf of the Subscriber in this Subscription Agreement (including the Investor Qualification Statement and the Tax Forms) or in any other document furnished by the Subscriber to any of the foregoing in connection with acquiring the Interests, (ii) any action for securities laws violations instituted by or on behalf of the Subscriber against an Indemnified Party that is finally resolved by judgment against the Subscriber or in favor of an Indemnified Party or (iii) any FATCA related liability, action, proceeding, claim, demand, costs, damages, expenses (including legal expenses) penalties or taxes whatsoever which the Main Fund, the Feeder Fund and/or the General Partner may incur as a result of any action or inaction (directly or indirectly) of the Subscriber (or any related person) described in Section 3(p). The remedies provided in this Section 4(a) shall be cumulative and shall not preclude the assertion by an Indemnified Party of any other rights or the seeking of any other remedies against the Subscriber.

- (b) Representations and Warranties; Additional Information. The Subscriber represents and warrants that all of the answers, statements and information set forth in this Subscription Agreement (including the Investor Qualification Statement and the Tax Forms) are true and correct on the date hereof and will be true and correct as of the date, if any, that the General Partner accepts this Subscription Agreement, in whole or in part. The Subscriber covenants and agrees to notify the General Partner promptly of any change that may cause any answer, statement or information set forth in this Subscription Agreement (including the Investor Qualification Statement and the Tax Forms) to become untrue or misleading in any material respect, and to provide such additional information that the General Partner requests from time to time and deems necessary to determine (i) the eligibility of the Subscriber to hold an Interest or participate in certain Partnership investments, (ii) the Partnership's or the General Partner's compliance with applicable regulatory (including tax) requirements or (iii) the Partnership's tax status. The Subscriber also agrees to provide the Partnership all information that otherwise may be reasonably requested by the General Partner in connection with compliance with applicable law by the General Partner, the Partnership, its Portfolio Companies and their respective affiliates, including, without limitation, all applicable anti-money laundering laws and regulations and all applicable laws, rules and regulations relating to FATCA. The Subscriber further represents and warrants that, except for any alterations to this Subscription Agreement that have been clearly marked on or prior to the date of acceptance of this Subscription Agreement or otherwise have been specifically identified in writing and accepted by the General Partner on or prior to the date of acceptance of this Subscription Agreement, the Subscriber has not altered or otherwise revised this Subscription Agreement in any manner from the version initially received by the Subscriber. The Subscriber acknowledges that it participated in, or had the meaningful opportunity to participate in, the negotiations and drafting of this Subscription Agreement. In the event an ambiguity or question of intent or interpretation arises, this Subscription Agreement shall be construed to be the product of meaningful negotiations between the General Partner and the Subscriber and no presumption or burden of proof shall arise favoring or disfavoring either of them by virtue of the authorship of any of the provisions of this Subscription Agreement. All representations, warranties, covenants and agreements of the Subscriber set forth in this Subscription Agreement or in any writing or certificate delivered in connection with this Subscription Agreement shall survive without limitation (including the acceptance of the Subscriber as a limited partner of the Partnership, the cessation of the Subscriber as a limited partner of the Partnership and the dissolution of the Partnership).
- (c) Partnership Advisers. The attorneys, accountants and other experts who perform services for the General Partner may also perform services for the Main Fund, the Feeder Fund, any Parallel Investment Fund, the Management Company and/or their respective affiliates. It is contemplated that any such dual representation, if commenced, will continue. The General Partner may, without the consent of any Limited Partner, execute on behalf of the Partnership any consent to the

representation of the Partnership that counsel may request pursuant to the rules of professional conduct in the applicable jurisdiction. The General Partner has retained Greenberg Traurig, LLP (“GT”) and Maples and Calder (“Maples”) (as to matters of Cayman Islands law only) in connection with the formation of the Partnership and may retain GT and/or Maples as legal counsel in connection with the management and operation of the Partnership, including, without limitation, making, holding and disposing of investments. Neither GT nor Maples represent the Subscriber or any other Limited Partner or prospective limited partner of the Partnership, unless the General Partner and such Limited Partner or prospective limited partner otherwise agree, in connection with the formation of the Partnership, the offering of the Interests, the management and operation of the Partnership or any dispute that may arise between any Limited Partner, on the one hand, and the General Partner and/or the Partnership on the other hand (the “Partnership Legal Matters”). If the Subscriber wishes counsel on any Partnership Legal Matter, the Subscriber will retain its own independent counsel with respect thereto and will pay all fees and expenses of such independent counsel. The Subscriber agrees that each of GT and/or Maples may represent the General Partner and/or the Partnership in connection with the formation of the Partnership and any and all other Partnership Legal Matters (including, without limitation, any dispute between the General Partner and the Subscriber or any other Partner). The Subscriber acknowledges and agrees that (i) GT’s and Maples’ representation of the General Partner is limited to the specific matters with respect to which they have been retained and consulted by such persons, (ii) there may exist other matters that could have a bearing on the Partnership, the Partnership’s investments and portfolio companies, the General Partner and/or their affiliates as to which neither GT or Maples has been retained or consulted, (iii) neither GT nor Maples has undertaken to monitor the compliance of the General Partner and its affiliates with the investment program and other investment guidelines and procedures set forth in the Private Placement Memorandum and the Partnership Agreement, nor does GT or Maples monitor compliance by the Partnership, the General Partner and/or their affiliates with applicable laws, unless in each case GT and/or Maples has been specifically retained to do so, (iv) neither GT nor Maples investigates or verifies the accuracy and completeness of information set forth in the Private Placement Memorandum concerning the Partnership, the General Partner or any of their respective affiliates and personnel or investments or portfolio companies and (v) except for any opinions specifically set forth in a signed opinion letter issued by GT or Maples, respectively, GT and Maples are not providing any advice, opinion, representation, warranty or other assurance of any kind as to any matter to any limited partner of the Partnership.

- (d) Successors and Assigns; Amendment. This Subscription Agreement may not be assigned, except in accordance with the provisions of the Partnership Agreement. This Subscription Agreement, to the extent accepted by the General Partner, will be binding upon the Subscriber’s heirs, legal representatives, successors and assigns. This Subscription Agreement shall not be modified or amended except



pursuant to an instrument in writing executed and delivered on behalf of the Subscriber and the General Partner.

- (e) Governing Law. If this Subscription Agreement relates to an investment in the Main Fund, this Subscription Agreement will be governed by and construed in accordance with the laws of the State of Delaware (without giving effect to any choice of law or conflict of law rules or provisions that would cause the application of the laws of any jurisdiction other than the State of Delaware). If this Subscription Agreement relates to an investment in the Feeder Fund, this Subscription Agreement will be governed by and construed in accordance with the laws of the Cayman Islands (without giving effect to any choice of law or conflict of law rules or provisions that would cause the application of the laws of any jurisdiction other than the Cayman Islands); *provided, however*, that any determination with respect to any act or omission constituting gross negligence, willful malfeasance or being commercially reasonable under this Subscription Agreement shall be determined in accordance with the laws of the State of Delaware, United States.
- (f) Jurisdiction; Venue; Jury Trial. To the fullest extent permitted by applicable law, any action or proceeding brought by the Subscriber against the General Partner or the Management Company (or their respective direct or indirect owners, officers, directors, managers or employees in their capacity as such, or in any related capacity) or the Partnership, or relating in any way to this Subscription Agreement, the Partnership Agreement or other Offering Materials, shall be brought and enforced in the courts of the State of Florida located in Miami-Dade County or (to the fullest extent subject matter jurisdiction exists therefore) the United States District Court for the Southern District of Florida and, to the extent permitted by applicable law, the Subscriber irrevocably submits to the non-exclusive jurisdiction of both courts in respect of any action or proceeding between it and the General Partner or the Management Company (or their respective direct or indirect owners, officers, directors, managers or employees in their capacity as such, or in any related capacity) or the Partnership, or relating in any way to this Subscription Agreement, the Partnership Agreement or other Offering Materials. The Subscriber irrevocably waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any such action or proceeding in the courts of the State of Florida located in Miami-Dade County or the United States District Court for the Southern District of Florida and any claim that any such action or proceeding brought in either court has been brought in an inconvenient forum. **THE SUBSCRIBER AND THE GENERAL PARTNER, ON BEHALF OF ITSELF AND THE PARTNERSHIP, IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY ACTION OR PROCEEDING BY OR AGAINST THE GENERAL PARTNER, THE MANAGEMENT COMPANY (OR THEIR RESPECTIVE DIRECT OR INDIRECT OWNERS, OFFICERS, DIRECTORS, MANAGERS OR EMPLOYEES IN THEIR CAPACITY AS SUCH, OR IN ANY RELATED CAPACITY) OR THE PARTNERSHIP, OR IN**

ANY WAY RELATING TO THIS SUBSCRIPTION AGREEMENT, THE PARTNERSHIP AGREEMENT OR OTHER OFFERING MATERIALS.

- (g) Severability. Each provision of this Subscription Agreement, including each representation made in the Investor Qualification Statement incorporated herein, shall be considered severable. If it is determined by a court of competent jurisdiction that any provision of this Subscription Agreement is invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Subscription Agreement.
- (h) Counterparts. This Subscription Agreement may be executed in one or more counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement. Delivery by facsimile or electronic transmission of an executed counterpart of any signature page to this Subscription Agreement or other documents (including the Power of Attorney, IQS or Tax Forms) to be executed hereunder or pursuant hereto shall have the same effectiveness as delivery of a manually executed counterpart thereof, and no party shall raise the use of facsimile or electronic transmission of a signature page hereto or thereto as a defense against the formation or enforceability of a contract, and each party hereto forever waives such defense. If this Subscription is for the purchase of Interests in the Feeder Fund, Sections 8 and 19(3) of the Electronic Transactions Law (2003 Revision) shall not apply to this Subscription Agreement.
- (i) Exhibits. Each exhibit or schedule hereto shall be considered incorporated into this Subscription Agreement.
- (j) Notice. All notices, demands or other communications to be given and delivered under or by reason of the provisions of this Subscription Agreement shall be in writing and shall be deemed to have been given when delivered in accordance with the notice provisions of the Partnership Agreement.
- (k) Consent to Electronic Delivery. The Subscriber consents to receive Quarterly Statements, audited financial statements and any other financial information or reports, and, to the extent the Subscriber has executed a Consent to Receive Schedule K-1 Electronically in the form attached hereto, the Schedule K-1 (Partner's Share of Income, Deductions, Credits, etc.), from the Partnership electronically via email, the Internet, and/or another electronic reporting medium in lieu of paper copies. The Subscriber agrees that it will confirm this consent electronically at a future date in a manner set forth by the General Partner at such time. Additionally, if the Subscriber ever owns an interest in any other entity classified as a partnership for U.S. federal income tax purposes by any reason of its Commitment to the Partnership (e.g. because of the use of an alternative investment vehicle to make an investment), the Subscriber (i) consents to receive Schedule K-1, financial statements or other financial information or reports from such other entity electronically via email, the Internet, and/or another electronic reporting medium in lieu of paper copies and (ii) agrees, upon notification by the

General Partner of the Subscriber's ownership of any Interest in such other entity, to access a consent document at the Internet location then specified by the General Partner and follow the instructions contained therein.

\* \* \* \* \*

IN WITNESS WHEREOF, the Subscriber has executed and unconditionally delivered this Subscription Agreement as a Deed on October 23, 2014.

**FOR COMPLETION BY ALL SUBSCRIBERS:**

Subscriber's Commitment Amount: \$ \$25,000,000

Please indicate to which Partnership Subscriber is subscribing by checking one of the boxes below:

H.I.G. Bayside Loan Opportunity Fund IV, L.P.       H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P.

Subscriber's Formal Notice Information:  
(to be used for formal notice)

Address:

See attached Correspondence Chart

Attention: \_\_\_\_\_

Phone No.: \_\_\_\_\_

Fax No.: \_\_\_\_\_

E-mail: \_\_\_\_\_

Subscriber's Other Contact Information if different than Formal Notice Information:

(e.g., home, business or main office)

Address: \_\_\_\_\_

Attention: \_\_\_\_\_

Phone No.: \_\_\_\_\_

Fax No.: \_\_\_\_\_

E-mail: \_\_\_\_\_

**FOR COMPLETION BY SUBSCRIBERS WHO ARE NATURAL PERSONS:  
(i.e., individuals)**

Subscriber's Name: \_\_\_\_\_  
(print or type)

Subscriber's Signature: \_\_\_\_\_  
(signature)

Subscriber's Social Security No.: \_\_\_\_\_

Spouse's Signature: \_\_\_\_\_  
(signature)

(only required if subscription is being made by a husband and wife as joint tenants)

**FOR COMPLETION BY SUBSCRIBERS WHO ARE NOT NATURAL PERSONS:  
(i.e., corporations, partnerships, limited liability companies, trusts or other entities)**

Subscriber's Name: Commonwealth of Pennsylvania  
State Employees' Retirement System  
(print or type)

By: *Glenn E. Becker*  
(signature of authorized representative)

Name: Glenn E. Becker  
(print or type name of authorized representative)

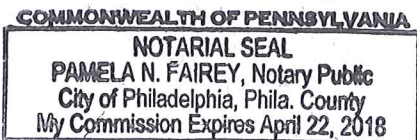
Title: Chairman  
(print or type title of authorized representative)

Subscriber's Tax Identification No.: [REDACTED]

SUBSCRIBED AND SWORN to  
before me this 23<sup>rd</sup> day  
of October, 2014

*Pamela N. Fairey*  
Notary Public

My Commission Expires: April 22, 2018



**Commonwealth of Pennsylvania  
State Employees' Retirement System**

Name of Subscriber  
(Please Print or Type)

**H.I.G. BAYSIDE LOAN OPPORTUNITY FUND IV, L.P.**

**SUBSCRIPTION AGREEMENT  
GENERAL PARTNER ACCEPTANCE PAGE  
(To Be Completed by the General Partner)**

H.I.G. Bayside Loan Advisors IV, LLC, the general partner of H.I.G. Bayside Loan Opportunity Fund IV, L.P. (the "Partnership"), hereby accepts the foregoing subscription on behalf of the Partnership either for (a) the Commitment set forth below or (b) if the Commitment below is left blank, then the Subscriber's requested Commitment amount set forth above the Subscriber's signature on its signature page to the Subscription Agreement, and admits the Subscriber to the Partnership as a Limited Partner.


Commitment: \$25,000,000

Dated: December 22, 2014

**H.I.G. BAYSIDE LOAN ADVISORS IV, LLC**

By: H.I.G.-GPIL, INC.  
Its: Manager

By:

  
Name: Richard Siegel

Title: Authorized Signatory

1450 Brickell Avenue |  
31st Floor |  
Miami, FL 33131  
P 305.379.2322  
F 305.379.2013  
www.higcapital.com

**APPENDIX I  
TO  
SUBSCRIPTION AGREEMENT**

Additional Representations for Non-U.S. Persons

As used herein, the term “Interests” shall mean limited partner interests in the Partnership and the term “Subscriber” shall mean the person or entity executing the Subscription Agreement as the “Subscriber” to which this Appendix I is attached.

**SUBSCRIBERS IN BAHRAIN**

The Subscriber represents, warrants and acknowledges that the offering and sale of the Interests has been made outside of Bahrain.

**SUBSCRIBERS IN CANADA**

The Subscriber represents and warrants that (a) the Subscriber is an “accredited investor” as defined in Canadian National Instrument 45-106 Prospectus and Registration Exemptions, and (b) the Subscriber has not received any general advertising materials relating to the Interests.

**SUBSCRIBERS IN THE CAYMAN ISLANDS**

The Subscriber represents, warrants and acknowledges that it is not a member of the public in the Cayman Islands, as such phrase is defined in the Exempted Limited Partnership Law (2014 Revision) as amended from time to time.

**SUBSCRIBERS IN EUROPEAN ECONOMIC AREA JURISDICTIONS<sup>1</sup>**

The Subscriber understands and acknowledges that the Interests have not been marketed pursuant to the EU Alternative Investment Fund Managers Directive and that consequently the Subscriber will not have any protections or rights under that directive. Unless the General Partner expressly acknowledges otherwise, the Subscriber represents, warrants and acknowledges that the Subscriber was not solicited by any person in relation to the Subscriber’s investment in the Partnership and the purchase of the Interests, and the Subscriber requested the Offering Materials, the Investor Qualification Statement, the power of attorney and any other offering materials on Subscriber’s own initiative.

**SUBSCRIBERS IN FRANCE**

The Subscriber represents, warrants and acknowledges that the Subscriber was not solicited by any person in relation to the Subscriber’s investment in the Partnership and the purchase of the

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<sup>1</sup> As of the date hereof, European Economic Area Jurisdictions include: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lichtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey and the United Kingdom.

Interests, and the Subscriber requested the Private Placement Memorandum, the Partnership Agreement, this Agreement, the Power of Attorney and any other offering materials on the Subscriber's own initiative. In France, the Interests are only being offered to qualified investors as such term is defined in Articles D.411-1 to D.411-3 of the French Monetary and Financial Code. The Subscriber hereby represents and warrants to the Partnership that the Subscriber is a qualified investor as such term is defined in Articles D.411-1 to D.411-3 of the French Monetary and Financial Code.

#### SUBSCRIBERS IN GREECE

The Subscriber acknowledges that (a) the Subscriber is participating in the offer and sale of the Interests as a result of the Subscriber's unsolicited request and not as a result of any publicity, advertisement, marketing or general announcement to the public, and (b) to the best of the Subscriber's knowledge, no such publicity, advertisements, marketing or announcements have been made in the course of the offering and sale of the Interests.

#### SUBSCRIBERS IN HONG KONG

The Subscriber represents and warrants that it is a professional investor within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

#### SUBSCRIBERS IN ITALY

The Subscriber represents, warrants, acknowledges and agrees that either: (a) (i) the Partnership is not an "Undertaking for Collective Investment in Transferable Securities" in compliance with the requirements of E.U. Directive 85/611, as amended, and the Partnership has not been and will not be authorized by the Bank of Italy for distribution in Italy; (ii) the Subscriber has directly contacted the Partnership or the General Partner on the Subscriber's own initiative; (iii) the Private Placement Memorandum, the Partnership Agreement, this Agreement and any other offering materials have been sent to the Subscriber at the Subscriber's express request; and (iv) the Subscriber shall not transfer any Interests to any other Italian resident investor; or (b) (i) the Subscriber has been approached or solicited outside Italy and (ii) any acts for the consummation of the transaction (the execution of the Partnership Agreement, Power of Attorney and this Agreement and the payments in response to capital calls) are taking place and will continue to take place outside Italy.

#### SUBSCRIBERS IN JAPAN

The Subscriber represents, warrants, acknowledges and agrees that (a) in addition to all other restrictions on transfer, the Subscriber shall not transfer its Interests to more than one investor in Japan and (b) the Subscriber is in compliance with any applicable filing requirements under the Foreign Exchange and Foreign Trade Law and other applicable laws of Japan.

#### SUBSCRIBERS IN KUWAIT

The Subscriber acknowledges that the Partnership Agreement, the Investment Qualification Statement, the Power of Attorney and this Agreement will be executed and this Agreement

accepted on behalf of the Partnership outside Kuwait, and that the sale of the Interests will take place outside of Kuwait.

#### SUBSCRIBERS IN MEXICO

The Subscriber represents and acknowledges that (a) the Subscriber became aware of the offering of the Interests through personal communication with the General Partner and not through mass means of communication and (b) the Interests have neither been registered with the National Registry of Securities (Registro Nacional de Valores) maintained by the National Banking and Securities Commission of Mexico (Comisión Nacional Bancaria y de Valores) (the “CNBV”) nor approved by the CNBV.

#### SUBSCRIBERS IN SINGAPORE

The Subscriber represents and warrants that it is an institutional investor within the meaning of Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) or a person referred to in Section 275 of the SFA.

#### SUBSCRIBERS IN SWITZERLAND

The Subscriber represents and warrants that it is an institutional investor with professional treasury management within the meaning of the Circular Letter 03/1 (as amended) issued by the Swiss Banking Commission (Commission fédérale des banques).

#### SUBSCRIBERS IN TAIWAN (REPUBLIC OF CHINA)

The Subscriber represents and warrants that it is a qualified investor under the ruling issued by the Republic of China Securities and Futures Bureau, Financial Supervisory Commission under the Securities Investment Trust and Consulting Act and the Rules Governing Offshore Funds.

#### SUBSCRIBERS IN THE UNITED KINGDOM

The Subscriber represents and warrants that either: (a) the Subscriber is an “investment professional,” as defined in article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the “Financial Promotion Order”) (which category includes (i) persons authorized under the Financial Services and Markets Act 2000; (ii) persons exempt from the requirement to be so authorized; (iii) persons whose ordinary activities involve them in investing in such funds for the purposes of a business carried on by them or who it is reasonable to expect will do so for the purposes of a business carried on by them; and (iv) governments, local authorities and *international organizations*), (b) the Subscriber is a high net worth company, unincorporated association etc, as defined in article 49 of the Financial Promotion Order (which category includes (i) a body corporate which has called-up share capital or net assets of (x) where such body corporate has more than 20 members or is a subsidiary undertaking of a parent undertaking which has more than 20 members, not less than £500,000, and (y) in the case of any other body corporate, not less than £5 million; (ii) unincorporated associations and partnerships having net assets of not less than £5 million; and (iii) trustees of trusts where the aggregate value of the cash and investments which form part of the trust’s assets (before deducting the amount of its liabilities) is £10 million or more, or has been £10 million or



more at any time during the year immediately preceding the date on which the Partnership was first promoted to the trustee), or (c) the Subscriber is a person to whom the Partnership has otherwise lawfully been promoted in accordance with the relevant provisions of the Financial Promotion Order.

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Name of Subscriber  
(Please Print or Type)

**H.I.G. BAYSIDE LOAN OPPORTUNITY FUND IV, L.P.  
H.I.G. BAYSIDE LOAN OPPORTUNITY FEEDER FUND IV, L.P.**

**POWER OF ATTORNEY**

The undersigned hereby constitutes, appoints and grants H.I.G. Bayside Loan Advisors IV, LLC, a Delaware limited liability company and the general partner of the Partnership<sup>1</sup>, and each other person or entity that is or becomes a general partner of the Partnership after the Partnership's initial closing date (collectively, the "General Partner") with full power to act as its true and lawful representative, agent and attorney-in-fact, in its name, place and stead, to make, execute, sign, acknowledge, swear to, verify, deliver, record, file and/or publish (so long as such person or entity continues to be a general partner of the Partnership) the following:

1. a certificate of limited partnership, or a statement pursuant to Section 9 of the Exempted Limited Partnership Law (2011 Revision) of the Cayman Islands, as amended from time to time, filed with the Registrar of Exempted Limited Partnership of the Cayman Islands (each, a "Certificate"), respectively, for the Partnership, a limited partnership in which the General Partner is the general partner and in which the undersigned is named as a limited partner, and any formation certificates or documents for any alternative investment vehicle (each, an "AIV") created pursuant the Partnership Agreement<sup>2</sup>, including, without limitation, any partnership agreement, operating agreement, limited liability company agreement, shareholders agreement, memoranda of association and articles of association or similar governing document;

2. any amendment to, modification to, restatement of or cancellation of the Partnership Agreement or any certificate or AIV document described in clause 1 above to which the undersigned has consented or to which the consent of the undersigned is not required in accordance with the terms of the Partnership Agreement or applicable AIV document, including the substitution of an authorized and permitted transferee of a limited partner pursuant to the applicable Partnership Agreement;

3. all instruments, side letters, documents, certificates and consents that may from time to time be necessary or advisable to effectuate, implement and continue the valid and

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<sup>1</sup> For purposes hereof, "Partnership" shall refer to the applicable entity (either H.I.G. Bayside Loan Opportunity Fund IV, L.P., a Delaware limited partnership or H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P., a Cayman Islands exempted limited partnership) in which the undersigned is admitted as a limited partner.

<sup>2</sup> For purposes hereof, "Partnership Agreement" shall refer to the applicable partnership agreement (either the Agreement of Limited Partnership of H.I.G. Bayside Loan Opportunity Fund IV, L.P. or the Agreement of Exempted Limited Partnership of H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P.) that governs the Partnership in which the undersigned is admitted as a limited partner

subsisting existence of the Partnership or any AIV or admit any additional partners or members thereto, except where such action requires the express approval of the Limited Partners;

4. all instruments, documents, certificates and consents that may be necessary or advisable in the sole discretion of the General Partner to effectuate the provisions of Section 3.4 of the Partnership Agreement;

5. any bills of sale or other appropriate transfer documents necessary or advisable to effectuate transfers of a Regulated Partner's or a Defaulting Partner's interest in the Partnership pursuant to Section 7.7 or Section 7.9, as the case may be, of the Partnership Agreement or of a similar interest pursuant to the comparable provisions of the governing documents for any AIV;

6. all instruments, documents, certificates and consents that may be necessary or advisable to effectuate the dissolution, liquidation, winding-up and termination of the Partnership or any AIV or to effectuate any amendment, restatement or modification to or cancellation of the Partnership's certificate of limited partnership;

7. all instruments, documents and certificates that the General Partner determines to be appropriate in connection with the formation or operation of any Parallel Investment Fund or AIV and the transfer of the undersigned's interest in the Partnership to any such AIV, including the admission of the undersigned to any such AIV;

8. all amendments of the Partnership Agreement duly made and adopted in accordance with the Partnership Agreement;

9. such other documents or instruments as may be required under the laws of the Cayman Islands, the United States, any state thereof or any other jurisdiction (whether or not in the United States or the Cayman Islands); and

10. solely with respect to H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P., subscription agreements, accession agreements or deeds of adherence or any other such agreements, including, without limitation, the Partnership Agreement or any transfer agreement, on behalf of such Limited Partner, between the Partnership, the General Partner and any persons (each a "New Limited Partner") being admitted by the General Partner to the Partnership as a limited partner (or such other parties as may be appropriate) in such form and on such terms and conditions as the General Partner considers in its sole discretion necessary or appropriate to admit any New Limited Partner to the Partnership and to effect the continuation of the Agreement between the Partners and any New Limited Partners, and the rights and obligations of the parties thereto, whether by an amendment, restatement, novation or otherwise.

The undersigned hereby empowers each attorney-in-fact acting pursuant hereto to determine in its sole discretion the time when, purpose for and manner in which any power herein conferred upon it shall be exercised, and the conditions, provisions and covenants of any instruments or documents which may be executed by it pursuant hereto; provided that the powers of attorney granted herein shall only be exercised in accordance with the Partnership Agreement and clauses 1 through 9 or 10 above (as applicable). The powers of attorney granted herein are coupled with an interest in favor of the General Partner, shall secure a proprietary interest of the

General Partner of the performance of an obligation owed to the General Partner and (a) shall be irrevocable and continue in full force and effect notwithstanding the subsequent death, incapacity, disability, insolvency or dissolution of the undersigned regardless of whether the Partnership or the General Partner has notice thereof and (b) shall survive the delivery of an assignment by the undersigned of the whole or any portion of its interest in the Partnership, except that if the assignee thereof has been approved for admission to the Partnership as a substitute limited partner, this Power of Attorney given by the assignor shall survive the delivery of the assignment for the sole purpose of enabling the General Partner to execute, acknowledge and file any instrument necessary to effect the substitution. The powers of attorney granted herein shall not be deemed to constitute a written consent of the undersigned for purposes of Section 13.1 of the Partnership Agreement.

This Power of Attorney may be exercised by such attorney-in-fact and agent for the undersigned as well as all other Limited Partners (or any of them) by a single signature of the General Partner acting as attorney-in-fact with or without listing the undersigned and all of the other Limited Partners executing an instrument. Any Person dealing with the Partnership may conclusively presume and rely upon the fact that any instrument referred to above, executed by such attorney-in-fact and agent, is authorized and binding, without further inquiry. If required, the undersigned shall execute and deliver to the General Partner, within five (5) business days after receipt of a request therefor, such further designations, powers of attorney or other instruments as the General Partner shall determine to be necessary for the purposes hereof, in each case as consistent with the provisions of the Partnership Agreement.

Capitalized terms used but not defined herein shall have the respective meanings given to such terms in the Partnership Agreement. If this Power of Attorney is being executed in connection with an investment in H.I.G. Bayside Loan Opportunity Fund IV, L.P., this Power of Attorney shall be governed and construed in accordance with the laws of the State of Delaware. If this Power of Attorney is being executed in connection with an investment in H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P., this Power of Attorney shall be executed as a deed and shall be governed and construed in accordance with the laws of the Cayman Islands.

\* \* \* \* \*

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IN WITNESS WHEREOF, the undersigned has executed and unconditionally delivered this Power of Attorney as a Deed on the date set forth below.

Dated October 23, 2014

**FOR COMPLETION BY SUBSCRIBERS WHO ARE NATURAL PERSONS:**  
(i.e., individuals)

Subscriber's Name: \_\_\_\_\_  
(print or type)

Subscriber's Signature: \_\_\_\_\_  
(signature)

Subscriber's Social Security No.: \_\_\_\_\_

Spouse's Signature: \_\_\_\_\_  
(signature)  
(only required if  
subscription is being  
made by a husband and  
wife as joint tenants)

**FOR COMPLETION BY SUBSCRIBERS WHO ARE NOT NATURAL PERSONS:**  
(i.e., corporations, partnerships, limited liability companies, trusts or other entities)

Subscriber's Name: Commonwealth of Pennsylvania  
State Employees' Retirement System  
(print or type)

By: *Glenn E. Becker*  
(signature of authorized representative)

Name: Glenn E. Becker  
(print or type name of authorized representative)

Title: Chairman  
(print or type title of authorized representative)

Subscriber's Tax Identification No.: ██████████

SUBSCRIBED AND SWORN to  
before me this 23<sup>rd</sup> day  
of October, 2014.

*Pamela Fahey*  
Notary Public

My Commission Expires: April 22, 2018



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Name of Subscriber  
(Please Print or Type)

**INVESTOR  
QUALIFICATION STATEMENT  
FOR INDIVIDUALS<sup>1</sup>**

**Part I. Regulation D and Regulation S Matters.**

(a) If the undersigned subscriber (the “Subscriber”) is a natural person (i.e., an individual), a revocable grantor trust (the sole settlor (i.e., grantor) of which is a natural person), an individual retirement account or a self-directed employee benefit plan of a natural person, please indicate with an “X” the category or categories that accurately describe such natural person and qualify him or her as an “accredited investor” pursuant to Regulation D promulgated under the United States Securities Act of 1933, as amended and in effect as of the date hereof (the “Securities Act”):

\_\_\_\_\_ (1) a natural person whose individual net worth<sup>2</sup> (or joint net worth with such person’s spouse) exceeds \$1,000,000;<sup>3</sup>

\_\_\_\_\_ (2) a natural person who had an individual income<sup>4</sup> in excess of \$200,000 in each of the two most recent years and who reasonably expects to have an individual income in excess of \$200,000 in the current year, or who had joint income<sup>5</sup> in

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<sup>1</sup> For purposes hereof, the “Partnership” means H.I.G. Bayside Loan Opportunity Fund IV, L.P., a Delaware limited partnership or H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P., a Cayman Islands exempted limited partnership.

<sup>2</sup> For purposes of this item, “net worth” means the excess of total assets at fair market value, including cash, stock, securities, personal property and real estate (other than your primary residence), over total liabilities (other than a mortgage or other debt secured by your primary residence). In the event that the amount of any mortgage or other indebtedness secured by your primary residence exceeds the fair market value of the residence, that excess liability should also be deducted from your net worth. Any mortgage or indebtedness secured by your primary residence incurred within 60 days before the time of the sale of the securities offered hereunder, other than as a result of the acquisition of the primary residence, shall also be deducted from your net worth.

<sup>3</sup> Recent legislation also authorizes the SEC to make further adjustments to the net worth test during and after 2014. Investors who qualify to acquire an interest in the Partnership will be allowed to continue to hold that interest even if qualifying standards increase.

<sup>4</sup> For purposes of this item, “individual income” means adjusted gross income, as reported for federal income tax purposes, less any income attributable to a spouse or to property owned by a spouse, increased by the following amounts (but not including any amounts attributable to a spouse or to property owned by a spouse): (i) the amount of any tax-exempt interest income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), received; (ii) the amount of losses claimed as a limited partner in a limited partnership as reported on Schedule E of Form 1040; (iii) any deduction claimed for depletion under Section 611 et seq. of the Code; (iv) amounts contributed to an Individual Retirement Account (as defined in the Code) or Keogh retirement plan; (v) alimony paid; (vi) any elective contributions to a cash or deferred arrangement under Section 401(k) of the Code; and (vii) for applicable taxable years, any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Section 1202 of the Code.

<sup>5</sup> For purposes of this item, “joint income” means adjusted gross income as reported for U.S. federal income tax purposes, including any income attributable to a spouse or to property owned by a spouse, increased by the following amounts (including any amounts attributable to a spouse or to property owned by a spouse): (i) the amount of any tax-exempt interest income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), received; (ii) the amount of losses claimed as a limited partner in a limited partnership as reported on

excess of \$300,000 in each of the two most recent years and who reasonably expects to have joint income in excess of \$300,000 in the current year;<sup>6</sup> or

\_\_\_\_\_ (3) a director, executive officer, or general partner of the issuer of the limited partnership interests being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer.

(b) If the natural person referenced in Part I(a) above is subscribing for a limited partnership interest in the Partnership, is not a "U.S. Person" as defined in Rule 902 of Regulation S and set forth on Appendix B hereto, and is not acquiring (directly or through a revocable grantor trust or individual retirement account, as applicable) a limited partnership interest in the Partnership for the benefit of a U.S. Person, please mark this box with an "X": .

**Part II. Investment Advisers Act Matters.**

**(Note that the ability to give a response of "True" to the question below qualifies the Subscriber as a "qualified client" under the United States Investment Advisers Act of 1940, as amended, and the rules and regulations promulgated thereunder (the "Investment Advisers Act").<sup>7</sup>**

The natural person described in Part I above:

(1) has a net worth<sup>8</sup> in excess of \$2,000,000 (including assets held jointly with such person's spouse);

\_\_\_\_\_ True \_\_\_\_\_ False

(2) is making a commitment to the Partnership, together with its commitments to other funds managed by H.I.G. Capital, L.L.C. of at least \$1,000,000; or

\_\_\_\_\_ True \_\_\_\_\_ False

(3) is a "qualified purchaser" as defined in Section 2(a)(51)(A) of the United States Investment Company Act of 1940, as amended.

\_\_\_\_\_ True \_\_\_\_\_ False

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Schedule E of Form 1040; (iii) any deduction claimed for depletion under Section 611 et seq. of the Code; (iv) amounts contributed to an Individual Retirement Account (as defined in the Code) or Keogh retirement plan; (v) alimony paid; (vi) any elective contributions to a cash or deferred arrangement under Section 401(k) of the Code; and (vii) for applicable taxable years, any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Section 1202 of the Code.

<sup>6</sup> Recent legislation also authorizes the SEC to make adjustments to the income test once the SEC conducts appropriate rule-making. Investors who qualify to acquire an interest in the Partnership will be allowed to continue to hold that interest even if qualifying standards increase.

<sup>7</sup> Recent legislation provides that so long as the SEC uses a numerical standard to determine qualification as a "qualified client," it must act from time to time to index such a standard for inflation. At this time, the Partnership cannot predict the effect of such a change in the future.

<sup>8</sup> See footnote 2 above for the definition of "net worth."

**Part III. Qualified Purchaser Matters.**

The natural person described in Part I(a) above owns at least \$5,000,000 of Investments as defined in Appendix A hereto.

\_\_\_\_\_ True                      \_\_\_\_\_ False

**Part IV. Miscellaneous Matters.**

(a) The Subscriber is an individual retirement account or annuity which is subject to Section 4975 of the Code, or a self-directed account in an “employee benefit plan” within the meaning of Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended (“ERISA”), that is subject to Part 4 of Subtitle B of Title I of ERISA.

\_\_\_\_\_ True                      \_\_\_\_\_ False

\_\_\_\_\_ (b) By marking the space to the left with an “X”, the Subscriber hereby notifies the general partner of the Partnership (the “General Partner”) and the Partnership that it is not a United States person under §7701(a)(30) of the Code.

(c) The Subscriber is an officer, agent, or employee of a State or political subdivision or any agency, authority or instrumentality, acting in his, or her official capacity.

\_\_\_\_\_ True                      \_\_\_\_\_ False

(d) The Subscriber represents that it is (check one or, if none apply, explain):

\_\_\_\_\_ (1) an individual human being, or a joint tenancy (specify type: \_\_\_\_\_) comprised solely of individual human beings;

\_\_\_\_\_ (2) a revocable grantor trust, the sole settlor of which was:

\_\_\_\_\_  
(Individual’s Name)

\_\_\_\_\_ (3) an individual retirement account for:

\_\_\_\_\_  
(Individual’s Name); or

\_\_\_\_\_ (4) a self-directed retirement plan for:

\_\_\_\_\_  
(Individual’s Name)

(e) The natural person described in Part I(a) above is a citizen of the following country:

\_\_\_\_\_.



- (f) The natural person described in Part I(a) above is a resident of \_\_\_\_\_ (specify state or non-U.S. jurisdiction, including the applicable city, province or other subdivision thereof).
- (g) If the Subscriber is an entity, its jurisdiction of organization is \_\_\_\_\_ and it is domiciled in \_\_\_\_\_ (specify state or non-U.S. jurisdiction, including the applicable city, province or other subdivision thereof).

The Subscriber hereby represents and warrants that all of the answers, statements and information set forth in this Investor Qualification Statement are true and correct on the date hereof and will be true and correct as of each date, if any, that the subscription set forth in the Subscription Agreement to which this Investor Qualification Statement is attached is accepted, in whole or in part, by the General Partner. The Subscriber hereby agrees to provide such additional information related to the foregoing as is requested by the General Partner, including, but not limited to, information as to whether the Subscriber has been subject to a Regulation D Rule 506(d) disqualifying event in the event Subscriber will, at any time, hold in excess of 20% of the limited partnership interests in the Partnership. Furthermore, Subscriber agrees to notify the General Partner promptly of any change that may cause any answer, statement or information set forth in this Investor Qualification Statement to become untrue in any material respect.

\* \* \* \* \*

**IN WITNESS WHEREOF**, the Subscriber has executed this Investor Qualification Statement on the date set forth below.

Dated \_\_\_\_\_, \_\_\_\_

**For Subscribers That Are Natural Persons:**

Subscriber's Name: \_\_\_\_\_  
(print or type)

Subscriber's Signature: \_\_\_\_\_  
(signature)

Subscriber's Social Security No.: \_\_\_\_\_

Spouse's Signature: \_\_\_\_\_  
(signature)  
(only required if subscription is being made by a husband and wife as joint tenants)

**For Subscribers That Are Alter-Egos of Natural Persons (e.g., individual retirement accounts, self-directed retirement plans and certain revocable grantor trusts):**

Subscriber's Name: \_\_\_\_\_  
(print or type)

By: \_\_\_\_\_  
(signature of authorized representative)

Name: \_\_\_\_\_  
(print or type name of authorized representative)

Title: \_\_\_\_\_  
(print or type title of authorized representative)

Subscriber's Tax Identification No.: \_\_\_\_\_

**Subscriber's Wire Transfer Instructions (for either Natural Persons or Alter-Egos of Natural Persons):**

Bank Name: \_\_\_\_\_

Bank Location: \_\_\_\_\_

ABA Routing Number (for U.S. Banks): \_\_\_\_\_

Swift Code (for non-U.S. Banks): \_\_\_\_\_

Account Number: \_\_\_\_\_

Reference: \_\_\_\_\_

Name of Subscriber  
(Please Print or Type)

**INVESTOR  
QUALIFICATION STATEMENT  
FOR ENTITIES<sup>1</sup>**

**Part I. Regulation D and Regulation S Matters.**

(a) If the Subscriber is *not* a natural person, a revocable grantor trust (the sole settlor (i.e., grantor) of which is a natural person), an individual retirement account or annuity of a natural person or a self-directed employee benefit plan of a natural person (i.e., is, instead, a corporation, partnership, limited liability company, trust or other entity), please indicate with an “X” the category or categories that accurately describe the Subscriber and qualify it as an “accredited investor” pursuant to Regulation D promulgated under the United States Securities Act of 1933, as amended and in effect as of the date hereof (the “Securities Act”):

- \_\_\_\_\_ (1) a bank as defined in Section 3(a)(2) of the Securities Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity;
- \_\_\_\_\_ (2) a broker or dealer registered pursuant to Section 15 of the United States Securities Exchange Act of 1934, as amended;
- \_\_\_\_\_ (3) an insurance company as defined in Section 2(13) of the Securities Act;
- \_\_\_\_\_ (4) an investment company registered under the United States Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder (the “Investment Company Act”);
- \_\_\_\_\_ (5) a business development company as defined in Section 2(a)(48) of the Investment Company Act;
- \_\_\_\_\_ (6) a Small Business Investment Company licensed by the United States Small Business Administration under Section 301(c) or (d) of the United States Small Business Investment Act of 1958, as amended;
- X   (7) a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000;

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<sup>1</sup> For purposes hereof, the “Partnership” means H.I.G. Bayside Loan Opportunity Fund IV, L.P., a Delaware limited partnership or H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P., a Cayman Islands exempted limited partnership.

(8) an employee benefit plan within the meaning of Title I of the United States Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and (check all subcategories that apply):

\_\_\_\_\_ (A) the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company or registered investment adviser,

\_\_\_\_\_ (B) the employee benefit plan has total assets in excess of \$5,000,000, or

\_\_\_\_\_ \* (C) such plan is a self-directed plan with investment decisions made solely by persons that are “accredited investors”;

\*See Section (b) below

\_\_\_\_\_ (9) a private business development company as defined in Section 202(a)(22) of the United States Investment Advisers Act of 1940, as amended, and the rules and regulations promulgated thereunder (the “Investment Advisers Act”);

(10) one of the following entities which was not formed for the specific purpose of making an investment in the Partnership and which has total assets in excess of \$5,000,000:

\_\_\_\_\_ (A) a corporation, limited liability company or partnership;

\_\_\_\_\_ (B) an organization described in Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended; or

\_\_\_\_\_ (C) a Massachusetts or similar business trust;

\_\_\_\_\_ (11) a trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring limited partnership interests of the Partnership, whose purchase of the limited partnership interests offered is directed by a person with such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in such limited partnership interests; or

\_\_\_\_\_ \* (12) an entity in which all of the equity owners are “accredited investors.”

\*See Section (b) below

(b) If the Subscriber is an accredited investor for the reason described in Part I(a)(8)(C) above, **a separate Investor Qualification Statement must be submitted for each person making investment decisions for the Subscriber.** If the Subscriber is an accredited investor solely for the reason described in Part I(a)(12) above, **a separate Investor Qualification Statement must be submitted for each stockholder, partner, member or other beneficial owner of the Subscriber.** *In the event the Subscriber is an accredited investor for any of the reasons referenced in this paragraph, the Subscriber may be required to enter into a letter agreement with the Partnership restricting direct and indirect transfers of beneficial interests in the Subscriber to accredited investors.*

(c) If the Subscriber described in Part I(a) is subscribing for a limited partnership interest in the Partnership, is not a “U.S. Person” as defined in Rule 902 of Regulation S and set forth on Appendix B hereto, and is not acquiring a limited partnership interest in the Partnership for the benefit of a U.S. Person, please mark this box with an “X”: .

**Part II. Investment Company Act Matters.**

- (a) The Subscriber is one of the following:
- (1) an “investment company,” as defined in Section 3 of the Investment Company Act, registered or required to be registered under the Investment Company Act; or
  - (2) a “business development company,” as defined in Section 2(a)(48) of the Investment Company Act.

\_\_\_\_\_ True       X  False

- (b) The Subscriber would be an “investment company” as defined in Section 3(a) of the Investment Company Act if it were not exempt from such definition due to Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.

\_\_\_\_\_ True       X  False

- (c) If the answer to Part II(a) or (b) above is “True,” the Subscriber’s commitment to the Partnership is less than ten percent (10%) of the Partnership’s committed capital committed by all of its limited partners (leave blank if the answers to both Part II(a) and (b) above are “False”).

\_\_\_\_\_ True      \_\_\_\_\_ False

- (d) If the answer to Part II(c) above is “False,” the number of direct or indirect beneficial owners of the Subscriber’s securities as interpreted under the Investment Company Act (other than short-term paper, as such term is interpreted under the Investment Company Act) is \_\_\_\_\_ (leave blank if the answer to Part II(c) above is “True” or blank).

**If at any time during the term of the Partnership any statement in Part II(a), (b), (c), or (d) shall no longer be accurate if made at such time, the Subscriber shall promptly notify the general partner of the Partnership (the “General Partner”).**

- (e) The Subscriber was not formed or reformed (as interpreted under the Investment Company Act) for the purpose of acquiring limited partnership interests of the Partnership.

X  True      \_\_\_\_\_ False

- (f) The Subscriber’s commitment to the Partnership is less than forty percent (40%) of the Subscriber’s assets (including committed capital).

X  True      \_\_\_\_\_ False

- (g) The Subscriber has made investments prior to the date hereof or intends to make investments in the near future and each beneficial owner of interests in the Subscriber has shared and will share in the same proportion in each such investment (e.g., no beneficial owner of the Subscriber may vary its interests in different investments made by or on behalf of the Subscriber).

X  True      \_\_\_\_\_ False

- (h) The governing documents of the Subscriber require that each beneficial owner of the Subscriber including, but not limited to, shareholders, partners and beneficiaries, participate through his, her or its interest in the Subscriber in all of the Subscriber's investments and that the profits and losses from each such investment are shared among such beneficial owners in the same proportions as all other investments of the Subscriber. No such beneficial owner may vary his, her or its share of the profits and losses or the amount of his, her or its contribution for any investment made by the Subscriber.

True  False

- (i) The Subscriber is not managed as a device for facilitating individual investment decisions of its beneficial owners, but rather is managed as a collective investment vehicle (e.g., no beneficial owner of the Subscriber has the right to "opt out" of an investment or has individual discretion over the amount of his, her or its investment).

True  False

**Part III. Investment Advisers Act Matters.**

**(Note that the ability to give a response of "True" to each of questions (b), (c) and (d) below that apply qualifies the Subscriber as a "qualified client" under the Investment Advisers Act.)**

- (a) The Subscriber is:

- (1) an entity which is registered as an "investment company" under the Investment Company Act, or which would be an "investment company" as defined in Section 3(a) of the Investment Company Act if it were not exempt from such definition due to Section 3(c)(1) of the Investment Company Act; and/or

True  False

- (2) a "business development company" as defined in Section 202(a)(22) of the Investment Advisers Act.

True  False

- (b) If the Subscriber answered "False" to each part of Part III(a) above, the Subscriber (i) has a net worth<sup>2</sup> in excess of \$2,000,000, (ii) is a "qualified purchaser" as defined in Section 2(a)(51)(A) of the Investment Company Act or (iii) is making a commitment to the Partnership, together with its commitments to other funds managed by H.I.G. Capital, L.L.C., of at least \$1,000,000.

True  False

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<sup>2</sup> For purposes of this item, "net worth" means the excess of total assets at fair market value, including cash, stock, securities, personal property and real estate (other than your primary residence), over total liabilities (other than a mortgage or other debt secured by your primary residence). In the event that the amount of any mortgage or other indebtedness secured by your primary residence exceeds the fair market value of the residence, that excess liability should also be deducted from your net worth. Any mortgage or indebtedness secured by your primary residence incurred within 60 days before the time of the sale of the securities offered hereunder, other than as a result of the acquisition of the primary residence, shall also be deducted from your net worth.

- (c) If the Subscriber answered “True” to any part of Part III(a) above (a “Look-Through Entity”), each equity owner of the Subscriber (i) has a net worth<sup>3</sup> (including, for natural persons, assets held jointly with such person’s spouse) in excess of \$2,000,000, (ii) is a “qualified purchaser” as defined in Section 2(a)(51)(A) of the Investment Company Act or (iii) is making a direct or indirect commitment to the Partnership, together with its commitments to other funds managed by H.I.G. Capital, L.L.C., of at least \$1,000,000.

\_\_\_\_\_ True                      \_\_\_\_\_ False

- (d) If the Subscriber is a Look-Through Entity and any direct or indirect equity owner of the Subscriber is also a Look-Through Entity, each equity owner of such direct or indirect equity owner (i) has a net worth<sup>4</sup> (including, for natural persons, assets held jointly with such person’s spouse) in excess of \$2,000,000, (ii) is a “qualified purchaser” as defined in Section 2(a)(51)(A) of the Investment Company Act or (iii) is making a direct or indirect commitment to the Partnership, together with its commitments to other funds managed by H.I.G. Capital, L.L.C., of at least \$1,000,000.

\_\_\_\_\_ True                      \_\_\_\_\_ False

**Part IV. Qualified Purchaser Matters.**

- (a) Please indicate with an “X” the category or categories, if any, that accurately describe the Subscriber and qualify it as a “qualified purchaser” as defined under the Investment Company Act:

  X   (1) an entity acting for its own account or the accounts of other qualified purchasers, that: (i) was not formed or reformed for the specific purpose of acquiring the securities offered by the Partnership; and (ii) which in the aggregate owns and invests on a discretionary basis not less than \$25,000,000 in Investments;<sup>5</sup>

\_\_\_\_\_ \* (2) a trust: (i) that was not formed or reformed for the specific purpose of acquiring the securities offered by the Partnership; and (ii) as to which the trustee or other person authorized to make decisions with respect to the trust, and each settlor or other person who has contributed assets to the trust, is a qualified purchaser as described in clause (a)(1) or (a)(3) or is a natural person who owns at least \$5,000,000 of Investments;

*\*See Section (b) below*

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<sup>3</sup> See footnote 2 above for the definition of “net worth.”

<sup>4</sup> See footnote 2 above for the definition of “net worth.”

<sup>5</sup> See Appendix A to this Investor Qualification Statement for the definition of “Investments.” In determining whether a company is a qualified purchaser pursuant to Part IV(a)(1) there may be included Investments owned by majority-owned subsidiaries of the company, Investments owned by a company (the “Parent Company”) of which the company is a majority-owned subsidiary, or by a majority-owned subsidiary of the company and other majority-owned subsidiaries of the Parent Company.

\_\_\_\_\_ \* (3) a company as defined in Section 2(a)(8) of the Investment Company Act<sup>6</sup> that: (i) was not formed or reformed for the specific purpose of acquiring the securities offered by the Partnership; (ii) owns not less than \$5,000,000 in Investments; and (iii) is owned, directly or indirectly, only by or for two or more natural persons who are related as siblings or spouses (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations, or trusts established by or for the benefit of such persons (a “Family Company”);

*\*See Section (b) below*

\_\_\_\_\_ \* (4) a company in which each beneficial owner of such company’s securities is a qualified purchaser;

*\*See Section (b) below*

X (5) a qualified institutional buyer as defined in paragraph (a) of Section 230.144A(a) under the Code of Federal Regulations (the “CFR”), acting for its own account, the account of another qualified institutional buyer or the account of a qualified purchaser provided: (i) a dealer described in paragraph (a)(1)(ii) of Section 230.144A of the CFR owns and invests on a discretionary basis at least \$25 million in securities of issuers that are not affiliated persons of the dealer; and (ii) a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Section 230.144A of the CFR or a trust fund referred to in paragraph (a)(1)(F) of Section 230.144A of the CFR that holds the assets of such a plan, will not be deemed to be acting for its own account if investment decisions with respect to the plan are made by the beneficiaries of the plan, except with respect to investment decisions made solely by the fiduciary, trustee or sponsor of such plan; or

\_\_\_\_\_ (6) the Subscriber is not a “qualified purchaser” as defined under the Investment Company Act.

(b) **If the Subscriber is a qualified purchaser for the reason described in Part IV(a)(2) above**, a separate Investor Qualification Statement must be submitted for each trustee, or other person authorized to make decisions with respect to the trust and each settlor or other person who has contributed assets to the trust. **If the Subscriber is a qualified purchaser for the reason described in Part IV(a)(3) above**, additional information regarding the direct and indirect owners of the Family Company may need to be provided to the General Partner. **If the Subscriber is a qualified purchaser for the reason described in Part IV(a)(4) above**, a separate Investor Qualification Statement must be submitted for each beneficial owner of the Subscriber’s securities. *In the event the Subscriber is a qualified purchaser for the reasons referenced in Part IV(a)(3) or Part IV(a)(4), the Subscriber may be required to enter into a letter agreement with the Partnership restricting direct and indirect transfers of beneficial interests in the Subscriber to, in the case of Part IV(a)(3), qualified family members and, in the case of Part IV(a)(4), qualified purchasers.*

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<sup>6</sup> Section 2(a)(8) of the Investment Company Act defines a “company” as “a corporation, a partnership, an association, a joint-stock company, a trust, a fund, or any organized group of persons whether incorporated or not; or any receiver, trustee in a case under Title 11 of the United States Code or similar official or any liquidating agent for any of the foregoing, in his capacity as such.”



(c) If the Subscriber is a company formed on or before April 30, 1996 that relies on the exceptions provided for in Section 3(c)(1) or 3(c)(7) of the Investment Company Act to be exempt from registration as an investment company under the Investment Company Act (an “excepted investment company”), the Subscriber hereby represents and warrants that all consents required under the Investment Company Act to the Subscriber’s treatment as a qualified purchaser have been obtained.<sup>7</sup>

**Part V. FATCA Matters.**

(a) The Subscriber is not a U.S. Person.

\_\_\_\_\_ True                        X   False

If you answered “True” to item V.(a) above, please indicate with an “X” the category or categories, if any, that accurately described the Subscriber.

\_\_\_\_\_ (1) the Subscriber is (i) an exempt beneficial owner within the meaning of Treasury Reg. §§1.1471-(6)(a) through (g) or (ii) identified as an exempt beneficial owner in either a Model I IGA<sup>8</sup> treated as being in effect or a Model II IGA<sup>9</sup> treated as being in effect.

\_\_\_\_\_ (2) the Subscriber is a foreign financial institution<sup>10</sup> and either (i) has entered into an agreement with the Secretary of the Treasury or his designee described in Code §1471(b) and Treasury Reg. §1.1471-4, (ii) is a deemed compliant foreign financial institution within the meaning of Code §1471(b)(2) and Treasury Reg. §1.1471-5(f), or has been identified as a deemed-compliant foreign financial institution in either a Model I IGA treated as being in effect or a Model II IGA treated as being in effect or (iii) is organized in a jurisdiction that has entered into a Model I IGA with the United States Treasury Department which Model I IGA is treated as being in effect.

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<sup>7</sup> The Investment Company Act and the rules and regulations thereunder require that (i) all “beneficial owners” of outstanding securities (other than “short-term paper”) of such Subscriber that acquired their interests on or before April 30, 1996, and (ii) all “beneficial owners” of any other excepted investment company that is a “beneficial owner” of outstanding securities (other than “short-term paper”) of such Subscriber that acquired their interests in such other excepted investment company on or before April 30, 1996, consent to such treatment. Terms in quotes in the preceding sentence refer to such terms as interpreted under the Investment Company Act. The unanimous consent of all trustees, directors or general partners of a beneficial owner which is a trust or company referred to in Part IV(a)(2) or Part IV(a)(3) shall constitute consent of a beneficial owner for purposes of this Part IV(c).

<sup>8</sup> The definition of Model I IGA can be found in Treasury Reg. §1.1471-1(b)(78).

<sup>9</sup> The definition of Model II IGA can be found in Treasury Reg. §1.1471-1(b)(79).

<sup>10</sup> Treasury Reg. 1.1471-5(e)(1) provides that a foreign financial institution is any foreign entity that (i) accepts deposits in the ordinary course of a banking or similar business; (ii) holds, as a substantial portion of its business, financial assets for the account of others; (iii) is an investment entity as such term is defined in Treasury Reg. 1.1471-5(e)(4); (iv) is an insurance company (or the holding company of an insurance company) that issues or is obligated to make payments with respect to a financial account under paragraph (b)(1) of such section; or (v) is an entity that is a holding company or treasury center (as described in Treasury Reg. 1.1471-5(e)(5)(i)(C) and (e)(5)(i)(D)(1) that (A) is part of an expanded affiliated group that includes a depository institution, custodial institution, specified insurance company or investment entity; or (B) is formed in connection with or availed of by a collective investment vehicle, mutual fund, exchange traded fund, private equity fund, hedge fund, venture capital fund, leveraged buyout fund, or any similar investment vehicle.

- \_\_\_\_\_ (3) the Subscriber is a foreign financial institution<sup>11</sup> and (i) has not entered into an agreement with the Secretary of Treasury or his designee described in Code §1471(b) and U.S. Department of Treasury Reg. §1.1471-4, (ii) is not a deemed-compliant foreign financial institution, and has not been identified as a deemed compliant foreign financial institution in either a Model I IGA treated as being in effect or a Model II IGA treated as being in effect and (iii) is either (A) organized in a jurisdiction that has not entered into a Model I IGA or (B) organized in a jurisdiction that has entered into a Model I IGA, where the U.S. Department of Treasury does not treat such Model I IGA as being in effect.
- \_\_\_\_\_ (4) the Subscriber is a foreign entity that is not a financial foreign institution.<sup>12</sup>

**Part VI. Miscellaneous Matters.**

(a) Benefit Plan Matters. The Subscriber hereby notifies the General Partner and the Partnership that the following statements are true as indicated:

- (1) The Subscriber is an employee benefit plan that is subject to the provisions of Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

\_\_\_\_\_ Yes        X   No

- (2) The Subscriber is an individual retirement account or annuity or other plan that is subject to Section 4975 of the Code (an “IRA”).

\_\_\_\_\_ Yes        X   No

- (3) The Subscriber is an insurance company general account whose underlying assets are deemed under ERISA and applicable regulations to include “plan assets” of one or more “employee benefit plans” subject to ERISA.

\_\_\_\_\_ Yes        X   No

If Yes, the percentage of the Subscriber’s assets that are deemed to be “plan assets” is and will continue to be **no more than** \_\_\_\_\_% (specify maximum percentage).

- (4) The Subscriber is an entity, account or other pooled investment fund, such as a fund of funds or group trust, whose underlying assets are deemed under United States Department of Labor regulations at § 2510.3-101 et seq., as amended by Section 3(42) of ERISA (the “Plan Asset Regulation”), to include “plan assets” of any “employee benefit plan” subject to ERISA or IRA.

\_\_\_\_\_ Yes        X   No

If Yes, the percentage of the Subscriber’s assets that are deemed to be “plan assets” is and will continue to be **no more than** \_\_\_\_\_% (specify maximum percentage).

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<sup>11</sup> See footnote 10 above for the definition of foreign financial institution.

<sup>12</sup> See footnote 10 above for the definition of foreign financial institution.

- (5) The Subscriber is an entity, account or other pooled investment fund, such as a fund of funds or group trust, that **may now or in the future** have equity investors, partners, members, beneficiaries, or other beneficial owners that are “employee benefit plans” subject to ERISA or IRAs, but whose underlying assets are **not currently** deemed under the Plan Asset Regulation to include “plan assets” of any “employee benefit plan” subject to ERISA or IRA because investment by “benefit plan investors” is not “significant” (currently defined as 25% or more of any class of the vehicle’s equity interests disregarding interests held by fund managers or their affiliates) or the Subscriber complies with another applicable exception under the Plan Asset Regulation.

\_\_\_\_\_ Yes        X   No

If Yes, the Subscriber complies with and intends to continue to comply with (Check applicable exception under the Plan Asset Regulations):

\_\_\_\_\_ the “significant participation” exception. The current percentage of the Subscriber’s underlying assets that are held by “benefit plan investors” is and will continue to be **no more than** \_\_\_\_\_% (specify maximum percentage).

\_\_\_\_\_ the Venture Capital Operating Company exception

\_\_\_\_\_ the Real Estate Operating Company exception

\_\_\_\_\_ another applicable exception under the Plan Asset Regulation (Please specify, including where the Subscriber is permitted to rely on multiple exceptions)

- (b) Is the Subscriber a governmental plan as defined in Section 3(32) of ERISA?

  X   Yes                      \_\_\_\_\_ No

- (c) Is the Subscriber a non-U.S. employee benefit plan or other retirement account?

\_\_\_\_\_ Yes                        X   No

- (d) Is any fiduciary or other affiliate of the Subscriber a person that has discretionary authority or control, or provides investment advice for a fee (direct or indirect), with respect to the Partnership? For purposes of the foregoing, (i) an “affiliate” of a person includes any person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the person and (ii) “control” means the power to influence the management or policies of such person or influence the investments of such person.

\_\_\_\_\_ Yes                        X   No

(e) Governmental Entity Status. The Subscriber hereby notifies the General Partner and the Partnership that it is (check one):

- X   (1) a State or political subdivision of a State, including:
- X   (i) an agency, authority or instrumentality of a State or political subdivision;
- \_\_\_\_\_ (ii) a pool of assets sponsored or established by a State or political subdivision or any agency, authority or instrumentality thereof, including, but not limited to a “defined benefit plan” as defined in section 414(j) of the Internal Revenue code (26 U.S.C. 414(j)), or a State general fund; or
- X   (iii) a plan or program of a government entity.
- \_\_\_\_\_ (2) not a State or political subdivision of a State.

(f) Notifications. The Subscriber hereby notifies the General Partner and the Partnership that it is (check any and all that apply):

- \_\_\_\_\_ (1) a Limited Partner subject to the “BHCA” (as defined in the Agreement of Limited Partnership of the Partnership (the “Partnership Agreement”)), but is investing under Section 4(k) of the BHCA and is thus not a “BHCA Limited Partner” (as defined in the Partnership Agreement);
- \_\_\_\_\_ (2) a “BHCA Limited Partner” (as defined in the Partnership Agreement);
- \_\_\_\_\_ (3) a “Tax Exempt Partner” (as defined in the Partnership Agreement);
- \_\_\_\_\_ (4) a “Foundation Partner” (as defined in the Partnership Agreement);
- \_\_\_\_\_ (5) an “ERISA Partner” (as defined in the Partnership Agreement); and/or
- \_\_\_\_\_ (6) not a United States person under §7701(a)(30) of the United States Internal Revenue Code of 1986, as amended.

(g) Type of Entity. The Subscriber represents that it is:

- \_\_\_\_\_ (1) a corporation;
- \_\_\_\_\_ (2) a general partnership;
- \_\_\_\_\_ (3) a limited partnership;
- \_\_\_\_\_ (4) a limited liability company;
- \_\_\_\_\_ (5) an unincorporated agency or instrumentality of the government of \_\_\_\_\_ (specify city, state, province, country and/or other jurisdiction);
- \_\_\_\_\_ (6) a trust of the following type: \_\_\_\_\_ (e.g., charitable remainder trust, etc.); or

X

(7) the following other form of entity:  
State Government Pension Plan

(h) Jurisdiction of Organization. The Subscriber represents that its jurisdiction of organization is Commonwealth of Pennsylvania.

(i) Domicile. The Subscriber represents that its principal place of business is located in Commonwealth of Pennsylvania (specify state or non-U.S. jurisdiction, including the applicable city, province or other subdivision thereof).

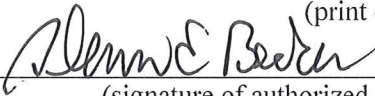
The Subscriber hereby represents and warrants that all of the answers, statements and information set forth in this Investor Qualification Statement are true and correct on the date hereof and will be true and correct as of each date, if any, that the subscription set forth in the Subscription Agreement to which this Investor Qualification Statement is attached is accepted, in whole or in part, by the General Partner. The Subscriber hereby agrees to provide such additional information related to the foregoing as is requested by the General Partner, including, but not limited to, information as to whether the Subscriber has been subject to a Regulation D Rule 506(d) disqualifying event in the event Subscriber will, at any time, hold in excess of 20% of the limited partnership interests in the Partnership. Furthermore, Subscriber agrees to notify the General Partner promptly of any change that may cause any answer, statement or information set forth in this Investor Qualification Statement to become untrue in any material respect.

\* \* \* \* \*

**IN WITNESS WHEREOF**, the Subscriber has executed this Investor Qualification Statement on the date set forth below.

Dated October 23, 2014

Subscriber's Name: Commonwealth of Pennsylvania  
State Employees' Retirement System  
(print or type)

By:   
(signature of authorized representative)

Name: Glenn E. Becker  
(print or type name of authorized representative)

Title: Chairman  
(print or type title of authorized representative)

Subscriber's Tax Identification No.: 

Subscriber's Wire Transfer Instructions: See attached Wiring Instructions  
Bank Name: \_\_\_\_\_  
Bank Location: \_\_\_\_\_  
ABA Routing Number (for U.S. Banks): \_\_\_\_\_  
Swift Code (for non-U.S. Banks): \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Reference: \_\_\_\_\_

**APPENDIX A**  
**To Individual and Entity Investor Qualification Statements**

**Definition of “Investment” for purposes of the Investment Company Act**

For purposes of determining whether the Subscriber qualifies as a “qualified purchaser” under the Investment Company Act, the term Investments<sup>1</sup> means:

(1) Securities (as defined by Section 2(a)(1) of the Securities Act), other than securities of an issuer that controls, is controlled by, or is under common control with the Subscriber, unless the issuer of such securities is: (A) an investment company, a company that would be an investment company but for an exclusion provided by Sections 3(c)(1) through 3(c)(9) of the Investment Company Act or the exemptions provided by Section 270.3a-6 or 270.3a-7 of CFR, or a commodity pool; (B) a company that files reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 or has a class of securities that are listed on a “designated offshore securities market” as such term is defined by Regulation S under the Securities Act; or (C) a company with shareholders’ equity of not less than \$50 million (determined in accordance with generally accepted accounting principles) as reflected on the company’s most recent financial statements, provided that such financial statements present the information as of a date within 16 months preceding the date on which the Subscriber will acquire the securities of the Partnership;

(2) Real estate held for investment purposes. Real estate shall not be considered to be held for investment purposes by the Subscriber if it is used by the Subscriber or a Related Person (A) for personal purposes or as a place of business, or (B) in connection with the conduct of the trade or business of the Subscriber or a Related Person, provided that real estate owned by the Subscriber if the Subscriber is engaged primarily in the business of investing, trading or developing real estate in connection with such business may be deemed to be held for investment purposes. Residential real estate shall not be deemed to be used for personal purposes if deductions with respect to such real estate are not disallowed by Section 280A of the Code. A “Related Person” means a person who is related to the Subscriber as a sibling, spouse or former spouse, or is a direct lineal descendant or ancestor by birth or adoption of the Subscriber or is a spouse of such descendant or ancestor; provided that, in the case of a Family Company, a Related Person includes any owner of the Family Company and any person who is a Related Person of such owner;

(3) Commodity Interests held for investment purposes. “Commodity Interests” means commodity futures contracts, options on commodity futures contracts, and options on

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<sup>1</sup> For purposes of determining whether the Subscriber is a qualified purchaser, the aggregate amount of Investments owned and invested on a discretionary basis by the Subscriber will be the Investments’ fair market value on the most recent practicable date, or their cost; *provided* that: (i) in the case of Commodity Interests (as defined in paragraph 3 of this Appendix A), the amount of Investments will be the value of the initial margin or option premium deposited in connection with such Commodity Interests; and (ii) in each case, deduct from the amount of Investments owned by the Subscriber the following amounts, as applicable: (a) the amount of any outstanding indebtedness incurred to acquire or for the purpose of acquiring the Investments owned by the Subscriber (including, in the case of any joint Investments, any outstanding indebtedness incurred by the spouse to acquire or for the purpose of acquiring the Investments) and (b) in addition to the amount specified in clause (a) of this sentence with respect to a Family Company (described in Part IV(a)(3) of the Investor Qualification Statement for Entities), the amount of outstanding indebtedness incurred by an owner of the Family Company to acquire or for the purpose of acquiring such Investments.

physical commodities which are traded on or subject to the rules of any contract market designated for trading such transactions under the Commodity Exchange Act and the rules thereunder or any board of trade or exchange outside the United States, as contemplated in Part 30 of the rules under the Commodity Exchange Act. A Commodity Interest owned by the Subscriber who is engaged primarily in the business of investing, reinvesting, or trading in Commodity Interests in connection with such business may be deemed to be held for investment purposes;

(4) Physical Commodities held for investment purposes. “Physical Commodity” means any physical commodity with respect to which a Commodity Interest is traded on or subject to the rules of any contract market designated for trading such transactions under the Commodity Exchange Act and the rules thereunder or any board of trade or exchange outside the United States, as contemplated in Part 30 of the rules under the Commodity Exchange Act. A Physical Commodity owned by the Subscriber who is engaged primarily in the business of investing, reinvesting, or trading in Physical Commodities in connection with such business may be deemed to be held for investment purposes;

(5) To the extent not securities, financial contracts (as such term is defined in Section 3(c)(2)(B)(ii) of the Investment Company Act) entered into for investment purposes. A financial contract entered into by the Subscriber who is engaged primarily in the business of investing, reinvesting, or trading in financial contracts in connection with such business may be deemed to be held for investment purposes;

(6) If the Subscriber is a commodity pool or company that would be an investment company except that it is relying on an exception provided in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act, any amounts payable to the Subscriber pursuant to a firm agreement or similar binding commitment pursuant to which a person has agreed to acquire an interest in, or make capital contributions to, the Subscriber upon the demand of the Subscriber; and

(7) Cash and cash equivalents (including in currencies other than the US dollar) held for investment purposes, including: (A) bank deposits, certificates of deposit, bankers acceptances and similar bank instruments held for investment purposes; and (B) the net cash surrender value of an insurance policy.



**APPENDIX B**  
**To Individual and Entity Investor Qualification Statements**

**Definition of “U.S. Person” for purposes of the Securities Act**

“U.S. Person” means:

- (i) Any natural person resident in the United States;
- (ii) Any partnership or corporation organized or incorporated under the laws of the United States;
- (iii) Any estate of which any executor or administrator is a U.S. Person;
- (iv) Any trust of which any trustee is a U.S. Person;
- (v) Any agency or branch of a non-United States entity located in the United States;
- (vi) 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 U.S. Person;
- (vii) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (viii) Any partnership or corporation if:
  - (A) Organized or incorporated under the laws of any non-United States jurisdiction; and
  - (B) Formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned by accredited investors (as defined in Regulation D) who are not natural persons, estates or trusts.

However, the following are not U.S. Persons:

- (i) Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;
- (ii) Any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if:
  - (A) An executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and
  - (B) the estate is governed by non-United States law;
- (iii) Any trust of which any professional fiduciary acting as trustee is a U.S. Person, if a trustee who is not a U.S. 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 U.S. Person;
- (iv) 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;
- (v) Any agency or branch of a U.S. Person located outside the United States if:
  - (A) The agency or branch operates for valid business reasons; and

(B) 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

(vi) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

**Signature Pages  
to  
Agreement of Limited Partnership for  
H.I.G. BAYSIDE LOAN OPPORTUNITY FUND IV, L.P.  
(Please sign both of the attached signature pages)**

**[NOTE: Only for Subscribers investing in the Main Fund.]**

**IN WITNESS WHEREOF**, this Agreement of Limited Partnership of H.I.G. Bayside Loan Opportunity Fund IV, L.P. has been executed by the General Partner with effect from the date first above written and each other party hereto with effect from the date that such party first acquired a Commitment.

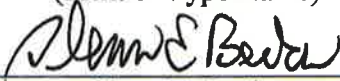
**GENERAL PARTNER:  
H.I.G. BAYSIDE LOAN ADVISORS IV, LLC**

By: H.I.G.-GP II, Inc.  
Its: Manager

By:   
Name: **Richard Siegel**  
Title: **Authorized Signatory**

**LIMITED PARTNER:**

Commonwealth of Pennsylvania  
State Employees' Retirement System

(Print or Type Name)  
By:   
Name: **Glenn E. Becker**  
Title: **Chairman**

IN WITNESS WHEREOF, this Agreement of Limited Partnership of H.I.G. Bayside Loan Opportunity Fund IV, L.P. has been executed by the General Partner with effect from the date first above written and each other party hereto with effect from the date that such party first acquired a Commitment.

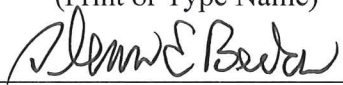
**GENERAL PARTNER:  
H.I.G. BAYSIDE LOAN ADVISORS IV, LLC**

By: H.I.G.-GP II, Inc.  
Its: Manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LIMITED PARTNER:**

Commonwealth of Pennsylvania  
State Employees' Retirement System

\_\_\_\_\_  
(Print or Type Name)  
By:  \_\_\_\_\_  
Name: Glenn E. Becker  
Title: Chairman

**H.I.G. Bayside Loan Opportunity Fund IV, L.P.**  
**H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P.**  
**Form PF Questionnaire**

As a registered investment adviser, H.I.G. Capital, L.L.C. (the “Management Company”) will need to complete an SEC Form PF and update it on an annual basis. The Form PF requires the Management Company to report the information set forth in the following questionnaire. To the extent that there is any change in such information during the term of your investment in H.I.G. Bayside Loan Opportunity Fund IV, L.P. or H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P. (as applicable, each the “Partnership”), please notify the Fund promptly following such change.

1. The undersigned hereby represents that it is (check one item only):

- \_\_\_\_\_ An Individual that is a United States person<sup>1</sup> (including their trusts)
- \_\_\_\_\_ An Individual that is not a United States person (including their trusts)
- \_\_\_\_\_ Broker-dealer
- \_\_\_\_\_ Insurance Company
- \_\_\_\_\_ Investment Company registered with the SEC
- \_\_\_\_\_ Private Fund<sup>2</sup>
- \_\_\_\_\_ Non-Profits
- \_\_\_\_\_ Pension Plans (excluding governmental plans)
- \_\_\_\_\_ Banking or thrift institution (proprietary)
- \_\_\_\_\_ State or municipal government entities<sup>3</sup> (excluding governmental pension plans)
- X   State or municipal government pension plan
- \_\_\_\_\_ Sovereign wealth fund and foreign official institution

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<sup>1</sup> See Appendix B of the Investor Questionnaire for the definition of “U.S. Person”; provided however, the determination of whether an investor is a “U.S. Person” will be made solely with respect to the time at which the investor submits its initial capital commitment to the Fund.

<sup>2</sup> For purposes of this Form PF Questionnaire, “private fund” means any issuer that would be an investment company as defined in Section 3 of the Investment Company Act of 1940 but for section 3(c)(1) or 3(c)(7) of that Act.

<sup>3</sup> For purposes of this Form PF Questionnaire, “government entity” means any state or political subdivision of a state, including (i) any agency, authority, or instrumentality of the state or political subdivision; (ii) a plan or pool of assets controlled by the state or political subdivision or any agency, authority, or instrumentality thereof; and (iii) any officer, agent, or employee of the state or political subdivision or any agency, authority, or instrumentality thereof, acting in their official capacity.

\_\_\_\_\_ Not a United States person and about which the foregoing beneficial ownership information is not known and cannot reasonably be obtained because the beneficial interests are held through a chain involving one or more third-party intermediaries

\_\_\_\_\_ Other (please explain) \_\_\_\_\_

2. The undersigned hereby notifies the Fund that the following other Limited Partners of the Fund are affiliates of the undersigned: \_\_\_\_\_

\_\_\_\_\_

The undersigned hereby certifies that the foregoing information is true and correct in all respects. The undersigned further agrees to notify the Partnership promptly following any change in the foregoing information.

\* \* \* \* \*

IN WITNESS WHEREOF, the undersigned has executed this Form PF Questionnaire on  
October 23, 2014.

**FOR COMPLETION BY SUBSCRIBERS WHO ARE NATURAL PERSONS:**  
(i.e., individuals)

Subscriber's Name: \_\_\_\_\_  
(print or type)

Subscriber's Signature: \_\_\_\_\_  
(signature)

**FOR COMPLETION BY SUBSCRIBERS WHO ARE NOT NATURAL PERSONS:**  
(i.e., corporations, partnerships, limited liability companies, trusts or other entities)

Subscriber's Name: Commonwealth of Pennsylvania  
State Employees' Retirement System  
(print or type)

By:   
(signature of authorized representative)

Name: Glenn E. Becker  
(print or type name of authorized representative)

Title: Chairman



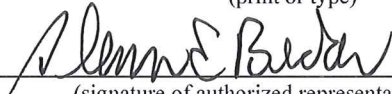
**H.I.G. Bayside Loan Opportunity Fund IV, L.P.**  
**H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P.**

**Consent to Receive Schedule K-1 Electronically**  
**Disclosure Statement Required by**  
**Rev. Proc. 2012-17, I.R.B. 2012-10 (February 13, 2012)**

1. Your Schedule K-1 will be furnished on paper and mailed to you if you do not consent to receive it electronically.
2. Consent applies to each Schedule K-1 required to be furnished after the consent is given and will remain in effect until the Recipient requests withdrawal of consent as described in Section 4 below.
3. In order to obtain a paper copy of your Schedule K-1, please notify us at [investorservices@higcapital.com](mailto:investorservices@higcapital.com). A request for a paper statement will not be treated as a withdrawal of consent.
4. You may withdraw your consent to electronic delivery of K-1s by sending an email to [investorservices@higcapital.com](mailto:investorservices@higcapital.com). A withdrawal of consent will take effect within a reasonable time and we will confirm the withdrawal and date it takes effect. A withdrawal of consent does not apply to a Schedule K-1 that was furnished electronically before the date on which the withdrawal of consent takes effect. Schedule K-1s will cease to be furnished electronically if you transfer your partnership interest or otherwise withdraw from the partnership.
5. In the event your contact information changes, please update your profile by visiting <http://higcapital.com> and click on "Investor Login" at the top of screen. Once logged in, click on "My Account" and update your information.
6. Your Schedule K-1 will be furnished in pdf. format  
You should consult your tax advisor as Schedule K-1 may be required to be attached to a Federal, State, or local income tax return.

**Please provide your acceptance to this consent with your signature below.**

Subscriber's Name: Commonwealth of Pennsylvania State Employees' Retirement System  
(print or type)

By:   
(signature of authorized representative)

Name: Glenn E. Becker  
(print or type name of authorized representative)

Title: Chairman  
(print or type title of authorized representative)

## Request for Taxpayer Identification Number and Certification

**Give Form to the  
 requester. Do not  
 send to the IRS.**

Print or type  
 See Specific Instructions on page 2.

Name (as shown on your income tax return) <b>Commonwealth of Pennsylvania State Employees' Retirement System</b>	
Business name/disregarded entity name, if different from above	
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate  <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____  <input checked="" type="checkbox"/> Other (see instructions) ▶ <b>state governmental pension</b>	Exemptions (see instructions):  Exempt payee code (if any) <u>3</u> Exemption from FATCA reporting code (if any) <u>C</u>
Address (number, street, and apt. or suite no.) <b>30 North Third Street, Suite 150</b>	Requester's name and address (optional)
City, state, and ZIP code <b>Harrisburg PA 17101-1716</b>	
List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number																				
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### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person ▶ <i>Lisa K. Beickle Admin. Officer</i>	Date ▶ <i>10/22/14</i>
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### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** The IRS has created a page on [www.irs.gov/w9](http://www.irs.gov/w9) for information about Form W-9, at [www.irs.gov/w9](http://www.irs.gov/w9). Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

#### Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

**Note.** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

## EXHIBIT A

### Defined Terms

“**Active NFFE**” means any NFFE that meets any of the following criteria: (1) less than 50 percent of the NFFE’s gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50 percent of the assets held by the NFFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income; (2) the stock of the NFFE is regularly traded on an established securities market or the NFFE is a Related Entity of an Entity the stock of which is traded on an established securities market; (3) the NFFE is a government, a political subdivision of such government or a public body performing a function of such government or a political subdivision thereof, or an Entity wholly owned by one or more of the foregoing; (4) substantially all of the activities of the NFFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an NFFE shall not qualify for this status if the NFFE functions (or holds itself out) as an investment Feeder Fund, such as a private equity Feeder Fund, venture capital Feeder Fund, leveraged buyout Feeder Fund or any investment vehicle whose purpose is to acquire or Feeder Fund companies and then hold interests in those companies as capital assets for investment purposes; (5) the NFFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution; provided, that the NFFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFFE; (6) the NFFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a Financial Institution; or (7) the NFFE primarily engages in financing and hedging transactions with or for Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution.

“**Controlling Persons**” means the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term “Controlling Persons” shall be interpreted in a manner consistent with the Recommendations of the Financial Action Task Force.

“**Custodial Institution**” means any Entity that holds, as a substantial portion of its business, financial assets for the account of others. An Entity holds financial assets for the account of others as a substantial portion of its business if the Entity’s gross income attributable to the holding of financial assets and related financial services equals or exceeds 20 percent of the Entity’s gross income during the shorter of: (i) the three-year period that ends on 31 December (or the final day of a non-calendar year accounting period) prior to the year in which the determination is being made; or (ii) the period during which the Entity has been in existence.

“**Depository Institution**” means any Entity that accepts deposits in the ordinary course of a banking or similar business.

“**Entity**” means a legal person or a legal arrangement such as a trust, partnership or limited liability partnership. An Entity such as a partnership, limited liability partnership or similar arrangement shall be resident in the United Kingdom if the control and management of the business takes place in the United Kingdom.

**“Exempt Beneficial Owner”** means any of the Entities listed as such in Annex II.I of UK FATCA.

**“Financial Institution”** means a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company.

**“Investment Entity”** means any Entity that conducts as a business (or is managed by an Entity that conducts as a business) one or more of the following activities or operations for or on behalf of a customer: (1) trading in money market instruments (checks, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading; (2) individual and collective portfolio management; or (3) otherwise investing, administering, or managing Feeder Funds or money on behalf of other persons. Investment Entity shall be interpreted in a manner consistent with similar language set forth in the definition of “financial institution” in the Financial Action Task Force Recommendations.

**“NFFE”** means any Non-United Kingdom Resident Entity that is not a Financial Institution as defined in UK FATCA.

**“Non-Reporting Financial Institution”** means an Entity described as a Non-Reporting Cayman Islands Financial Institution as set forth in Annex II of UK FATCA, not including a Sponsored Investment Entity or Sponsored Closely Held Investment Vehicle where the sponsoring entity has failed to comply with its obligations as set forth in such Annex II.

**“Passive NFFE”** means any NFFE that is not an Active NFFE.

**“Related Entity”** means an Entity that controls or is under common control with another Entity. For this purpose control includes direct or indirect ownership of more than 50 percent of the vote or value in an Entity. Notwithstanding the foregoing, either Party may treat an Entity as not a related entity if the two Entities are not members of the same affiliated group, as defined in Section 1471(e)(2) of the Code.

**“Specified Insurance Company”** means any Entity that is an insurance company (or the holding company of an insurance company) that issues, or is obligated to make payments with respect to, a Cash Value Insurance Contract or an Annuity Contract.<sup>1</sup>

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<sup>1</sup> If you consider that you may be a Specified Insurance Company for the purposes of UK FATCA, please consult your regular tax or financial adviser for further advice.

## Privacy Notice<sup>1</sup>

**H.I.G. Bayside Loan Advisors IV, LLC<sup>2</sup>**  
**H.I.G. Bayside Loan Opportunity Fund IV, L.P.**  
**H.I.G. Bayside Loan Opportunity Feeder Fund IV, L.P.**  
**H.I.G.-GPII, Inc.**  
**H.I.G. Capital, L.L.C.**

*Our Commitment to Your Privacy:* We are sensitive to the privacy concerns of our individual limited partners. We have a long-standing policy of protecting the confidentiality and security of information we collect about you. We are providing you with this notice to help you better understand why and how we collect certain personal information, the care with which we treat that information, and how we use that information.

*Sources of Non-Public Information:* In connection with forming and operating our private investment funds for our limited partners, we collect and maintain non-public personal information from the following sources:

- Information we receive from you in conversations over the telephone, in voicemails, through written correspondence, via e-mail, or in subscription agreements, investor questionnaires, applications or other forms;
- Information about your transactions with us or others; and
- Information captured on our website, including registration information and any information captured via “cookies.”

*Disclosure of Information:* We do not disclose any non-public personal information about you to anyone, except as permitted or required by law or regulation and to service providers.

*Former Limited Partners:* We maintain non-public personal information of our former limited partners and apply the same policies that apply to current limited partners.

*Information Security:* We consider the protection of sensitive information to be a sound business practice, and to that end we employ physical, electronic and procedural safeguards to protect your non-public personal information in our possession or under our control.

*Further Information:* We reserve the right to change our privacy policies and this Privacy Notice at any time. The examples contained within this notice are illustrations only and are not intended to be exclusive. This notice complies with the privacy provisions of Regulation S-P under the U.S. Gramm-Leach-Bliley Act. You may have additional rights under other non-U.S. or U.S. laws that may apply to you.

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<sup>1</sup> This Privacy Notice is intended only for individuals and certain entities that are essentially “alter egos” of individuals (e.g., revocable grantor trusts, IRAs or certain estate planning vehicles).

<sup>2</sup> This Privacy Notice is also being provided to you on behalf of, and with respect to, all management companies and fund general partners affiliated with such entities.