LEGION PARTNERS

January 14, 2019

Dear Partner:

The Legion Partners Composite Index (the "LPC Index") net return for 2018 was +3.5% versus -11.0% for the Russell 2000 Total Return Index ("R2K TR Index") and -10.5% for the HFRI Activist Hedge Fund Index ("HFRI Activist Index"). Since Inception on August 22, 2011, the LPC Index is up 213.0% net versus 129.3% and 57.8% for the R2K TR Index and HFRI Activist index, respectively. The tear sheet at the back of this letter splits our LPC Index into its two components, the consolidated net returns of our commingled funds ("LP Commingled Index" or "Commingled") which was +5.1% in 2018 and the consolidated net returns of our co-investment funds ("LP Co-Investment Index" or "Co-Investments") which was -3.6% in 2018.

The net performance of the Legion Partners Composite Index and its market benchmarks since inception are summarized in the table below:

	Q4 2018 Net	2018 Net	ANNUALIZED (NET)				
			1 YR	3 YRS	5 YRS	ITD*	Cumulative*
LPC Index Net	-16.1%	3.5%	3.5%	14.6%	7.6%	16.8%	213.0%
R2K TR Index	-20.2%	-11.0%	-11.0%	7.4%	4.4%	11.9%	129.3%
R2K Value TR Index	-18.7%	-12.9%	-12.9%	7.4%	3.6%	11.1%	117.0%
HFRI Activist Index	-11.3%	-10.5%	-10.5%	1.4%	2.3%	6.4%	57.8%

* Inception date is 8/22/11 for LPC Index and benchmarks; see Notes and Disclosures on tear sheet

As of December 31, 2018, our commingled funds had eleven meaningful positions (thirteen positions in total), five of which are also co-investments, with exposure to four of the nine Russell 2000 sectors (producer durables, consumer staples, consumer discretionary and technology). Legion's investments in the consumer discretionary sector had a slight positive impact on results in the fourth quarter, while our investments in the other three sectors negatively impacted results. For the full year, our investments in the consumer discretionary, technology and consumer staples sectors positively impacted results while our investments in the producer durables and financial services sectors had a negative impact.

2018 was an eventful year for Legion Partners as we were very active with our portfolio companies at the board level, and turned over the portfolio at a higher rate than normal, resulting from acquisitions of three of our holdings. During the year, we invested in six new core positions and exited from seven core investments. As part of our engagements, we helped place a total of twelve new directors on the boards of six of our portfolio companies in 2018.

We believe that board director placement is one of the most important engagement items for creating long-term value at the portfolio companies in which we invest. The addition of high quality independent directors with the relevant skills and experience to improve the business operations, strategy and management of these companies has been proven to create significant value for shareholders. As part of our due diligence process, we evaluate companies' boards and management, and focus on the mismatch between the experience and skillsets compared to what we identify as the opportunities/challenges facing the company as a whole. This process often identifies several key skillset gaps, ranging from business operations and management to governance and capital allocation discipline. We then focus on filling key director needs from a long-term shareholder perspective. We are proud of the exceptionally high caliber directors that we have helped place on company boards and have received many compliments from these companies on the qualifications and fit of our director candidates, which given the circumstances, is a genuine testament to the effort we put forth in finding outstanding individuals.

One recent portfolio company, Nutrisystem ("NTRI" or the "Company"), where we added two new directors and facilitated the hiring of consulting resources provides a timely example. We initiated our investment in NTRI in April 2018 and accumulated shares throughout the year as our conviction grew, ultimately making it a large position in our commingled funds, raising a co-investment vehicle and filing a 13D in August 2018.

Nutrisystem is a direct-to-consumer ("DTC") eCommerce company that sells meal replacement programs for weight loss. Plans generally cost $10 to $14 per day and users typically subscribe to the program for about three months. Breakfast, lunch, dinner and snacks for the whole month are delivered directly to consumers. As part of our diligence process, we conducted our evaluation of the products' efficacy by enrolling a team member in each of the Company's products, Nutrisystem and South Beach (its low-carb program). Both team members lost weight on the respective plans over a multi-month period. Another team member successfully tested a competing product for comparative purposes – all in the name of deep due diligence! The convenience and per-meal cost of the Nutrisystem products were attractive, the food quality exceeded our expectations and most importantly, the diet yielded results.

For practically all diet companies, the most important time of the year is "Diet Season" – the first two months of the year. This is because many people wake up on January 1st resolutely determined to lose weight and get in better shape. While Nutrisystem had enjoyed a successful run following the hiring of CEO Dawn Zier in late 2012, the 2018 Diet Season was a major stumble by the Company's own admission. After the stock was cut in half, we began to sharpen our pencils.

As we dug in, we discovered a few key execution issues occurred during the 2018 Diet Season. For the first time ever, the Company decided to pre-buy advertising on major news networks (i.e. Fox, CNN) for January 2018. When viewership came in far below expectations, the Company's hands were tied and it could not reallocate spend to other channels, resulting in a lower ROI on new customer additions. In addition, the video used in the ad campaign was stale – Nutrisystem effectively ran the same ads as the previous three years which did little to stimulate new interest. The Company's poor Diet Season performance led to a substantial miss on revenue and profit expectations for the full year, however we viewed these problems as fixable.

Despite rising competition, the U.S. Weight Loss market represents a $70 billion total addressable market, of which commercial weight loss is only 5% penetrated and growing double-digits according to Marketdata. In our view, there is plenty of room for multiple "winners", and with a 40-year history and a solid brand, Nutrisystem should be one of them. Our initial assessment indicated that if management fixed the basics of marketing execution – created new ads and returned to spot buying – they could enjoy a successful 2019 Diet Season and the stock could double back to the $60 area.

In Nutrisystem's model, all food production is outsourced and delivered directly to consumers which leaves marketing spend (roughly $200 million annually) as the bulk of operating expenses. This makes marketing execution the ultimate key for driving success. After reviewing Nutrisystem's prior marketing efforts, we uncovered several opportunities for improvement. For one, the Company's marketing efforts were heavily focused on traditional linear television with fewer resources allocated towards digital channels (Google, Facebook, Instagram, YouTube, etc.). Secondly, the Company had not historically focused on developing a quality digital product portfolio (mobile application, website, social media presence, etc.) that could efficiently drive traffic and prolong the average customer lifetime. Lastly, the Company relied on an in-house attribution model. This model, along with other advertising technology ("ad tech") infrastructure tools, helps dictate how and where to spend each marketing dollar in the most efficient manner.

After modeling subscriber economics in detail, we estimated that the Company's cost of acquiring an individual customer (referred to as "CAC") had increased annually from approximately $184 in 2007 to over $300 in 2017. As a result, the efficiency of Nutrisystem's marketing spend as measured by lifetime value ("LTV") to CAC was roughly 1.7x for 2018 per our estimates. We analyzed over 20 DTC eCommerce and subscription-based peers and almost all had an LTV/CAC of 3.0x or higher. Many of these peers use best-in-class, third-party ad tech infrastructure and many advertise heavily on digital channels while largely eschewing traditional linear television. Our analysis on the profit potential of optimizing

Nutrisystem's marketing efficiency led us to believe that the Company could roughly double its profits within 2 years. This, combined with a potential re-rating of the stock's multiple in-line with peers, could in our estimate nearly triple Nutrisystem's stock to approximately $90. Marketing efficiency and effectiveness ultimately became our key focus point and was an area where we felt we could be particularly successful in bolstering both resources and talent.

In our view, overhauling the marketing program as quickly as possible would create the biggest and most valuable impact for all shareholders, especially if completed ahead of the 2019 Diet Season. Doing so in an expedited manner would require great operational execution and guidance. As we met and studied the executive team further, we discovered that the CEO, Chief Marketing Officer, Senior VP of eCommerce, Senior VP of Marketing, VP of Digital Strategy and Director of IT Operations all previously worked together at Reader's Digest, a print publication that went bankrupt twice. In addition, the Board had only one independent director with digital experience (out of its seven independent directors).

We began a nationwide search for director candidates with digital advertising, digital product development and ad tech experience. In addition to proposing several highly qualified director candidates, we introduced Nutrisystem to the digital marketing resources of a leading global management consulting firm during a meeting at the Company's headquarters in early August 2018. Our discussions were very productive and vastly increased our conviction in the opportunity to optimize Nutrisystem's marketing operations. As a follow-up to further encourage the Nutrisystem board to act quickly, we provided a nearly 70-page presentation detailing our assessment of the Company's current marketing, technology and management capabilities.

In October 2018, we entered into a settlement agreement with Nutrisystem which added two new directors to their board – Tricia Han and Ben Kirshner. Ms. Han is the CEO of Daily Burn, a modern health/fitness technology platform owned by IAC/InterActiveCorp. Mr. Kirshner is the Founder and CEO of Elite SEM, one of the largest digital ad agencies in the country. In addition, the agreement mandated the immediate hiring of the consulting firm that we had introduced to the Company. We were hopeful there was enough time for the consultants to make a substantial impact, since the entire engagement would only take about three months, and eagerly awaited the financial impact of modernizing Nutrisystem for the upcoming Diet Season and beyond.

Less than two months later on December 10, 2018, it was announced that NTRI would be acquired by Tivity Health, a fitness network for the elderly, for $1.4 billion or approximately $47 per share in cash and stock (about 40% above our average purchase price). With the deal announced, we decided to exit our Nutrisystem position shortly thereafter.

While we were surprised by the acquisition, it was a good result for our investors with the stock dramatically outperforming the Russell 2000 by over 60% from when we purchased our first shares to when we sold our last shares (a short holding period of about 8 months). At Legion, we employ a wide variety of activist tools to increase shareholder value as dictated by the situation. Our agenda with Nutrisystem was nearly 100% focused on operational enhancements to quickly address the Company's marketing efficiency. While our ultimate holding period for NTRI was short, we were able to drive substantial change and better position the Company for future success.

As we start 2019, we are excited about several attractive new investment opportunities that we have identified as a result of the recent market pullback. We are actively working on several new activist engagements with our existing portfolio companies and look forward to sharing the details in the future. Please contact us if you have any questions or an interest in making or increasing your investment in Legion Partners.

Sincerely,

Chris Kiper Managing Director	Ted White Managing Director	David Katz Chief Operating Officer

December 2018

L E G I O N   P A R T N E R S

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Legion Partners Overview

Legion Partners Asset Management, LLC ("Legion") was formed April 2012 with the mission of becoming the premier small-cap activist fund for high net worth and institutional investors. Legion's strategy utilizes deep fundamental research, concentrated positions and professional long-term oriented active engagement to achieve superior risk adjusted returns. The firm has a distinct competitive advantage derived from the partners' extensive experience and strong institutional relationships, including CalSTRS, its seed investor. Legion is headquartered in Los Angeles, California and has a satellite office in Sacramento, California.

Investment Strategy and Process:

Our target universe is comprised of deep-value, small-cap companies primarily in the R2K. We focus on strong businesses that are generally misunderstood where we believe our activist campaigns can add material value for all shareholders. Our investment process was designed and refined by Legion's Portfolio Managers over the last two decades. The process consists of five distinct steps: 1) Prospecting and Origination; 2) Research; 3) Valuation; 4) Action Plan; and 5) Execution. Our due diligence resembles the detailed analysis conducted by private equity firms prior to initiating a buyout, as we view ourselves as business owners despite owning only a minority of our portfolio companies. The research intensive nature of the strategy results in conviction weighted portfolio construction and multi-year holding periods. Our intimate knowledge of each investment and our continuous review and monitoring of each engagement serves as our primary risk management framework and allows us to regularly evaluate the relationship between price and value, an important component of our strong sell discipline.

Performance Analysis [1,2,3]

	Commingled	R2K	R2K Value	HFRI Activist
1 Yr. Annualized	5.1%	-11.0%	-12.9%	-10.5%
3 Yr. Annualized	14.5%	7.4%	7.4%	1.4%
5 Yr. Annualized	5.1%	4.4%	3.6%	2.3%
ITD Annualized	5.1%	4.4%	3.6%	2.3%
Cumulative[2]	28.4%	24.1%	19.4%	12.3%

	Co-Investments	R2K	R2K Value	HFRI Activist
1 Yr. Annualized	-3.6%	-11.0%	-12.9%	-10.5%
3 Yr. Annualized	12.8%	7.4%	7.4%	1.4%
5 Yr. Annualized	13.2%	4.4%	3.6%	2.3%
ITD Annualized	20.8%	11.9%	11.1%	6.4%
Cumulative	303.2%	129.3%	117.0%	57.8%

Risk Metrics to Benchmarks [1,2,3]

	R2K	R2K Value	HFRI Activist
Commingled Correlation	46.2%	43.6%	47.7%
Co-Investment Correlation	32.3%	31.2%	37.1%

Monthly Net Returns [1,2,3]

Legion Partners Commingled

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year[2]	R2K
2018	(1.2%)	2.6%	0.5%	2.1%	10.1%	2.8%	1.7%	5.9%	(0.9%)	(6.6%)	(4.2%)	(6.6%)	**5.1%**	**(11.0%)**
2017	(1.4%)	(5.1%)	3.7%	1.8%	8.2%	0.3%	(1.2%)	8.9%	4.0%	3.2%	4.8%	0.9%	**30.8%**	**14.6%**
2016	(6.2%)	2.2%	7.3%	2.7%	(12.9%)	5.8%	(1.5%)	0.4%	5.5%	(1.6%)	3.9%	5.0%	**9.0%**	**21.3%**
2015	(3.0%)	3.4%	(1.3%)	5.1%	(1.4%)	(0.5%)	(1.6%)	(3.8%)	(5.0%)	3.7%	(2.9%)	(0.4%)	**(8.1%)**	**(4.4%)**
2014	0.0%	5.7%	(3.4%)	3.1%	2.6%	8.3%	(8.8%)	4.1%	(9.3%)	(7.3%)	1.3%	(1.6%)	**(6.9%)**	**4.9%**

Legion Partners Co-Investments

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year	R2K
2018	(1.4%)	2.2%	(1.2%)	1.0%	1.5%	8.2%	4.5%	4.8%	(6.4%)	1.1%	(6.7%)	(9.7%)	**(3.6%)**	**(11.0%)**
2017	(7.2%)	11.0%	1.1%	2.9%	0.9%	3.2%	(3.0%)	0.2%	8.2%	3.1%	6.4%	(2.9%)	**25.1%**	**14.6%**
2016	(12.7%)	25.3%	1.6%	5.1%	(11.6%)	0.4%	3.5%	4.2%	6.1%	1.0%	(1.0%)	0.4%	**19.2%**	**21.3%**
2015	(9.2%)	0.4%	3.0%	(0.9%)	(2.0%)	(2.2%)	0.7%	(0.1%)	(2.8%)	4.0%	1.4%	13.0%	**3.9%**	**(4.4%)**
2014	(2.9%)	2.0%	(2.1%)	0.3%	(4.3%)	(0.9%)	4.0%	8.0%	0.8%	0.4%	14.6%	3.5%	**24.4%**	**4.9%**
2013	9.3%	1.3%	3.3%	(6.4%)	6.6%	(1.9%)	(0.5%)	3.8%	4.0%	4.8%	0.2%	6.2%	**34.1%**	**38.8%**
2012	4.0%	11.7%	1.4%	(1.5%)	3.0%	(2.9%)	(18.1%)	9.6%	(6.3%)	5.3%	12.4%	4.9%	**21.1%**	**16.3%**
2011								8.7%	(0.2%)	19.4%	3.2%	(0.0%)	**33.7%**	**14.4%**

Past performance is not a guarantee of future results.

Fund Terms

Commingled / Firm AUM:	**$302 / $377 Million**	**Subscriptions:**	**Monthly**	**Auditor:**	**KPMG**
Management Fee*:	**Founders Terms - 1%**	**Withdrawals*:**	**Founders Terms - 50% 2 yrs.; 50% 3 yrs.**	**Fund Legal:**	**Winston & Strawn**
Performance Allocation:	**20% per annum after 6% hurdle with HWM**	**Prime Broker:**	**Wells Fargo**	**Activist Legal:**	**Olshan**
Minimum Investment:	**$1,000,000**	**Administrator:**	**ALPS (SS&C owned)**	**Compliance:**	**Gordian**

Key Professionals:

Christopher S. Kiper, Managing Director - Shamrock Activist Value Fund, Ridgestone Small Cap Value Fund, E&Y (inactive CPA), B.S. University of Nebraska

Raymond (Ted) White, CFA, Managing Director - Knight Vinke Asset Mgmt, CII, CalPERS, California State Treasurer's Office, MBA Cal State Sacramento

David Katz, COO - Compass North Advisors, K&P Capital, Montgomery & Co, Bain & Co, B.A. Dartmouth College, MBA UCLA Anderson

[1] Legion Partners Commingled - A time and dollar weighted composite of the net returns of Legion's two commingled funds - LP I, the CalSTRS fund-of-one, launched 1/2/14 and LP II, launched 8/1/14, which is open to new investors; investments are made pro rata; general fund related costs are allocated pro rata; See Notes and Disclosures

[2] Legion Partners Commingled net returns in the first four years are burdened by the seeding arrangement with CalSTRS. In particular, Legion Partners, L.P. I took management fees on all of the CalSTRS committed capital rather than on the actual capital drawn (to ensure sufficient capital to fund operations). If instead Legion took its normal 1% management fee from CalSTRS based on the quarterly market value of the capital actually drawn (as occurs today), the pro forma Legion Partners Commingled net returns in 2014 - 2017 would have been -2.7%, -6.5%, +11.0% and +31.1%, respectively (+4.2%, +1.6%, +2.0% and +0.3% higher, respectively, than reflected in the table above). On a cumulative basis, the pro forma Legion Partners Commingled net return would have been +39.2% instead of the actual net return of +28.4% as shown in the table above.

[3] Legion Partners Co-Investments - a time and dollar weighted composite of the net returns of all of Legion's co-investments** dating back to August 22, 2011; 2%/20% fee model prior to 2014 and actual fees charged from 2014 onwards; see Notes and Disclosures

NOTES AND DISCLOSURES

Interests in any of Legion Partners' investment vehicles ("Vehicles") are not offered by this document. An offer may only be made after you have received a Private Offering Memorandum concerning a Legion Partners Vehicle. This document does not provide all information material to an investor's decision to invest in a Legion Partners Vehicle, including, but not limited to, the risk factors. This document should not be construed as investment advice and should be kept confidential. This document may not be distributed without the prior written consent of Legion Partners Asset Management, LLC. This document is for informational purposes only and does not constitute a solicitation to purchase interests in a Legion Partners Vehicle. Prospective investors may not subscribe for interests in a Legion Partners Vehicle until they are determined to have met certain criteria described in the respective Vehicle's Private Offering Memorandum. Prospective investors are advised to review the Private Offering Memorandum and consult their own advisors regarding any potential investment in a Legion Partners Vehicle.

Legion Partners Co-Investments data includes: Completed Projects: 1) Co-investment** project in CRI (8/22/11 - 4/16/12) - prior to the actual formation of Legion Partners Asset Management in April 2012, the Legion Principals identified the investment opportunity, developed the strategy and assisted the client with the engagement on this investment, but the client had discretion over the assets, allowing the client to handle the trading on their own desk and to have a say in determining the timing of both purchasing and selling the investment; 2) Co-investment** project in TKR (6/5/12 - 5/17/13) - Legion Partners identified the investment opportunity, developed the strategy and led the engagement on this investment, but the client had discretion over the assets, allowing the client to handle the trading on their own desk and to have a say in determining the timing of both purchasing and selling the investment; 3) Co-investment** project in RCMT (11/1/11 - 11/14/17) - prior to the actual formation of Legion Partners Asset Management in April 2012, the Legion Principals identified the investment opportunity, developed the strategy, led the engagement, won the proxy contest and had discretion over the assets; 4) Legion Partners Special Opportunities, L.P. IV (co-investment) which was launched 6/1/16 and exited 10/18/17; 5) Legion Partners Special Opportunities, L.P. VI (co-investment) which was launched 6/7/17 and exited 11/29/17; 6) Legion Partners Special Opportunities, L.P. III (co-investment) which was launched 4/5/16 and exited 12/31/17; 7) Legion Partners Special Opportunities, L.P. V (co-investment) which was launched 1/30/17 and exited 5/22/18; 8) Legion Partners Special Opportunities, L.P. VII which was launched 7/31/17 and exited 9/7/18; and 9) Legion Partners Special Opportunities, L.P. X which was launched 6/11/18 and exited 12/21/18; and Ongoing Projects: 1) Legion Partners Special Opportunities, L.P. I which was launched 7/1/14 (6 co-investment projects to-date of which 4 are exited, with the 5th launched 4/26/18 and the 6th launched 9/10/18); 2) Legion Partners Special Opportunities, L.P. II (co-investment) which was launched 12/14/15; 3) Legion Partners Special Opportunities, L.P. VIII which was launched 12/13/17; and 4) Legion Partners Special Opportunities, L.P. IX which was launched 4/23/18. Legion Partners Commingled includes 1) Legion Partners, L.P. I (CalSTRS fund-of-one) which was launched 1/2/14 and 2) Legion Partners, L.P. II (commingled fund) which was launched 8/1/14. Comparison of Legion's Composite performance or the performance of any of Legion's individual Vehicles to a market index may be inappropriate because, among other things, the respective Legion Vehicle is not as diversified as a market index. Each market index assumes all dividends are reinvested back into its index. Market index returns are from the first co-investment's inception date 8/22/11. Market index information was compiled from sources that Legion Partners believes are reliable. However, Legion Partners makes no representation or guarantees about the accuracy and completeness of such information. Unlike the Composite which is actively managed, draws down and returns capital over time and may maintain a cash position, an index is unmanaged and fully invested. The comparison of the Composite's performance to these indices may be inappropriate because the Composite may be more or less volatile than these indices. Russell 2000. The Russell 2000 is a small-cap stock market index of the smallest 2,000 stocks in the Russell 3000 Index (3,000 publicly held US companies representing approximately 98% of the investable US stock market) representing about 10% of the total market capitalization of that index. The Russell 2000 Value Index includes those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values. HFRI ED: Activist Index - represents an index of funds that report data to HFRI who over a given market cycle would expect to have greater than 50% of their portfolio in activist positions (HFRI definitions available upon request) - note HFRI reported data tends to change for a few months before it is finalized.

Solely for its own purpose and reliance, Legion Partners engaged KMPG to perform an agreed upon procedures engagement, which addressed the gross calculation methodologies followed, and no exceptions were reported. This engagement did not constitute an audit or an attestation under the GIPS standards and no procedures were performed for periods subsequent to April, 30, 2014. Past performance is not indicative of future returns. The results for all years are based on Legion Partners' internal books and records. Unless otherwise specified, the Fund's performance results reflect the return of cash from dividends from the co-investments made prior to 2014 and the retention of dividends in the vehicles launched in 2014 or thereafter. Performance results include trading commissions. Unless otherwise specified, the Legion Partners Co-Investment's and the Legion Partners Commingled performance results represent the returns experienced by a hypothetical full fee paying investor for money invested on the launch date, 8/22/11 for Co-Investments and 1/2/14 for Commingled, and allocated pro rata over time at the start date of each of the investments that are included in the respective grouping. Returns experienced by individual investors may vary depending on various factors, including their date of investment and eligibility to receive "new issue" profits and losses. The investment environment and market conditions may be markedly different in the future and investment returns will fluctuate in value.

Legion Partners, L.P. I - only $100,000 capital initially drawn on launch 1/2/14; first trading day on 2/6/14; expenses include management fees, accrued performance fees and all other fund operating, research and trading expenses; fund organizational legal starutup expenses accrued and amortized over 60 months from February 2014; January 2014 expenses included in February figures; high expense ratio early on as noted above. Legion Partners, L.P. II - expenses include management fees (1% founders class), accrued performance fees (20% with 6% annual hurdle) and all other fund operating, research and trading expenses (operating and research costs capped at 1% annualized if needed); fund organizational/legal startup expenses accrued and amortized over 60 months from August 2014. Legion Partners Special Opportunities, L.P. I - expenses include all fund operating, research and trading expenses and accrued performance fees (no management fees); fund organizational/legal startup expenses accrued and amortized over 60 months from July 2014; high expense ratio in 2014 due to performance fees from strong relative outpeformance versus hurdle. Legion Partners Special Opportunities II-X - expenses include management fees (1%), accrued performance fees (20% with 6% annual hurdle) and all other fund operating, research and trading expenses (operating and research costs capped around 1% annualized); nominal fund organizational/legal startup expenses expensed upfront.

An investment in a Legion Fund involves significant risk, including the risk of loss of all or substantially all of an investor's investment in the Fund. No assurance can be given that the investment objectives of the Fund will be achieved. An investment in the Fund is suitable only for sophisticated investors for whom such an investment does not constitute a complete investment program and who understand fully, are willing to assume, and have the financial resources necessary to withstand, the risks involved in the specialized investment program in which the Fund will engage. Each prospective investor is urged to consult its own advisers to determine the suitability of an investment in the Fund, and the relationship of such an investment to the prospective investor's overall investment program and financial and tax position.

* Upon expiration of Founder's Terms, Legion offers a sliding management fee scale based on the agreed upon lock-up as follows: 1.5% for a 2 year lock; 1.25% for a 3 year lock; 0.75% for a 5 year lock
** Note these co-investments may depart from the industry standard definition of a co-investment project