

SAMPLE WHOLE FUND WATERFALL CLAUSE

1. **Distribution of Investment Proceeds.** Investment Proceeds from any Portfolio Investment will be initially apportioned among the Partners (including the General Partner) in proportion to their respective Sharing Percentages in respect of such Portfolio Investment. The amount so apportioned to the General Partner shall be distributed to the General Partner, and the amount so apportioned to each Limited Partner shall be divided between such Limited Partner and the General Partner and be distributed as follows:
 - 1.1. **Return of Capital Contributions:** First, 100% to such Limited Partner until such Limited Partner has received cumulative distributions pursuant to this section 1.1 equal to such Limited Partners' Outstanding Capital Contributions;
 - 1.2. **Preferred Return:** Second, 100% to such Limited Partner until such Limited Partner has received cumulative distributions equal to the Unpaid Preferred Return;¹
 - 1.3. **General Partner Catch-up:** Third, 100% to the General Partner until the General Partner has received, pursuant to this section 1.3, cumulative distributions equal to 20% of the aggregate of the amounts distributed pursuant to section 1.2 and this section 1.3; and
 - 1.4. **Carried Interest:** Fourth, thereafter, (i) 20% to the General Partner and (ii) 80% to such Limited Partner.

¹ The "Unpaid Preferred Return" here means the excess, if any, of (i) such Limited Partner's Preferred Return, over (ii) the aggregate amount of all distributions made to such Limited Partner pursuant to section 1.2 and section 1.4(ii).

The "Preferred Return" here means, for each Limited Partner, such amount as is equal to an annual rate of return of 8% compounded annually during such period, calculated on a daily basis during the relevant period on such Limited Partner's Outstanding Capital Contributions.