Franklin Lexington Private Markets Fund (Master) SCSp

An investment company with variable capital – Part II UCI (société d'investissement à capital variable – fonds d'investissement soumis à la partie II de la loi de 2010) established as a special limited partnership (société en commandite spéciale) with multiple compartments (à compartiments multiples)

February 2025

Prospectus

Important Information

Definitions

Capitalized terms not otherwise defined herein have the meaning set forth in Section XV: "*Definitions*" of this Prospectus.

General

This confidential prospectus (as it may be amended, restated or supplemented from time to time, this "**Prospectus**") is furnished on a confidential basis to investors primarily domiciled in countries of the European Economic Area (the "**EEA**"), the United Kingdom, Switzerland, Canada, certain Middle Eastern, Latin American and Asian jurisdictions and certain other jurisdictions for the purpose of providing certain information about an investment in Franklin Lexington Private Markets Fund (Master) SCSp ("**FLEX Master**," such term including, unless the context otherwise requires, its sub-funds, and together with FLEX Feeder, the FLEX Aggregators and the Parallel Entities (each as defined below), "**FLEX**").

FLEX Master is an investment company with variable capital (*société d'investissement à capital variable* or "**SICAV**") governed by Part II of the Luxembourg law of December 17, 2010 relating to undertakings for collective investment (as amended, the "**2010 Law**") and established as a special limited partnership (*société en commandite spéciale*) with multiple compartments (*à compartiments multiples*) in accordance with the laws of the Grand Duchy of Luxembourg and, in particular, the Luxembourg law of August 10, 1915 on commercial companies (as amended, the "**1915 Law**"). FLEX Master is authorized and supervised by the Luxembourg supervisory authority, the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"). **Such authorization does not, however, imply approval or endorsement by any Luxembourg authority of the contents of this Prospectus or of the portfolio of investments held by FLEX. Any representation to the contrary is unauthorized and unlawful.**

FLEX Master is a multi-compartment (*à compartiments multiples*) umbrella fund comprised of one or more sub-funds (each, a "**Sub-Fund**", and together, the "**Sub-Funds**"). The investment objective and policy and any additional specific investment restrictions applicable to each Sub-Fund are described in the relevant Annex of this Prospectus.

Unless the context otherwise requires, references to "FLEX Master" in this Prospectus shall be construed as references to FLEX Franklin Lexington Private Markets Fund GP S.à r.l. acting on behalf of FLEX Master in its capacity as FLEX Master's sole managing general partner (*associé gérant commandité*) (the "**General Partner**").

Limited partnership interests in FLEX Master (the "**Interests**") shall be issued in securitised registered form (*parts d'intérêt nominatives*), and Interests will remain in securitised registered form. The Interests are offered subject to the General Partner's ability to reject any potential investor's subscription in whole or in part in its sole discretion.

The limited partnership interests of any Sub-Fund of FLEX Master will be offered primarily through distributors or other financial intermediaries, which generally have client net worth thresholds and other requirements. Accordingly, FLEX Master is primarily intended for investors with such distributor or other financial intermediary relationships. Investors should consult with their distributor or other financial intermediary to discuss potential eligibility and suitability to invest in FLEX Master. FLEX Master may also be offered, directly or indirectly, to one or more professional or other sophisticated investors that meet relevant eligibility requirements for investing in FLEX Master.

The Interests are offered subject to the General Partner's or its delegate's ability to reject any potential investor's subscription, in whole or in part, in its sole discretion.

General risk warning

Potential investors should pay particular attention to the information in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*" of this Prospectus. The purchase of Interests entails a high degree of risk and is suitable for investors for whom an investment in FLEX Master does not represent a complete investment program, and who fully understand FLEX's strategy, characteristics and

risks, including the use of borrowings to leverage Investments. Investment in FLEX Master requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in FLEX Master. Limited Partners in FLEX Master must be prepared to bear such risks for an extended period of time. No assurance can be given that FLEX Master's investment objectives will be achieved or that investors will receive a return of their capital.

In particular, potential investors should also note that although redemptions are expected to be offered on a quarterly basis, FLEX Master offers limited redemption rights. In accordance with the provisions of Section IV: "*Subscriptions, Redemptions and Other Transactions*" of this Prospectus, redemptions are subject to redemption limitations in case of redemption requests exceeding certain thresholds, redemption fees and other similar fees, and may in certain circumstances be subject to suspension as set out further in Section IV: "*Subscriptions, Redemptions and Other Transactions*" of this Prospectus. Accordingly, potential investors should be aware that no guarantees can be made as to the ability of investors in FLEX Master to fully redeem their Interests at any given redemption date.

In making an investment decision, investors must rely on their own examination of FLEX Master and the terms of the offering, including the merits and risks involved. Potential investors should not construe the contents of this Prospectus as legal, tax, investment or accounting advice. Each potential investor is urged to consult its own advisors with respect to the legal, tax, regulatory, financial and accounting consequences of an investment in FLEX Master.

Notwithstanding anything in this Prospectus to the contrary, to comply with U.S. Treasury Regulations Section 1.6011-4(b)(3)(i), each investor (and any employee, representative, or other agent of such investor) may disclose to any and all persons, without limitation of any kind, the U.S. federal, state, or local income tax treatment and tax structure of FLEX Master or any transactions undertaken by FLEX Master, it being understood and agreed, for this purpose, (i) the name of, or any other identifying information regarding (A) FLEX Master or any existing or future investor (or any affiliate thereof) in FLEX Master, or (B) any investment or transaction entered into by FLEX Master, (ii) any performance information relating to FLEX Master or its investments, and (iii) any performance or other information relating to previous funds or investments sponsored by the Investment Managers, do not constitute such tax treatment or tax structure information.

Distribution of FLEX Master

The distribution of this Prospectus and the offer and sale of the Interests in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy Interests in the United States of America, or any state or jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such state or jurisdiction. Notwithstanding the foregoing, Interests may be offered to, and subscribed by United States persons (as defined for U.S. federal income tax purposes). Potential investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile, and place of business with respect to the acquisition, holding, or disposal of Interests, and any exchange restrictions that may be relevant thereto. The Interests may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any state or jurisdiction, except in accordance with the legal requirements applicable in such state or jurisdiction (as applicable). Interests that are acquired by persons not entitled to hold them will be compulsorily redeemed.

Interests of FLEX Master will be widely available to investors which are eligible, based on the terms of this Prospectus and in compliance with the AIFM Directive, and be marketed sufficiently widely and in a manner suitable to attract the eligible investors. Interests may be recommended, offered, sold or made available by any other means to "professional investors" as defined by Directive 2014/65/EU of the European Parliament and the Council of May 15, 2014 on markets in financial instruments and amending Directives 2002/92/EC and 2011/61/EU (as amended, "**MiFID II**"), as well as to non-professional investors under MiFID, above the thresholds and/or at the conditions in accordance with which they are permitted in their member state to invest in such an AIF. No further substantive criteria is intended to apply which would limit or deter eligible investors from investing in FLEX Master (other than any additional requirements which might be applied under AIFM Directive specifically in some EU jurisdictions for marketing to non-professional investors, such as minimum investment amounts, or eligibility requirements applied by specific financial intermediaries). Accordingly, FLEX Master will issue a key information document for packaged retail and insurance-based investment products in line with Regulation (EU) No 1286/2014 of the European Parliament and of the Council of November 26, 2014 on key information documents for packaged retail and insurance-based investment products (as amended, the "**PRIIPs Regulation**").

Prospective investors should review this Prospectus for a summary of the rights, privileges and obligations of an investor in FLEX. The General Partner (as defined below) or its delegate reserves the right to modify the terms of the offering and the Interests described herein and in this Prospectus. The Interests are offered subject to FLEX Master's and the AIFM's ability to reject any potential investor's subscription in whole or in part in its sole discretion.

Waystone Management Company (Lux) S.A. (the "**AIFM**") has been appointed as the external alternative investment fund manager of FLEX Master. The AIFM is in charge of the portfolio management, the risk management and valuation functions of FLEX Master.

The AIFM has been authorized by the CSSF as an alternative investment fund manager pursuant to the Luxembourg law of July 12, 2013 on alternative investment fund managers, as may be amended from time to time implementing the AIFM Directive. Any reference herein to rights, powers or duties exercised or performed by the AIFM is exercised by the AIFM pursuant to the AIFM Agreement (as defined below).

Franklin Templeton International Services S.à r.l. (in such capacity, the "**Global Distributor**") will manage the global distribution of this offering and may delegate the distribution function to one or more third parties or affiliates of the Franklin Templeton Group and the Lexington Group (including the Investment Manager(s) (as defined below)), as applicable.

Reliance

This Prospectus is to be used by the potential investor to which it is furnished solely in connection with the consideration of the subscription for the Interests described herein. **This Prospectus contains confidential, proprietary, trade secret and other commercially sensitive information and should be treated in a confidential manner.** Acceptance of this document from the AIFM constitutes an agreement to (i) keep confidential all the information contained in this document, as well as any information derived by you from the information contained in this document or information otherwise received by you in connection with any subscription for Interests in FLEX Master (collectively, "**Confidential Information**") and not disclose any such Confidential Information to any other person, (ii) not use any of the Confidential Information for any purpose other than to evaluate an investment in FLEX Master, (iii) not use the Confidential Information for purposes of trading any security, including, without limitation, securities of FTIS or entities in which FTIS or its affiliates have investments, and (iv) promptly return this document and any copies hereof to FTIS upon FTIS' request, in each case subject to the confidentiality provisions more fully set forth in this Prospectus and any written agreement between the recipient and FTIS, if any. This Prospectus may not be reproduced, or used in whole or in part for any other purpose, nor may it or any of the information it contains be disclosed or furnished to any other person without the prior written consent of the Investment Managers or the General Partner.

Interests in FLEX Master are offered solely on the basis of the information and the representations contained in this Prospectus (and in particular in the relevant Annex(es)) accompanied by the KID(s) (as defined below), the latest annual report and semi-annual report, if published after the latest annual report, as well as the documents mentioned herein which may be inspected at the offices of FLEX Master. The annual report and the semi-annual report form an integral part of the Prospectus and prospective investors should ensure they review the latest annual report and semi-annual report ahead of subscribing for Interests in FLEX Master.

By subscribing to Interests, all Limited Partners are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of this Prospectus and the limited partnership agreement for FLEX Master (as amended and/or restated from time to time, the "**Partnership Agreement**").

No one is authorized to make any statements about this offering different from those that appear in this Prospectus and any representation to the contrary must not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Interests of FLEX Master shall under any circumstances constitute a representation that the information contained herein is correct as of any date subsequent to the date on the cover hereof or, if earlier, the date when such information is referenced. Certain information contained in this Prospectus or as otherwise provided by Franklin Templeton (as defined below) in connection with the offering (including certain forward-looking statements and information, as well as certain benchmarking, league table, market comparison and other similar information) has been obtained from published and non-published sources or prepared by other parties and in certain cases has not been updated through the date hereof. In addition, certain third-party information (including, without limitation, certain information concerning investment performance) contained herein has been obtained from, or otherwise relates to, companies in which investments have been made by Franklin Templeton or Other Lexington Vehicles (as defined below). While such sources are believed to be reliable, none of Franklin Templeton, FLEX, the Investment Managers, any placement agent or any of their respective directors, officers, employees, partners, members, shareholders or affiliates or any other person, has taken any steps to verify, or assumes any responsibility for, the accuracy or completeness of such information or the methodologies or assumptions on which such information is based. Performance information set forth in this Prospectus (if any) will be in U.S. dollars ("**USD**") unless otherwise specified.

The Global Distributor and/or its delegates expect to retain selected financial intermediaries for FLEX that will receive compensation from FLEX Master and its investors for their placement and related ongoing services rendered with respect to FLEX Master.

Prevailing language and documents

The distribution of this Prospectus, the Partnership Agreement and/or the application form in certain countries may require that these documents be translated into the official languages of those countries. Should any inconsistency arise between the translated versions of this Prospectus, the Partnership Agreement and/or the application form, the English version will always prevail.

The terms in each Annex are only applicable to the relevant Sub-Fund to which it relates and should be read together with the terms set out in the general section of this Prospectus. In case of conflict between the terms of the general section and an Annex, the terms of such Annex will prevail.

In case of conflict between the terms of this Prospectus and the Partnership Agreement and/or the application form, the terms of the Partnership Agreement and the application form (if not in conflict with the terms of the Partnership Agreement) will prevail.

Relationship between the FLEX Entities

FLEX is an umbrella investment program operated through several entities and the term "FLEX" is used throughout this Prospectus to refer to the umbrella program as a whole. The primary vehicle for investors to subscribe to FLEX is FLEX Feeder. FLEX Master is the master fund for FLEX Feeder and both entities are umbrella funds with sub-funds.

This Prospectus offers an investment in FLEX Master. As a feeder fund (as defined in Article 4(1)(m) of the AIFM Directive), FLEX Feeder will invest all or substantially all of its assets into one or more Sub-Funds. The Sub-Fund(s) will invest their respective assets into one or more subsidiaries, the FLEX Aggregator(s), established for the purpose of indirectly holding FLEX's Investments.

The investment objective and strategies, related risk factors and potential conflicts of interests, subscription and redemption terms, calculation of NAV, fees and expenses, tax and regulatory considerations, and other aspects of the activities of each FLEX Feeder sub-fund and its corresponding Sub-Fund are substantially identical except as specifically identified in this Prospectus.

FLEX may also have Parallel Entities for investors to subscribe to, which may be formed for investors' legal, tax, regulatory and/or other reasons. As an investment program, FLEX intends to make its investments through a number of entities established for structuring purposes, which will be owned directly or indirectly by the FLEX Aggregators, in each case a subsidiary of FLEX Master and any Parallel Entities.

As part of its investment strategy, each FLEX Aggregator may invest in or alongside Other Lexington Vehicles (as defined below), to indirectly obtain exposure to such Other Lexington Vehicles' investments. Investment limitations and certain risk factors related to the FLEX Aggregator's investment in Other Lexington Vehicles are contained in this Prospectus.

For the avoidance of doubt, the US Vehicle (as defined below) does not comprise FLEX Master, and is not a FLEX Aggregator Parallel Vehicle, a Parallel Vehicle or a Parallel Entity (each as defined below), and will instead be deemed to be an Other Lexington Vehicle for the purposes of this Prospectus.

The most recent annual and semi-annual reports (as applicable) of FLEX Master are available at the registered office of FLEX Master and will be sent to investors on request. Such reports shall be deemed to form part of this Prospectus.

SFDR disclosure

The sustainability-related disclosures made in accordance with the applicable requirements of SFDR, as applicable to a specific Sub-Fund, are provided for in the relevant Annex of such Sub-Fund.

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I. DESCRIPTION / OVERVIEW OF FRANKLIN TEMPLETON AND LEXINGTON

1. Franklin Templeton & Lexington Overview

Franklin Resources, Inc. is the holding company for various subsidiaries that form the global investment management organization known as Franklin Templeton. Since its establishment, Franklin Resources, Inc. has developed a structure that has allowed for the acquisition and development of autonomous brands, empowering us to offer various styles and investment approaches to our client base. Each of our "Specialist Investment Managers" operates autonomously, each according to the guiding principles of its own investment philosophy.

Franklin Templeton offers a breadth and depth of investment solutions that it believes few competitors can match, from traditional to alternative strategies and multi-asset solutions. Our investment groups provide investors with an opportunity to build diversified portfolios covering every major asset class, while offering time-tested expertise to work toward our goal of achieving better client outcomes.

Lexington Advisors LLC, located at 399 Park Avenue, 20th Floor, New York, New York 10022, is registered as an investment adviser under the Advisers Act, and is an indirect, wholly-owned subsidiary of Franklin Resources Inc. Lexington Partners, a Delaware limited partnership that also is registered as an investment adviser with the SEC under the Advisers Act, is the direct owner of Lexington.

Lexington's secondary investment partners and principals are amongst the most experienced investment professionals in the secondary market. Lexington's senior secondary investment professionals are supported by a team of professionals skilled in all aspects of global secondary, co-investment, and primary origination, financial analysis, negotiation, monitoring and investor relations. Lexington's global platform of experienced professionals located in majority centers for private equity and alternative investing and senior advisors supporting our professionals globally, facilitates contact with investors and sponsors around the world.

2. FLEX Overview

2.1 Corporate form and duration

FLEX Master is a Luxembourg investment company with variable capital – Part II UCI with multiple compartments *(société d'investissement à capital variable – fonds d'investissement à compartiments multiples soumis à la partie II de la loi de 2010)* governed by Part II of the 2010 Law, the 1915 Law, this Prospectus and the Partnership Agreement.

FLEX Master is established as a Luxembourg special limited partnership (*société en commandite spéciale*). FLEX Master was established on 18 October 2024 and is registered with the RCS under the number B290430.

FLEX Master will exist for an indefinite period unless it is dissolved and liquidated in accordance with Section XIII: "*Dissolution and Liquidation of the Sub-Funds and FLEX Master*" of this Prospectus.

2.2 Umbrella structure – Sub-Funds

FLEX Master is one single legal entity with an umbrella structure consisting of one or several Sub-Funds that are open for subscription by prospective investors in accordance with and subject to the provisions of this Prospectus. The investment objective and policy and any additional specific investment restrictions applicable to each Sub-Fund are described in the relevant Annex of this Prospectus. In accordance with article 181(1) and 181(5) of the 2010 Law, the rights of the Limited Partners and creditors relating to a Sub-Fund or arising from the setting-up, operation and liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. Accordingly, the assets of a Sub-Fund are exclusively dedicated to the satisfaction of the rights of the Limited Partners that are invested into such Sub-Fund and the rights of those creditors whose claims have arisen in connection with the setting-up, operation and liquidation of that Sub-Fund.

FLEX Master will seek to provide long-term capital appreciation in accordance with the 2010 Law. Each sub-fund of FLEX Feeder will invest as a feeder fund all or substantially all of its assets into one or more Sub-Funds of FLEX Master. The Sub-Fund(s) of FLEX Master will invest through one or more subsidiaries expected to be established as a Luxembourg special limited partnership (*société en commandite spéciale*) for the purpose of directly or indirectly holding such Sub-Fund's Investments (each, a "**FLEX Aggregator**", and collectively, the "**FLEX Aggregators**"). See Section II: "*Investment Information*" of this Prospectus.

The liability of a Limited Partner for the debts and obligations of FLEX Master is limited to the amount of such Limited Partner's investment in FLEX Master and a Limited Partner will not be obligated personally for any such debt, obligation or liability of FLEX Master solely by reason of being a Limited Partner; *provided*, however, that a Limited Partner will be required to contribute to FLEX Master any amounts required under the laws of Luxembourg governing FLEX Master and the Limited Partnership Agreement.

As a special limited partnership (*société en commandite spéciale*) FLEX Master has two different types of Partners: (i) the managing general partner (*associé commandité gérant*) who is, by operation of law, jointly and severally liable for any obligations of the Partnership. The General Partner is the managing general partner (*associé commandité gérant*) of FLEX Master and is therefore responsible for its management. As of the date of this Prospectus, the General Partner holds the sole GP Interest issued by FLEX Master. GP Interests are not available to Limited Partners; and (ii) limited partners (*associés commanditaires*), whose liability is limited to the amount of their investment in FLEX Master. FLEX Master may have an unlimited number of Limited Partners.

Each Sub-Fund's portfolio of assets is invested in accordance with the investment objective and policy applicable to that Sub-Fund. The investment objective, investment policy and other specific features of each Sub-Fund (including, without limitation, its name, its duration (finite or indefinite), its fees structure, the eligible investors' requirements and the terms governing issues, redemptions and transfers of Interests) are set forth in the relevant Annex and may be different from those of other Sub-Funds of FLEX Master. The subscription process is separate for each Sub-Fund, and investors should note that an investment into a Sub-Fund only relates to that specific Sub-Fund's investment policy and pool of assets.

Unless otherwise stipulated in the respective Sub-Fund's investment policy and within the limits described below, FLEX Master may use for each Sub-Fund financial derivative instruments and/or employ techniques and instruments, not only to manage risk and/or achieve efficient portfolio management but also as part of the investment strategy.

To achieve the investment objectives for a particular Sub-Fund, more sophisticated financial instruments may be used which are set out for each Sub-Fund in the relevant Annex to this Prospectus. An investment in such categories involves a high degree of financial risk. Potential investors must take into consideration certain risk factors, which are inherent to such investments.

FLEX cannot assure Limited Partners and prospective investors that it will achieve its investment objectives. Please refer to Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*" of this Prospectus for additional details on the risks associated with an investment in FLEX Master.

II. INVESTMENT INFORMATION

Each sub-fund of FLEX Feeder will invest as a feeder fund all or substantially all of its assets into one or more Sub-Funds of FLEX Master. The Sub-Fund(s) of FLEX Master will invest through one or more FLEX Aggregators.

Each of FLEX's investments, whether held directly or through one or more intermediate vehicles (each an "**Intermediate Vehicle**"), is referred to as an "**Investment**." For the avoidance of doubt, in applying and interpreting the terms of this Prospectus, the Investment Manager(s) may determine that Investments do not include Intermediate Vehicles, as the context may require.

The investment objective and policy and any additional specific investment restrictions applicable to each Sub-Fund are described in the relevant Annex.

III. INTEREST CLASS INFORMATION

Information relating to the classes of Interests ("**Classes**") that will be issued by each Sub-Fund is available in the relevant Annex.

Except as otherwise described in the relevant Sub-Fund's Annex, the terms of each Class of Interests are identical. Interests are issued in respect of a particular Class in the relevant Sub-Fund. The General Partner or its delegate has the authority to, at any time, establish new Sub-Funds with Interests having similar characteristics to the Interests in the existing Sub-Funds and create and issue new Classes or types of Interests within any Sub-Fund at its discretion, with Interests having different currencies, rights, benefits, powers or duties and terms, including with respect to fees, distributions and liquidity.

FLEX Master will issue one general partnership unit per Sub-Fund in accordance with the provisions of the Partnership Agreement (each, a "**GP Interest**").

IV. SUBSCRIPTIONS, REDEMPTIONS AND OTHER TRANSACTIONS

1. Initial Offering Period

Until the end of each Sub-Fund's Initial Offering Period, the Interests of such Sub-Fund will be offered at the price and conditions specified in the relevant Annex.

2. Issuance of Interests

The General Partner may, in its sole discretion, issue within each Sub-Fund one or more Classes of Interests in series as of different Subscription Dates or other defined time periods (each, a "**Series**").

Where Interests have been issued in Series, the General Partner may, in its sole discretion, cause Interests of a later Series to be exchanged for Interests of a prior Series; *provided*, that such exchange does not have an adverse effect on the NAV of any Interest or Class in the relevant Sub-Fund. Each Interest will carry equal rights and privileges with each other Interests of the same Series.

3. Subscription in Kind

The General Partner may, in its sole discretion, issue Interests in consideration of assets contributed to the relevant Sub-Fund in kind; *provided*, that such contribution complies with the investment policy, target allocation and investments restrictions laid out under the relevant Annex; and *provided further*, that a valuation report, established in accordance with the 2010 Law and the 1915 Law, from the Auditors or any other independent auditor, selected from time to time by the General Partner, and confirming the value of the contributed assets is prepared in connection thereof.

The costs relating to an in-kind contribution (including any valuation costs) will be borne by the relevant contributing investor where it is demonstrated that such contribution costs are higher than the costs of acquiring the relevant assets from the market via a corresponding cash amount.

4. Redemption, Conversion, and Transfer of Interests

The redemption, conversion, and transfer rights attached to the Interests are specified in the relevant Annex.

5. Payment of the Redemption Price in Kind

The General Partner may, if it so determines and with the consent of the redeeming Limited Partner(s) and where applicable, the manager, operator and/or general partner of any relevant Portfolio Fund and/or co-investment vehicle, satisfy settlement of the redemption to any Limited Partner "in kind" by allocating to such Limited Partner assets of the relevant Sub-Fund equal in value (or as close as possible thereto) as of the date on which the redemption price is calculated to the NAV of the Interests to be redeemed, *less* any applicable taxes, fees and charges. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis by the AIFM and without prejudicing the interests of the other Limited Partners of the relevant Class(es).

The settlement time of the redemption price in kind will be communicated to the relevant redeeming Limited Partner(s) in due course.

In the event that any in-kind redemptions are made, the Auditor or any other auditor qualifying as *réviseur d'entreprises agréé* shall establish a report in respect of the in-kind redemption.

The costs associated with such in-kind redemptions (in particular the report of the Auditor or any other auditor qualifying as *réviseur d'entreprises agréé*) shall be borne by the Limited Partner(s) receiving the in-kind redemption or by a third party but will not be borne by the relevant Sub-Fund unless the General Partner considers that the redemption in kind is in the interest of such Sub-Fund or made to protect the interest of the Limited Partners in such Sub-Fund.

6. Amalgamation, Division or Transfer of Sub-Funds or Classes

The General Partner or its delegate may decide to allocate the assets of any Sub-Fund or Class to those of another existing Sub-Fund or Class within FLEX Master or to another Luxembourg undertaking for collective investment or to another Sub-Fund or Class within such other Luxembourg undertaking for collective investment (the "**New Sub-Fund**") and to re-designate the Interests of the relevant Sub-Fund or Class as Interests of another Sub-Fund or Class (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to Limited Partners). The decision to cause an amalgamation may be made notably in the event that for any reason the value of the net assets of any Sub-Fund or Class has decreased to, or has not reached, an amount determined by the General Partner or its delegate to be the minimum level for such Sub-Fund or Class to be operated in an economically efficient manner, or in case of a substantial modification in the political, regulatory, economic or monetary situation relating to such Sub-Fund or Class that would have material adverse consequences on the Investments of that Sub-Fund or Class, or as a matter of economic rationalization and in addition to the possibility to terminate such Sub-Fund or Class referred to below.

The General Partner or its delegate may decide to reorganize a Sub-Fund or Class by means of a division into two or more Sub-Fund or Classes.

A contribution of the assets of any Sub-Fund or Class to another undertaking for collective investment referred to in the first paragraph of this Section or to another Sub-Fund or Class within such other undertaking for collective investment shall be decided by the General Partner, notably in the event that for any reason the value of the net assets of any Sub-Fund or Class has decreased to, or has not reached, an amount determined by the General Partner to be the minimum level for such Sub-Fund or Class to be operated in an economically efficient manner, or in case of a substantial modification in the political, regulatory, economic or monetary situation relating to such Sub-Fund or Class that would have material adverse consequences on the Investments of that Sub-Fund or Class, or as a matter of economic rationalization. The General Partner may also decide to submit the decision to a meeting of the Limited Partners of the relevant Sub-Fund or Class concerned. No quorum is required for this meeting and decisions are taken by the simple majority of the votes cast.

7. Termination of a Sub-Fund or a Class

The General Partner or its delegate may decide to liquidate and terminate a Sub-Fund or a Class by a compulsory redemption of all the Interests of the relevant Sub-Fund or Class, notably in the event that for any reason the value of the net assets of any Sub-Fund or Class has decreased to, or has not reached, an amount determined by the General Partner or its delegate to be the minimum level for such Sub-Fund or Class to be operated in an economically efficient manner, or in case of a substantial modification in the political, regulatory, economic or monetary situation relating to such Sub-Fund or Class that would have material adverse consequences on the Investments of that Sub-Fund or Class, or as a matter of economic rationalization. The compulsory redemption of all the Interests of the relevant Sub-Fund or Class will be performed at their NAV per Interest (taking into account actual realization prices of Investments and realization expenses) as calculated on the Valuation Date at which such decision shall take effect and all other expenses linked to the liquidation as decided by the General Partner or its delegate. All redeemed Interests shall be cancelled by FLEX Master.

FLEX Master will serve a written notice to the Limited Partners of the relevant Sub-Fund or Class prior to the effective date for the liquidation, which will set forth the reasons for, and the procedure of, the liquidation.

Any order for subscription and any redemptions shall be suspended as from the date the General Partner or its delegate resolves upon of the termination of the relevant Sub-Fund or Class.

Should FLEX Master be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of Luxembourg law. The liquidation of the last Sub-Fund shall cause the liquidation of FLEX Master in accordance with the procedures laid down in the Partnership Agreement, this Prospectus, the 1915 Law and the 2010 Law.

V. CALCULATION OF NAV

1. General

FLEX Master, each Sub-Fund and each Class of Interests in a Sub-Fund has a NAV determined in accordance with Luxembourg Law. The Reference Currency of FLEX Master is U.S. dollars (USD). The Reference Currency of each Sub-Fund and each Class or sub-class is set out in the relevant Annex. The NAV for each Sub-Fund and/or Class of Interests is determined in the Reference Currency of the relevant Sub-Fund and/or Class of Interests (to two (2) decimal places).

The NAV per Interest, the issue and redemption prices thereof are available at the registered office of FLEX Master and the Luxembourg office of the Central Administration. The General Partner or its delegate may, in its sole discretion, publish the NAV per Class of Interest on FLEX Master's website.

For the avoidance of doubt, the NAV of each Sub-Fund may be suspended in the circumstances described in this Prospectus and the Partnership Agreement. In case of suspension of the NAV of a Sub-Fund, such Sub-Fund will not issue and/or redeem its Interests. Finally, a Sub-Fund may suspend its redemption program in exceptional circumstances and not on a systematic basis, as further described under the relevant Section of each Annex.

2. Valuation

The AIFM is responsible for the valuation of the assets of FLEX Master and will ensure that the valuation function is independent from the portfolio management team, and performed in accordance with article 17(4) of the Luxembourg law of July 12, 2013 on alternative investment fund managers (as amended, the "**2013 Law**").

The Investment Manager(s) will assist the AIFM in the valuation of the assets of the relevant Sub-Fund, while the AIFM ensures that the valuation function is independent from the investment advisory team of the Investment Manager(s), and performed in accordance with article 17(4) of the 2013 Law. The value of the Investments held by FLEX Master will be determined in accordance with the valuation policy (the "**Valuation Procedures**") adopted by the AIFM in respect of FLEX Master. This Section V: "*Calculation of NAV*" is only a summary. The Valuation Procedures may be changed by the AIFM from time to time in its sole discretion.

The Central Administration has been appointed by FLEX Master, in compliance with the 2013 Law, for the independent calculation of the NAV of each Sub-Fund and Class of Interests. The Central Administration will perform its functions impartially and with the requisite due skill, care and diligence in accordance with Luxembourg laws and regulations and the provisions of this Prospectus.

3. Allocation of assets and liabilities among Sub-Funds

FLEX Master constitutes a single legal entity but the assets of each Sub-Fund shall be invested for the exclusive benefit of the Limited Partners of the corresponding Sub-Fund and the assets of a specific Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.

FLEX Master will establish a separate pool of assets and liabilities in respect of each Sub-Fund and the assets and liabilities shall be allocated in the following manner:

(a) within any Sub-Fund, the General Partner or its delegate may determine to issue Classes subject to different terms and conditions, including, without limitation, Classes subject to a specific distribution policy entitling the holders thereof to distributions or no distributions, specific subscription and redemption charges, a specific fee structure and/or other distinct features (including minimum holding period or soft-lock up penalty);

(b) if a Sub-Fund issues two or more Classes of Interests, the assets attributable to such Classes shall be invested in common pursuant to the specific investment objective, policy and restrictions of the Sub-Fund concerned;

(c) the net proceeds from the issuance of Interests of a particular Class are to be applied in the books of FLEX Master to that Class of Interests and the assets and liabilities and income and expenditures attributable thereto are to be applied to such Class of Interests, in each case subject to the provisions set forth below;

(d) where any income or asset is derived from another asset, such income or asset is to be applied in the books of FLEX Master to the same Sub-Fund or Class (as applicable) as the asset from which it was derived and on each revaluation of an asset, the increase or diminution in value is to be applied to the relevant Sub-Fund or Class (as applicable);

(e) where FLEX Master incurs a liability which relates to any asset of a particular Sub-Fund or Class or to any action taken in connection with an asset of a particular Sub-Fund or Class, such liability is to be allocated to the relevant Sub-Fund or Class (as applicable) and applied in the books of FLEX Master to such Sub-Fund or Class accordingly;

(f) if any asset or liability of FLEX Master cannot be considered as being attributable to a particular Sub-Fund or Class, such asset or liability will be allocated to all the Sub-Funds or Classes *pro rata* to their respective NAVs, or in such other manner as the General Partner or its delegate, acting in good faith, may decide; and

(g) upon the decision of the General Partner (or its delegate) to declare distributions to the holders of any Class of Interests, the NAV of such Class shall be reduced by the amount of such distributions.

4. Calculation of NAV

The Central Administration will calculate the first NAV for each Sub-Fund and/or Class of Interests as of the end of the relevant Sub-Fund's Initial Offering Period. Thereafter, the NAV for each Sub-Fund and/or Class of Interests will be calculated by the Central Administration as at each Valuation Date, as it is stipulated in respect of each Sub-Fund in the relevant Annex.

The total net assets of FLEX Master will result from the difference between the gross assets (i.e., the aggregate fair value of all assets of FLEX Master) and the liabilities of FLEX Master.

The NAV of each Sub-Fund as of the relevant Valuation Date will be determined by calculating the aggregate of:

- the fair value of all assets of FLEX Master which are allocated to the relevant Sub-Fund in accordance with the provisions of this Prospectus and the Partnership Agreement on the relevant Valuation Date; *less*

- all the liabilities (including, for the avoidance of doubt all fees that are accrued but unpaid on the relevant Valuation Date) of FLEX Master which are allocated to the relevant Sub-Fund in accordance with the provisions of this Prospectus and the Partnership Agreement.

The NAV per Class of Interests in the relevant Sub-Fund on each Valuation Date will be determined by calculating:

- the fair value of the total assets and distribution entitlements attributed to the relevant Class of Interests on the relevant Valuation Date; *less*

- the liabilities attributable to that Class of Interests on the relevant Valuation Date.

Each Class of Interests may have a different NAV because distributions, Servicing Fees and other fees as set forth in the applicable Annex may be charged differently or do not apply with respect to a Class. Furthermore, to the extent the NAV of any Class of Interests is denominated in a Reference Currency other than in the relevant Sub-Fund's Reference Currency, such Class of Interests will be allocated all the gains and losses attributable to any hedging transactions entered in relation to such Class of Interests and any fees and expenses in connection thereof.

The NAV per Interest on a given Valuation Date will be calculated for each Class of Interests of a Sub-Fund by dividing the NAV of that Class of Interests by the total number of Interests of that Class of that Sub-Fund then outstanding on that Valuation Date.

FLEX Master shall make public the issuance and redemption price of the Interests each time it issues and redeems its Interests, and at least once a month. The timing of the calculation of the NAV may be modified from time to time by the General Partner (or its delegate) in its sole discretion.

The NAV of each Sub-Fund and Classes of Interests will be expressed in the applicable Reference Currency of such Sub-Fund or Class of Interests, as applicable.

CSSF Circular 02-77 regarding the protection of investors in case of NAV calculation error and correction of the consequences resulting from non-compliance with the investment rules is applicable and will be replaced, effective as of 1 January 2025, by CSSF Circular 24-856 regarding the investor protection in case of NAV calculation error, a non-compliance with investment rules and other errors at the level of a UCI.

5. Suspension of Calculation of NAV

The General Partner may, but is not obligated to, suspend the determination of FLEX Master's NAV upon the General Partner's reasonable determination that one or more of the conditions below have occurred: (i) when a force majeure event has occurred and is continuing and it is impracticable for the AIFM and/or the General Partner to dispose of or value all or a substantial part of FLEX's assets; (ii) when the means of communication usually used to determine the price or value of an asset is out of service or otherwise unavailable; (iii) when, for any reason, the value of any asset cannot be determined promptly or accurately pursuant to FLEX's Valuation Procedures; (iv) following a decision to liquidate or dissolve FLEX Master or one or several Sub-Funds; or (v) upon occurrence of any event as set out in the Partnership Agreement.

6. Valuation Procedures

Notwithstanding anything herein to the contrary, in supporting the Central Administration in calculating the NAV, the Investment Manager(s) may in its discretion, but is not obligated to, consider material market data and other information (as of the applicable month-end for which NAV is being calculated) that becomes available after the end of the applicable month in valuing FLEX Master's assets and liabilities and calculating FLEX Master's NAV and provide advice to the Central Administration in connection thereof.

The valuation procedures of each Sub-Fund are set out in their respective Annex.

VI. FEES AND EXPENSES OF FLEX

1. Management Fee

In consideration for its(their) services in respect of each applicable Sub-Fund, the Investment Manager(s) will be entitled to payment of an investment management fee (the "**Management Fee**") equal to an amount and payable as specified in the Annex for such Sub-Fund.

2. Performance Participation Allocation

The FLEX Aggregators' special limited partners or any other entity so designated by the general partner of such FLEX Aggregator (each, a "**Recipient**") may be allocated a performance participation in respect of each applicable Interest Class of each Sub-Fund (the "**Performance Participation Allocation**") by the FLEX Aggregators equal to an amount and payable at the conditions specified in the Annex for such Sub-Fund.

3. AIFM Fee

In consideration for its services in respect of each Sub-Fund, the AIFM will be entitled to payment of a fee (the "**AIFM Fee**"), in accordance with the terms set out in the AIFM Agreement, equal to an amount and payable as specified in the Annex for such Sub-Fund. The AIFM may be entitled to receive additional fees for additional services, as agreed from time to time, to the extent such additional fees are duly disclosed in this Prospectus. In addition to receiving the AIFM Fee, the AIFM shall be entitled to reimbursement of its reasonable disbursement, including its duly documented out-of-pocket expenses incurred in the performance of its duties.

4. Subscription Fees

Certain distributors or other financial intermediaries through which a Limited Partner or an underlying investor, as appropriate, was placed in any Sub-Fund may charge such Limited Partner or underlying investor, as appropriate, upfront selling commissions, placement fees, subscription fees or similar fees (the "**Subscription Fees**") as specified in the Annex for such Sub-Fund. In certain circumstances, the Subscription Fees may be paid to the Investment Manager(s) or the relevant Sub-Fund (but not reflected in its NAV) and reallocated, in whole or in part, to the distributor or other financial intermediary that placed the Limited Partner into the relevant Sub-Fund.

5. Servicing Fee

Some Classes of Interests may be subject to a servicing fee to compensate the financial intermediary through which a Limited Partner or an underlying investor was placed in the relevant Sub-Fund and/or the financial intermediary which provides ongoing services to such Limited Partner or an underlying investor (including but not limited to any reporting, administrative and/or other services) (the "**Servicing Fees**") as specified in the Annex for such Sub-Fund.

6. Organizational and Offering Expenses

This Section shall apply to each Sub-Fund, unless otherwise provided in the Annex of the relevant Sub-Fund.

The Organizational and Offering Expenses (as defined below) may be apportioned to, and borne solely by, any Sub-Fund or allocated to each Sub-Fund as determined by the General Partner or its delegate in its reasonable discretion. Organizational and Offering Expenses incurred in relation to the launch of a new Sub-Fund will exclusively be borne by and paid out of the assets of such new Sub-Fund.

Organizational and Offering Expenses may be allocated to, and borne by, (i) any vehicle comprising FLEX; (ii) any sub-fund thereof, (iii) any feeder vehicle primarily established to hold Interests and in turn offer shares, units or interests in such feeder vehicle, as applicable, to investors located in specific jurisdictions, in each case as determined by the General Partner or its delegate from time to time (any such feeder vehicle, being a "**Feeder Entity**"); or (iv) any Intermediate Vehicle (together the "**FLEX Entities**"), as determined by the General Partner or its delegate in its reasonable discretion.

"**Organizational and Offering Expenses**" may include, without limitation, any or all of the following fees, expenses and costs in relation to (1) the development, structuring, formation or establishment of any FLEX Entity or (2) the marketing, distribution, offering or sale of Interests or other interests in any FLEX Entity: legal, consulting, accounting, tax and transfer tax analysis, printing, mailing, subscription processing and filing fees and expenses, due diligence expenses of participating financial intermediaries supported by detailed and itemized invoices, fees and expenses of any distribution platform or network, fees and expenses of negotiating distribution agreements, costs in connection with preparing sales materials, design and website expenses, fees and expenses of any transfer agent, administrator, depositary and provider of outsourced technology solutions (including but not limited to any digital subscription process, digital redemption process, performance reporting dashboard, benchmark, portfolio reporting, cash flow projection), fees to attend retail seminars sponsored by participating financial intermediaries, travel expenses (including but not limited to transportation, lodging, and meals), but excluding Subscription Fees and Servicing Fees.

Organizational and Offering Expenses attributable to any FLEX Entity may be incurred at any time prior to or during the life of such entity. Any FLEX Entity, as applicable may reimburse Franklin Templeton or any other FLEX Entity for any Organizational and Offering Expenses advanced by Franklin Templeton or such other FLEX Entity. Organizational and Offering Expenses attributable to FLEX Master will be amortized by FLEX Master over a period not exceeding five (5) years following the incurrence thereof by FLEX Master.

In addition, any additional Sub-Fund to be launched after the initial Sub-Fund may bear, in the entire discretion of the General Partner or its delegate, a *pro rata* proportion of the Organizational and Offering Expenses attributable to FLEX Master (including its initial Sub-Fund) not amortized as at the date of the launch of that additional Sub-Fund.

Any Organizational and Offering Expenses incurred in connection with the creation of an additional Sub-Fund (including the portion of the initial Organizational and Offering Expenses not amortized in accordance with the preceding paragraph, if any) will be ultimately borne by the such additional Sub-Fund and will be amortized by such Sub-Fund over a period not exceeding five (5) years following the incurrence thereof by such Sub-Fund.

7. Operating Expenses

Operating Expenses (as defined below) may be allocated to and borne by any FLEX Entity, as determined by the General Partner or its delegate in its reasonable discretion.

"**Operating Expenses**" may include, without limitation, all costs and expenses related to the operation, administration, management and business, including its investment and liquidation of the FLEX Entities.

Operating Expenses may be incurred at any time prior to, or during the life of any FLEX Entity and shall include, without limitation, all fees, costs, expenses, taxes, expected tax liabilities, liabilities and obligations:

(i) employees, delegates, independent agents, lawyers, accountants, appraisers, consultants, intermediaries, valuers, lenders, banks, administrators, custodians, depositaries, auditors, brokers, finders, investment professionals, financial advisers and/or other financial institutions, and/or other service providers or advisers (in each case, not being members of the Franklin Templeton Group unless engaged on arm's length terms) that are appointed by any FLEX Entities, the AIFM, the Investment Managers or any of their respective affiliates in respect of FLEX;

(ii) the purchase, monitoring, and sale of securities, of any custodians, attorneys, accountants, auditors, tax advisors, administrators (including administrators that perform anti-money laundering or "know your customer" diligence and investor verification services in connection with the onboarding and ongoing participation of investors in any FLEX Entity), consultants, brokers, agents, research-related data providers, valuation firms/appraisers, experts, or other advisors or professionals (including advisors and senior advisors to the Investment Managers and their affiliates);

(iii) preparing, printing, marketing, publicity, distributing communications and reports to the Limited Partners in accordance with the Partnership Agreement and Section XI: "*Financial Year, Accounting Standards and Periodical Reports*" of this Prospectus, monitoring FLEX's portfolio activity (including, without limitation, accounting or financial management software and other third party expenses, the preparation of financial statements or other reports and other accounting or similar administrative functions), and any other appraisals, valuations (including valuation costs and/or valuation support services) or certifications required pursuant to this Prospectus or by law or regulation, including the fees of the Auditor and any external valuer or auditor of valuations appointed in connection with applicable law and/or regulation and any other information or reporting requirements imposed by applicable law or regulations in respect of any FLEX Entity and its affiliates;

(iv) attending meetings related to Portfolio Investments, Co-Investments and Portfolio Companies (including travel related thereto and meeting with representatives thereof), developing, negotiating, structuring, monitoring, custody, and, to the extent applicable, disposing of, Portfolio Investments, Co-Investments and Portfolio Companies, including without limitation any financing, legal, tax, accounting, advisory and consulting, and other professional expenses in connection therewith (to the extent not subject to any reimbursement of such costs and expenses by Portfolio Companies or other third parties or capitalized as part of the acquisition price of the transaction);

(v) the organization or maintenance of any Intermediate Vehicles or any entity used to acquire, hold or dispose of any one or more Investments or otherwise facilitating FLEX's investment activities, whether held directly or indirectly, including without limitation any travel and accommodation expenses related to such entity and the salary and benefits of any personnel (including personnel of the Investment Managers and/or their affiliates) reasonably necessary and/or advisable for the maintenance and operation of such entity, or other overhead expenses in connection therewith, brokerage commissions, prime brokerage fees, registration fees and expenses, custodial expenses, other bank service fees, and other investment costs, fees, and expenses incurred in connection with actual Investments;

(vi) organizing the offering of Interests and other interests or units of any FLEX Entity, including, without limitation, expenses associated with updating the offering materials, expenses associated with printing such materials, the subscriptions and redemptions of Interests and other interests or units of any FLEX Entity, the merger or split of any Class of Interests or interests or units of any FLEX Entity, the withdrawal of any investor from any FLEX Entity, meetings with prospective investors, travel expenses, legal and accounting fees and expenses, and filing fees;

(vii) to the extent the Investment Managers do not elect to bear the following costs and expenses or they are not reimbursed by a prospective or actual Portfolio Company or other third parties, all out-of-pocket costs and expenses, if any, incurred by or on behalf of FLEX in developing, negotiating, and structuring prospective or potential Portfolio Investments or Co-Investments which are not ultimately made, including, without limitation, any legal, tax, accounting, advisory, financing, travel and consulting and other professional fees, costs and expenses in connection therewith ("**Broken Deal Expenses**");

(viii) any lenders, investment banks, and other financing sources, as well as all borrowings, other indebtedness or undertakings incurred or made in accordance with the Partnership Agreement and this Prospectus, including, without limitation, the arranging thereof or any hedging arrangements;

(ix) any litigation, arbitration, investigation, administrative or other proceedings (in each case whether actual, pending, or threatened), directors' and officers' liability (including in respect of any person who may be nominated to the board of directors or managers, advisory board or similar body of a Portfolio Company or a Portfolio Fund or intermediate holding vehicle by the AIFM, the Investment Managers or any other member of the Franklin Templeton Group) or other insurance and indemnification, or extraordinary expenses or liabilities relating to the affairs of FLEX, provided that in circumstances where an Indemnified Party is not entitled to exculpation and indemnification in accordance with Subsection 4.5: "*Exculpation and Indemnification*" of Section XII: "*Regulatory and Tax Considerations*" with respect to any claim, liability, costs, damages or expenses, then FLEX will not bear any fees, costs, expenses or liabilities relating thereto;

(x) the appointment or use of any custodian and/or depositary in relation to the safeguarding, administering and/or holding (or similar) of assets of any FLEX Entity and/or the performance of any functions of a custodian and/or depositary contemplated by the AIFM Directive or any national laws or regulations in any jurisdiction;

(xi) any FLEX Entity's legal and regulatory compliance with U.S. federal, state, local, non-U.S., or other law or regulation (including, for the avoidance of doubt, any anti-money laundering, anti-terrorist financing or anti-tax evasion laws and regulations) and the AIFM Directive and SFDR including, without limitation, Form PF, representatives of any FLEX Entity in local jurisdictions necessary or advisable for regulatory, tax, accounting, or other purposes, and including costs of the preparation and administration of filings, obtaining approvals for marketing delegations and managing any costs of fulfillment of other obligations in connection with any FLEX Entity according to the AIFM Directive, and any engagement, set up, organization, approval filings, overhead and maintenance costs or fees, compensation or reimbursement, including salary and benefits of any personnel (including directors) reasonably necessary for the set-up, registration, authorization, and maintenance of any entity set up or controlled by or affiliated with any FLEX Entity, or the Investment Managers (including an affiliated "alternative investment fund manager," if any), including any travel and accommodation and legal expenses related to any such entity and any fee, compensation, or reimbursement to which a non-affiliated alternative investment fund manager, depositary, custodian, administrator, and local agent is entitled;

(xii) the preparation, maintenance and administration of filings (including any filing with the CSSF or any other authorities), registrations, notices, disclosures and the fulfillment of other obligations in connection with the laws or regulations in which any FLEX Entity engages in activities;

(xiii) dissolving any FLEX Entity and liquidating their respective assets;

(xiv) technology-related expenses (including external consultants to implement software and other technology) including, without limitation, the maintenance of any website, data room or communication medium in relation to FLEX (including for the hosting of constitutional documents or any other documents to be communicated to investors, prospective investors or third parties), costs and expenses of technology and software implementation, service providers or consultants, and related software/hardware (including, without limitation, with respect to accounting, financial, document and client management software, sending secure communications to investors and the preparation of financial statements and tax returns (including, for the avoidance of doubt, but not limited to, Schedule K-1s) and market data and research utilized in connection with FLEX's investment and operational activities);

(xv) any taxes (including in relation to FATCA), fees, or other governmental charges levied against any FLEX Entity;

(xvi) fees and expenses associated with the board of managers of the General Partner, holding meetings or conferences of the board of managers of the General Partner (including but not limited to the fees, costs and expenses of any legal counsel or other advisors retained by, or at the direction or for the benefit of, the board of managers of the General Partner) as well as holding Limited Partners meetings or conferences (including, without limitation, travel (which may include expenses associated with the use of private aircraft, business-class, or first-class travel), set-up, room and board, honorarium, dining, entertainment, and related expenses), and the expenses of any independent appraisal or valuation expert retained in this respect;

(xvii) a proposed transfer by a Limited Partner (including the admission of a transferee as a substitute Limited Partner) or any redemption of Interests;

(xviii) any tax audit, investigation, proceeding, settlement, or review of any FLEX Entity or its business or activities;

(xix) responding to information requests from investors and any other persons;

(xx) the interpretation of, and compliance with, the Partnership Agreement and this Prospectus, the constitutional documents governing any FLEX Entity;

(xxi) any amendments, restatements or other modifications to, and compliance with this Prospectus, the Partnership Agreement or any other constituent or related documents, including the solicitation of any consent, waiver or similar acknowledgment from investors or preparation of other materials in connection with compliance (or monitoring compliance) with such documents;

(xxii) any placement or distribution platform of any financial intermediary (including any distribution platform provider) in respect of the subscription by investors admitted through a financial intermediary (including any distribution platform provider) (to the extent such fees or expenses are not borne by such investors directly);

(xxiii) operating expenses or any other extraordinary expenses of FLEX that an Investment Manager has reasonably determined to be attributable to any FLEX Entity in accordance with this Section of the Prospectus; and

(xxiv) the Lux GP Amount (as defined in the Partnership Agreement).

To the extent paid by the AIFM or the Investment Manager(s), or any member of the Franklin Templeton Group (or any of their affiliates), as the case may be, Operating Expenses shall be reimbursed by FLEX Master.

8. Fees Arising at Multiple Levels

To the extent the Management Fee and/or Performance Participation Allocation may apply at the level of FLEX Feeder, FLEX Master, the FLEX Aggregator(s) and/or any other intermediate vehicle or Parallel Entity, Limited Partners will only be charged such Management Fee and/or Performance Participation Allocation by the Investment Manager(s) once.

VII. DISTRIBUTIONS

1. General

Each Sub-Fund will make distributions to the Limited Partners in accordance with the terms of the relevant Annex.

Distributions may be declared and distributed from time to time at a frequency determined by the General Partner (or its delegate) within the conditions set forth by the 2010 Law, this Prospectus, the Partnership Agreement and as further described in the relevant Annex. Payments will be made in the Reference Currency of the relevant Class.

For the avoidance of doubt, nothing in this Prospectus will require FLEX Master to make any distribution of dividend (including interim dividend) which, in the reasonable opinion of the board of managers of the General Partner, would or might leave FLEX Master or a Sub-Fund insolvent or with insufficient funds or profits to meet any present or future contemplated obligations, liabilities or contingencies (including, but not limited to, the Management Fee and/or Performance Participation Allocation).

Only Limited Partners registered in the register of Limited Partners as of the date of record will be eligible for any distributions declared, subject to the terms of the relevant Annex.

2. Accumulation Interest Classes and Distribution Interest Classes

FLEX Master may issue Accumulation Interest Classes and Distribution Interest Classes (each as defined below) within the Classes of each Sub-Fund, as indicated in the relevant Annex.

"**Accumulation Interest Classes**" are Classes that capitalise their entire earnings. Accumulation Interest Classes are not entitled to any distribution payments, unless the General Partner (or its delegate) determines that a distribution shall be made. Holders of Accumulation Interest Classes will benefit from capital appreciations resulting from the reinvestment of any income earned by such Classes.

"**Distribution Interest Classes**" are Classes that may distribute the income or capital gains realised in respect of these Classes by way of dividends (including interim dividends), as further specified in the relevant Annex. The General Partner cannot guarantee that Distribution Interest Classes will make distributions of dividends, and any distribution of dividends will be made at the discretion of the General Partner (or its delegate), considering factors such as the relevant Sub-Fund's earnings, cash flow, liabilities, capital needs, taxes and general financial condition and the requirements of applicable law.

VIII. MANAGEMENT AND ADMINISTRATION OF FLEX MASTER

1. The General Partner

FLEX Franklin Lexington Private Markets Fund GP S.à r.l. has been appointed as FLEX Master's sole managing general partner (*associé gérant commandité*) in accordance with Article 320-3 of the 1915 Law.

The General Partner has its registered office at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg, and is registered with the RCS under number B290315. The General Partner was incorporated in Luxembourg as a private limited liability company (*société à responsabilité limitée*) on 7 October 2024.

Unless otherwise stated herein or in the Partnership Agreement, no measure affecting the interests of FLEX Master vis-à-vis third parties and no decision with a view to amending the Partnership Agreement or this Prospectus may be taken without the consent of the General Partner, unless otherwise stated in the Partnership Agreement or this Prospectus.

The General Partner reviews the operations of FLEX Master at regular meetings of its Board of Managers (as defined below). For this purpose, the General Partner receives periodic reports from the AIFM and/or any Investment Manager and Sub-Investment-Manager (as applicable) detailing FLEX Master's performance and analysing its investment portfolio. Furthermore, the General Partner receives periodic reports from the Depositary and Central Administration on the operations of FLEX Master. The AIFM, any Investment Manager and Sub-Investment-Manager (as applicable), the Depositary and/or the Central Administration provide such other information as is from time to time reasonably required and/or requested by the General Partner for the purpose of such meetings.

The General Partner is liable for all the obligations of FLEX Master, which cannot be covered by the assets of FLEX Master.

The General Partner is vested with the necessary powers to perform all acts of administration and disposition in FLEX Master's interests. All powers not expressly reserved by law, the Partnership Agreement or the alternative investment fund management agreement to the General Meeting or the AIFM fall within the competence of the General Partner.

As of the date of this Prospectus, the board of managers of the General Partner is composed of four (4) managers (each, a "**Manager**" and together referred to as the "**Board of Managers**"):

- Grace Carbery (spouse O'Riordan), affiliated with Franklin Templeton;
- Maria Löwenbrück, non-affiliated with Franklin Templeton;
- Jake Williams, affiliated with Franklin Templeton; and
- Alastair Woodward, non-affiliated with Franklin Templeton.

In consideration for its services, the General Partner shall be entitled to receive the Lux GP Amount.

2. The AIFM

Waystone Management Company (Lux) S.A., (the "**AIFM**") has been appointed by FLEX Master to act as the external alternative investment fund manager in order to perform the investment management (including both portfolio and risk management), oversight and valuation, in relation to FLEX Master as set out in the AIFM Agreement. The AIFM is authorized as alternative investment fund manager and supervised by the Luxembourg supervisory authority, the CSSF.

The AIFM is a company incorporated under Luxembourg law with registered office situated at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg registered with the Luxembourg companies register with the RCS under number B96744. The AIFM was incorporated for an unlimited duration in Luxembourg on 23 October

2003 in the form of a public limited company (*société anonyme*), in accordance with the 1915 Law. In the future, it is intended for Franklin Templeton International Services S.à r.l. ("**FTIS**"), a Luxembourg limited liability company (*société à responsabilité limitée)* and registered with the RCS under number B36979, to replace Waystone Management Company (Lux) S.A. as alternative investment fund manager after the authorization of FTIS by the CSSF to perform this function for FLEX Master.

In consideration for its services, the AIFM will be entitled to receive the AIFM Fee payable by each Sub-Fund in accordance with the AIFM Agreement as set out in the relevant Sub-Fund's Annex.

3. The Investment Manager(s)

The AIFM shall delegate all or part of the portfolio management functions in respect of a specific Sub-Fund to one or more investment manager(s), as specified in the relevant Annex (each, an "**Investment Manager**"). The remuneration of an Investment Manager appointed in relation to a given Sub-Fund is set out in the relevant Annex and may include all or part of the Management Fee and/or Performance Participation Allocation payable in relation to such Sub-Fund.

4. The Sub-Investment Manager(s)

Any Investment Manager may delegate all or part of the portfolio management function in relation to a Sub-Fund to one or more sub-investment manager(s), as specified in the relevant Annex (each, a "**Sub-Investment Manager**"). The remuneration of a Sub-Investment Manager appointed in relation to a given Sub-Fund is set out in the relevant Annex and may include all or part of the Management Fee and/or Performance Participation Allocation payable in relation to such Sub-Fund.

5. Non-Exclusivity

The functions and duties which the Generl Partner, the AIFM, the Investment Manager(s) and/or any of their affiliates undertake on behalf of FLEX Feeder will not be exclusive and they perform similar functions and duties for themselves and for others and, without limitation, act as managers, investment managers, general partners (or the equivalent) in respect of other funds, accounts or other products.

6. The Depositary and Central Administration

6.1 The Depositary of FLEX Master

The General Partner has appointed The Bank of New York Mellon SA/NV Luxembourg Branch, having its registered office at 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, as the Depositary of FLEX Master (the "**Depositary**") pursuant to the 2010 Law and the terms of a depositary agreement entered into between FLEX Master, the AIFM and the Depositary (the "**Depositary Agreement**"), effective as of the establishment date of FLEX Master.

The duties of the Depositary (as further detailed in the Depositary Agreement) include:

(a) the safekeeping of FLEX Master's financial instruments that can be held in custody and record keeping and verification of ownership of the other assets of FLEX Master,

(b) oversight duties, and

(c) cash-flow monitoring.

The Depositary is licensed to carry out banking activities under the terms of the Luxembourg law of April 5, 1993 on the financial services sector, as amended, and specializes in custody, fund administration and related services.

Delegation

The Depositary has been authorized by the General Partner to delegate its safekeeping duties to sub-custodians in relation to financial instruments and to open securities accounts with such sub-custodians subject to compliance with Luxembourg law and the Depositary Agreement.

An up-to-date description of any safekeeping functions delegated by the Depositary and an up-to-date list of the delegates and sub-custodians may be obtained, upon request, from the Depositary.

The Depositary shall act honestly, fairly, professionally, independently and solely in the interests of FLEX Master and the Limited Partners in the execution of its duties under the 2010 Law and the Depositary Agreement.

Under its oversight duties, the Depositary will:

- ensure that the sale, issue, repurchase, redemption and cancelation of Interests effected on behalf of FLEX Master are carried out in accordance with the 2010 Law, the Partnership Agreement and this Prospectus;

- ensure that the value of Interests is calculated in accordance with the 2010 Law, the Partnership Agreement and this Prospectus;

- carry out the instructions of FLEX Master and the AIFM unless they conflict with the 2010 Law, the Partnership Agreement and this Prospectus;

- ensure that in transactions involving FLEX Master's assets, the consideration is remitted to FLEX Master within the usual time limits; and

- ensure that the income of FLEX Master is applied in accordance with the 2010 Law, the Partnership Agreement and this Prospectus.

The Depositary will also ensure that cash flows are properly and effectively monitored in accordance with the 2010 Law and the Depositary Agreement.

6.2 The Central Administration of FLEX Master

The Bank of New York Mellon SA/NV Luxembourg Branch, having its registered office at 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, has been appointed as transfer and registrar agent and central administration agent of FLEX Master (the "**Central Administration**") pursuant to a fund administration agreement entered into between FLEX Master, the AIFM and the Central Administration (the "**Administration Agreement**") and effective as of the establishment date of FLEX Master.

The duties of the Central Administration (as further detailed in the Administration Agreement) include, *inter alia*, keeping the accounts and holding the corporate records of FLEX Master, calculating the NAV of FLEX Master/any Sub-Fund(s) of FLEX Master, drawing up the annual financial statements of FLEX Master, maintaining the register of Limited Partners of FLEX Master and recording any subscription, withdrawal or transfer of Interests in such register. The Central Administration may be assisted by Franklin Templeton and its affiliates in the performance of any of these services as further specified in the operating memorandum as referred to in the Administration Agreement.

A summary of the fees which the Central Administration is entitled to receive from FLEX Master in consideration for its services as Depositary and Central Administration is available to investors at the registered office of FLEX Master.

The Central Administration has been appointed to provide central administration services (including transfer agency services). In order to provide those services, the Central Administration may enter into outsourcing arrangements with third-party service providers in or outside the Central Administration group (the "**Central Administration Sub-contractors**"). As part of those outsourcing arrangements, the Central Administration may be required to disclose and transfer personal and confidential information and documents about a Limited Partner and individuals related to the Limited Partner (the "**Related Individuals**") (such as identification data – including the Limited Partner and/or the Related Individual's name, address, national identifiers, date and country of birth, etc. – account information, contractual and other documentation and transaction information) (the "**Information Data**") to the Central Administration Sub-contractors. In accordance with Luxembourg law, the Central Administration is required to provide a certain level of information about those outsourcing arrangements to the General Partner, which, in turn, must provide such information to the Limited Partners. In this respect, information on FLEX Master's processing of personal data (to the extent containing Information Data) is included in Section XII: "*Regulatory and Tax Considerations*."

The nature of the outsourced activities includes IT system management, operation, development and maintenance services, reporting and investor services activities.

In any event, the Central Administration is legally bound to, and has committed to FLEX Master that it will, enter into outsourcing arrangements with the Central Administration Sub-contractors which are either subject to professional secrecy obligations by application of law or which will be contractually bound to comply with strict confidentiality rules. Information Data will, therefore, only be accessible to a limited number of persons within the relevant Central Administration Sub-contractor, on "a need to know" basis and following the principle of the "least privilege."

As transfer agent of FLEX Master, the Central Administration may receive contributions from Limited Partners, deposit such payments in the cash accounts of FLEX Master that may be opened with the Central Administration and pay any distributions and/or withdrawal amounts to the Limited Partners from time to time; *provided*, that such services are currently expected to be performed by other financial entities, which may include the AIFM and its affiliates, in compliance with applicable law.

7. Prime Broker

FLEX Master has not yet appointed a prime broker. If a prime broker is appointed in relation to a specific Sub-Fund, its identity will be disclosed in the relevant Annex.

8. Global Distributor and Sub-Distributors

FTIS, in its capacity as the Global Distributor, will manage the global distribution of this offering and may, in certain circumstances for certain jurisdictions, delegate the distribution function to one or more third parties or affiliates of the Franklin Templeton Group and the Lexington Group (including the Investment Manager(s)). FTIS may utilize its affiliates to perform some of its functions. FTIS (and/or its delegates) agrees to, among other things, manage FLEX Master's relationships with financial intermediaries (including distributors and distribution platforms) engaged by FTIS (and/or its delegates) to participate in the distribution of Interests. FTIS (and/or its delegates) will also coordinate FLEX Master's marketing and distribution efforts with participating distributors and/or other financial intermediaries (including distributors and distribution platforms) (as applicable) and, to the extent possible, their registered representatives with respect to communications related to the terms of the offering, investment strategies, material aspects of operations and subscription procedures.

A summary of the fees payable by FLEX Master to the relevant participating financial intermediaries (including distributors and distribution platforms) in connection with the offering and distribution of FLEX Master, to the exclusion of the Servicing Fee, is available to prospective investors and Limited Partners upon request at the registered office of FLEX Master.

IX. INDEPENDENT AUDITOR

PricewaterhouseCoopers, Société coopérative, or any successor as appointed or removed by the General Meeting upon proposal by the General Partner (the "**Auditor**"), will act as approved statutory auditor (*réviseur d'entreprises agréé*) of FLEX Master and will audit FLEX Master's annual report.

X. MEETING OF LIMITED PARTNERS

Except as otherwise required by Luxembourg Law or as otherwise provided in the Partnership Agreement, or this Prospectus, resolutions will be passed in writing or at a general meeting of Limited Partners (each, a "**General Meeting**") by an Ordinary Limited Partner Consent with each Interest of any Class being entitled to one vote unless otherwise provided for by this Agreement or the Prospectus.

General Meetings of the Limited Partners (including general meeting of Limited Partners of a given Sub-Fund) may be held at such place and time as may be specified in the convening notices relating to such meetings.

Any General Meeting shall be convened in accordance with the Partnership Agreement. The requirements as to attendance, quorum and majorities at all General Meetings are those laid down in the Partnership Agreement. Limited Partners have, as set out in more detail in the Partnership Agreement, *inter alia*, the right to vote on amendments of the Partnership Agreement. In accordance with the Partnership Agreement, Limited Partners can attend the annual General Meeting in person, remotely via videoconference, or through the appointment of a proxy. Please also see Section XIV: "*Documentation and Information / Amendments*."

Except as otherwise provided in the Partnership Agreement or in this Prospectus, resolutions at a meeting of Limited Partners duly convened are passed by an Ordinary Limited Partner Consent.

If a resolution of a General Meeting is such as to change the respective rights of one or more (sub-)classes, the resolution must, in order to be valid, fulfil the conditions as to attendance and majority set out and the Partnership Agreement with respect to such (sub-)classes.

The General Partner may, in its sole discretion, suspend the voting rights of any Limited Partner in the case that such Limited Partner has, either actively or as a result of an inaction, failed to comply with the provisions of this Agreement, the Prospectus or any relevant contractual arrangement entered into between such Limited Partner and the Partnership and/or the General Partner and/or the AIFM (if such document relates to the Partnership). For the avoidance of doubt, a Limited Partner who has its voting right suspended may nevertheless attend any General Meeting, but its Interests will not be counted in any quorum or majority requirement for the purpose of the relevant Ordinary Limited Partner Consent or Special Limited Partner Consent.

Any Limited Partner may undertake not to exercise all or part of its voting rights on a permanent or temporary basis. Such renunciation will be binding on the relevant Limited Partner and will be enforceable following its notification to the Partnership (and, for the avoidance of doubt, such an undertaking that is signed or acknowledged by the General Partner and/or the AIFM will be deemed to have been notified to the Partnership). A Limited Partner who has undertaken to waive all or part of its voting right may nevertheless attend any General Meeting, but will not be counted in any quorum or majority requirement for the purpose of the relevant Ordinary Limited Partner Consent or Special Limited Partner Consent.

Any suspension or waiver of voting rights will be reflected in the Register for the duration of such suspension or waiver.

XI. FINANCIAL YEAR, ACCOUNTING STANDARDS AND PERIODICAL REPORTS

1. Financial Year

Each financial year of FLEX Master will start on April 1st of each year and end on March 31st of the following year, with the exception of the first financial year, which will start on the date of the establishment of FLEX Master and end on March 31, 2026.

2. Accounting Standard

Accounts are prepared in accordance with Luxembourg generally accepted accounting principles (the "**Luxembourg GAAP**").

3. Annual Report and Semi-Annual Report

The General Partner or its delegate will prepare and distribute FLEX Master's audited annual report, established in accordance with Luxembourg GAAP, to the Limited Partners within six months after the end of each Financial Year. The audited annual report will contain financial statements audited by a Luxembourg auditor (*réviseur d'entreprises agréé*).

In addition and in accordance with the requirements of the 2010 Law, the General Partner or its delegate will prepare and distribute an unaudited semi-annual report to investors within three months following the period to which it refers.

The General Partner or its delegate may, in its sole discretion, decide to provide Limited Partners with additional unaudited reports at a higher frequency, and any other form of information or communication it deems appropriate.

XII. REGULATORY AND TAX CONSIDERATIONS

1. Organization

FLEX Master is a multi-compartment special limited partnership (*société en commandite spéciale*) governed by Part II of the 2010 Law and managed by FLEX Franklin Lexington Private Markets Fund GP S.à r.l. in its capacity as General Partner (*associé gérant commandité*) in accordance with Article 320-3 of the 1915 Law. FLEX Master is authorized and supervised by the CSSF.

FLEX Master has a multi-compartment structure and therefore consists of at least one Sub-Fund. Each Sub-Fund represents a portfolio containing different assets and liabilities and is considered to be a separate entity in relation to the Limited Partners and third parties. The rights of Limited Partners and creditors concerning a Sub-Fund or which have arisen in relation to the establishment, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. No Sub-Fund will be liable with its assets for the liabilities of another Sub-Fund.

The individual Sub-Funds shall be designated by the names given in the relevant Annex of this Prospectus applicable to each such Sub-Fund. The Reference Currency in which the NAV of the corresponding Interests of a Sub-Fund is expressed is given in its relevant Annex.

2. Term

FLEX Master will continue for an indefinite period of time, unless put into liquidation in certain specified circumstances, including as described below under Section XIII: "*Dissolution and Liquidation of the Sub-Funds and FLEX Master*." Each Sub-Fund may have an indefinite duration or a limited duration, as further described in its relevant Annex.

3. Temporary Suspension of Calculation of NAV, Subscriptions and Redemptions

The General Partner or its delegate may, but is not obligated to, suspend the determination of NAV and/or FLEX Master's offering and/or redemptions where circumstances so require and provided the suspension is justified having regard to the interests of Limited Partners as further set out under Section V: "*Calculation of NAV*." Any such suspension shall be notified to the concerned Limited Partners. No Interests will be issued nor redeemed during such suspension period. For the avoidance of doubt, the redemption program shall only be suspended in exceptional circumstances and not on a systematic basis, as further described under Section V: "*Subscriptions, Redemptions and Other Transactions*" of the relevant Annex.

4. Certain Regulatory Matters

4.1 Alternative Investment Fund Managers' Directive and Certain Luxembourg Regulatory Considerations

The AIFM Directive was transposed in Luxembourg law on July 12, 2013. The AIFM Directive regulates (i) alternative investment fund managers based in the European Economic Area ("**EEA**"), (ii) the management of any alternative investment fund established in the EEA and (iii) the marketing in the EEA of any alternative investment fund, such as FLEX Master. The AIFM Directive imposes detailed and prescriptive obligations on alternative investment fund managers established in the EEA, including the AIFM.

The corpus of rules formed by the AIFM Directive, the Commission Delegated Regulation (EU) No 231/2013 of December 19, 2012 ("**AIFM Regulation**") and any binding guidelines or other delegated acts and regulations issued from time to time by the European Union relevant authorities pursuant to the AIFM Directive and/or the AIFM Regulation, as well as by any national laws and regulations that are taken in relation to (or transposing either of) the foregoing are hereafter referred to as the "**AIFM Rules**."

The Alternative Investment Fund Manager of FLEX Master

The AIFM has been appointed by FLEX Master to act as external alternative investment fund manager in order to perform the investment management (including both portfolio and risk management), oversight, valuation and certain other functions in relation to FLEX Master pursuant to the AIFM Agreement. The AIFM has been authorized in Luxembourg by the CSSF to act as external alternative investment fund manager for alternative investment funds.

Description of Duties

The AIFM has been entrusted with the duties pertaining to the investment management functions of FLEX Master, namely, the portfolio management function and the risk management function. The AIFM will also be responsible for the proper and independent valuation of the assets of FLEX Master. The Investment Manager(s) will assist the AIFM in the valuation of the assets of FLEX Master. The individuals valuing FLEX Master's assets have experience in valuing the kinds of assets in which FLEX Master will invest.

Professional Liability

For the purposes of the 2013 Law, the AIFM covers the potential professional liability risks resulting from its activities by holding additional own funds in accordance with Article 8(7)(a) of the 2013 Law. In addition, the AIFM covers the potential professional liability risks resulting from its activities maintaining a professional indemnity insurance policy in accordance with Article 8(7)(b) of the 2013 Law which it considers to be appropriate for the potential risks.

Delegation

The AIFM has been permitted to appoint delegates in relation to its duties in accordance with the AIFM Directive, the 2013 Law and the 2010 Law. Information about conflicts of interests that may arise from these delegations and that is not already disclosed in this Prospectus is available at the registered office of FLEX Master.

The AIFM will monitor on a continuing basis the activities of the third parties to whom it has delegated functions. The agreements entered into between the AIFM and such third parties provide that the AIFM may give at any time further instructions to such third parties, and that it may withdraw their mandate under certain circumstances.

All delegations will be carried out in accordance with the AIFM Directive, the 2013 Law and the and the 2010 Law.

Fees and Expenses

In addition to receiving the AIFM Fee, the AIFM shall be entitled to reimbursement of its reasonable disbursement, including its duly documented out-of-pocket expenses incurred in the performance of its duties.

4.2 Cross-Border Distribution of Funds

FLEX Master will also be in scope of Directive 2019/1160 EU and Regulation 2019/1156 EU on cross-border distribution of funds (together, the "**CBDF Rules**") which have applied since August 2, 2021, as it is managed by an alternative investment fund manager established in the EU. The CBDF Rules intend to harmonize the regulation of the distribution of AIFs across the EU Member States, in particular by imposing new rules on pre-marketing and more prescriptive requirements on the content and format of marketing communications.

As part of the new regulations on pre-marketing under the CBDF Rules, the AIFM will be required to: (i) notify the regulator of its home EU Member State that it is conducting pre-marketing (separately to the marketing notification(s) it will be required to make under the AIFM Directive above), and (ii) ensure that any marketing materials sent to EU investors are in line with the CBDF Rules, as implemented within the relevant EU Member States.

It is difficult to predict the full impact of the CBDF Rules as national implementation is awaited by some EU Member States. It is possible that there could be an adverse impact on FLEX Master due to the AIFM's and/or other service providers' increased regulatory burden in ensuring compliance with the additional notification and marketing communication content requirements described above, and in particular, in ensuring the pre-marketing parameters under the CBDF Rules are adhered to, which are likely to vary between different EU Member States.

4.3 Limited Partners' Rights against Service Providers

It should be noted that Limited Partners will only be able to exercise their rights directly against FLEX Master and will not have any direct contractual rights against the service providers of FLEX Master appointed from time to time. In addition, Limited Partners' rights to indemnification in the event of NAV errors/non-compliance with the investment rules applicable to FLEX Master may be impacted and only exercisable indirectly. The foregoing is without prejudice to other rights which investors may have under ordinary rules of law or pursuant to specific legislation (e.g., a right of access to and rectification of personal data).

4.4 Investors' Rights in case of a Financial Intermediary

Investors' attention is drawn to the fact that they will only be able to fully exercise their rights directly against FLEX Master if they are registered in their own name in the register of Limited Partners of FLEX Master. In cases where an investor invests in a Sub-Fund through a financial intermediary investing in FLEX Master in his or her name but on behalf of such investor as provided for above, it may not always be possible for such investor to exercise certain rights directly against FLEX Master and certain rights attached to the Interests shall only be exercised through such intermediary operating as a Limited Partner.

4.5 Exculpation and Indemnification

To the fullest extent permitted by applicable law and subject to the AIFM Agreement and the Investment Management Agreements, none of the members of the Board of Managers, the AIFM, the Investment Manager(s), their respective affiliates or the respective directors, officers, representatives, agents, shareholders, members, partners and employees thereof or any other person who serves at the request of the AIFM or the Investment Manager(s) on behalf of FLEX Master as a director, officer, agent, member, partner and employee (each, an "**Indemnified Party**") will be liable to FLEX Master or any Limited Partners for (i) any losses due to any act or omission by any Indemnified Party in connection with the conduct of the business of FLEX Master that is determined by the Indemnified Party in good faith to be in or not opposed to the best interests of FLEX Master, and, in the case of a criminal action or proceeding, where the Indemnified Party involved had no reasonable cause to believe such conduct was unlawful, unless that act or omission constitutes actual fraud, wilful misconduct, gross negligence (*faute lourde*), a material violation of applicable laws, or a material breach of this Prospectus, the Partnership Agreement, the AIFM Agreement or the relevant (Sub-Fund) Investment Management Agreement(s), (ii) any losses due to any action or omission by any other party/Limited Partners, (iii) any losses due to any mistake, action, inaction, negligence, dishonesty, actual fraud or bad faith of any broker, placement agent or other agent as provided in this Prospectus, or (iv) any change in U.S. federal, state or local or non-U.S. (including Luxembourg) income tax laws, or in interpretations thereof, as they apply to FLEX Master or the Limited Partners, whether the change occurs through legislative, judicial or administrative action.

To the fullest extent permitted by applicable law and subject to the AIFM Agreement and the Investment Management Agreements, FLEX Master will indemnify and hold harmless each Indemnified Party from and against any and all claims, liabilities, damages, losses, costs and expenses of any kind, including legal fees and amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and expenses of investigating or defending against any claim or alleged claim, of any nature whatsoever, known or unknown, liquidated or unliquidated, that are incurred by any Indemnified Party and arise out of or in connection with the business of FLEX Master or the performance by the Indemnified Party of any of its responsibilities under the Prospectus, the Partnership Agreement, or the constitutive documents of any Parallel Entities; *provided*, that an Indemnified Party will be entitled to indemnification under the Prospectus or the Partnership Agreement only if the Indemnified Party acted in good faith and in a manner the Indemnified Party believed to be in or not opposed to the best interests of FLEX Master, and the Indemnified Party's conduct did not constitute actual fraud, wilful misconduct, gross negligence (*faute lourde*), a material violation of securities laws, or a material breach of the Prospectus, the Partnership Agreement, the AIFM Agreement or the relevant (Sub-Fund) Investment Management Agreement(s) and, with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful, or such liabilities did not arise solely out of a dispute between or among the officers, directors, employees or partners of the AIFM, the Investment Manager(s) or their affiliates.

FLEX Master may purchase, at its own expense, an insurance to insure FLEX Master and any Indemnified Party against liability in connection with the activities of FLEX Master. FLEX Master may also be insured against liability to the Indemnified Party through the insurance purchased by Franklin Templeton (or another member of the Franklin Templeton Group) in respect of the Franklin Templeton Group. In such case, FLEX Master will be liable for its *pro rata* share of the applicable premium.

4.6 Applicable Laws and Jurisdiction

FLEX Master was established on 18 October 2024, and continues for an indefinite period until FLEX Master is put into liquidation in the manner set forth in the Partnership Agreement and this Prospectus. FLEX Master is governed by the laws of the Grand Duchy of Luxembourg. By entering into an application form, the Limited Partner will enter into a contractual relationship governed by the application form, the terms of this Prospectus, the Partnership Agreement and applicable laws and regulations.

Any action or proceeding against the parties relating in any way to the Partnership Agreement or this Prospectus shall be brought and enforced in the District Court of the city of Luxembourg. The application form will contain similar terms.

4.7 Fair and Preferential Treatment

FLEX Master, the AIFM and/or its delegate intend that all Limited Partners will be treated fairly in accordance with the relevant requirements of the AIFM Directive, the 2010 Law and applicable laws and regulations.

Notwithstanding the foregoing paragraph, a Limited Partner may be granted "preferential treatment" within the meaning of, and to the widest extent allowed by, this Prospectus and the Partnership Agreement. To the extent that a Limited Partner obtains a "preferential treatment" or the right to obtain a "preferential treatment," a brief description of that preferential treatment, the type of Limited Partner who obtained such "preferential treatment" and, where relevant, their legal or economic links with FLEX Master, the AIFM or the Investment Manager(s) will be made available on a confidential basis upon request at the registered office of FLEX Master to the extent required by applicable law and, in particular, in accordance with article 21 of the 2013 Law.

4.8 Other Information

The AIFM will make available to Limited Partners in the annual reports for FLEX Master, and/or at any reasonable time during normal business hours (upon request after furnishing reasonable advance written notice to the AIFM) at the registered office of FLEX Master, any information and/or documents which the AIFM or FLEX Master is or will be required by virtue of law (and in particular the 2013 Law and Article 21 thereof) to make available and any amendments or supplements thereto made from time to time; *provided*, that such availability will be reasonably related to such Limited Partner's interest as a Limited Partner.

The locations of underlying vehicles (if applicable) in which FLEX Master may invest will be available at the registered office of FLEX Master.

4.9 Acquisition of Major Holdings and Control of Non-Listed Companies

If FLEX Master, directly or indirectly, acquires or disposes of certain holdings in a non-listed company, the AIFM may be subject to certain reporting obligations set out in Articles 24 and following of the 2013 Law.

4.10 Best Execution

The AIFM and/or the Investment Manager(s) act(s) in the best interest of FLEX Master when executing investment decisions. For that purpose, when the AIFM and/or the Investment Manager(s) buy(s) or sell(s) financial instruments or other assets on behalf of FLEX Master or any of its Sub-Funds for which best execution is relevant, it takes into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order or investment (commonly referred to as "best execution"), except in cases where taking into account the type of asset, the best execution is not relevant. The AIFM and/or the Investment Manager(s) has(have) implemented written policies and procedures on due diligence as well as effective arrangements for ensuring that investment decisions are carried out in compliance with the investment objective and investment strategy of FLEX Master, taking into consideration and adhering to applicable risk limits. Where the Investment Manager(s) is(are) permitted to execute transactions, it will be committed contractually to apply equivalent best execution principles, if it is not already subject to equivalent best execution laws and regulations.

4.11 Remuneration

The AIFM has established a remuneration policy which shall be applicable to all identified staff members as specified in the AIFM Regulation and the ESMA Guidelines 2013/201. Any relevant disclosures shall be made in the financial statements, if applicable, in accordance with the 2013 Law.

4.12 Inducements

Third parties, including, but not limited to, affiliates of the AIFM and/or the Investment Manager(s), may be remunerated or compensated in monetary form for distribution activities performed in relation to FLEX Master on terms FLEX Master, the AIFM and/or the Investment Manager(s) have agreed with such parties. Such remuneration or compensation, if applicable, is generally expressed as a percentage of the annual management fee levied on FLEX Master; or alternatively and without duplication, on FLEX Master, the FLEX Aggregator(s), the Parallel Entities and/or any Intermediate Vehicle; but may alternatively be expressed as a specific fee or rate of commission. With reference to his/her/their transactions, a Limited Partner may receive further details of such remuneration or compensation arrangements or any amount received by or shared with such parties on request. Third parties involved in portfolio management activities and/or providing the initial portfolio capital of FLEX Master, including, but not limited to, affiliates of the AIFM, and/or the Investment Manager(s) whether they receive a service from another party or perform a service for the benefit of another party, may also receive from or grant benefits to these other parties in monetary or other form (including, but not limited to, rebates or any other advantages). Such benefits, in monetary or other form, shall be used in the best interest of FLEX Master, the relevant Sub-Fund(s) and the Limited Partners and shall be disclosed to the AIFM. FLEX Master, the AIFM and the third parties take reasonable steps to ensure that such benefits are not likely to conflict with any duty that FLEX Master, the AIFM and the third parties are subject to under any relevant legal or regulatory provision.

4.13 Risk Management

The AIFM has established and maintains a dedicated risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an ongoing basis all risks relevant to FLEX Master's investment objective including in particular market, credit, liquidity, counterparty, operational, sustainability and all other relevant risks. Furthermore, the risk management process ensures an independent review of the valuation policies and procedures as per Article 70 (3) of the AIFM Regulation. The risk profile of each Sub-Fund shall correspond to the size, portfolio structure and investment objective.

FLEX Master may use all financial derivative instruments for the purpose of hedging or investment.

The AIFM applies a comprehensive process based on qualitative and quantitative risk measures to assess the risks of FLEX Master. It thereby differentiates between investing mostly in liquid or sufficiently liquid securities and derivatives ("**Liquid AIFs**") and investing in limited liquidity assets (such as private debt, real estate, infrastructure and private equity) ("**Less Liquid AIFs**"), including FLEX Master. Less Liquid AIFs, such as FLEX Master, are typically subject to a dedicated risk management process with an enhanced due diligence and monitoring process. The risk assessment will be performed via a combination of quantitative and qualitative risk measures.

The risk management staff within the AIFM will supervise the compliance of its risk management policies and procedures referred to above in accordance with the requirements of applicable circulars or regulation issued by the CSSF or any European authority authorized to issue related regulation or technical standards which are applicable to FLEX Master.

4.14 Liquidity Risk Management

The AIFM maintains a liquidity risk management process to monitor the liquidity risk of FLEX Master, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions.

The AIFM will comply with the ESMA Guidelines ESMA 34-39-897 on liquidity stress testing.

4.15 Securities Financing Transactions and TRS

The Sub-Fund(s) of FLEX Master may, from time to time, make use of securities financing transactions ("**Securities Financing Transactions**"), or total return swaps ("**TRS**"), as those terms are defined in the Regulation (EU) 2015/2365 of the European Parliament and of the Council of November 25, 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/2012 (as amended from time to time, the "**SFTR**"). To the extent a Sub-Fund uses Securities Financing Transactions and/or TRS, the relevant Investment Manager(s) will make available to any investors upon request at the registered office of FLEX Master, or such other means as is determined by the Investment Managers, any information regarding the use of such Securities Financing Transactions or TRS, as applicable, by the relevant Sub-Fund in accordance with the provisions of SFTR, including amongst others general description of instruments used.

5. Anti-Money Laundering and Fight against Terrorism Financing

Pursuant to EU and Luxembourg laws, regulations and guidance including, but not limited to: (i) Directive (EU) 2015/849 of the European Parliament and of the Council of May 20, 2015, on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, as amended (the "**5th Anti-Money Laundering Directive**"); (ii) the Luxembourg law of November 12, 2004, on the fight against money laundering and financing of terrorism, as amended (the "**Lux AML Law**"); (iii) the Grand Ducal Regulation of February 1, 2010, providing details on certain provisions of the Lux AML Law; (iv) the CSSF Regulation 12-02, on the fight against money laundering and terrorist financing, as amended; (v) the Luxembourg Law of January 13, 2019, on the register of beneficial owners, as amended; (vi) relevant CSSF regulations, circulars and guidelines, including, but not limited to: (a) CSSF Circular 18/698, on the authorization and organization of investment fund managers incorporated under Luxembourg law; and (b) the European Banking Authority (EBA) Guidelines (EBA/GL/2021/02) on customer due diligence and the factors credit and financial institutions should consider when assessing the money laundering and terrorist financing risk associated with individual business relationships and occasional transactions under Articles 17 and 18(4) of the 5th Anti-Money Laundering Directive; (vii) the laws and regulations enforcing the Targeted Financial Sanctions Lists (as defined below), including the obligation to detect the countries, persons, entities and groups identified on such list; and (viii) any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes (collectively, the "**AML/KYC Rules**").

"**Targeted Financial Sanctions Lists**" means the laws and regulations enforcing the international targeted financial sanctions lists issued from time to time by the United Nations and the EU, including the Luxembourg Law of December 19, 2020, on the implementation of restrictive measures in financial matters.

As a result of such provisions, the Central Administration must ascertain the identity of each Limited Partner (except investors subscribing through a financial intermediary, in which case the financial intermediary will ascertain the identity of underlying investors in FLEX Master in accordance with the AML/KYC Rules, or with standards that are at least equivalent to the due diligence requirements under the AML/KYC Rules). The Central Administration (or the financial intermediary, as applicable) will require investors to provide any information and documentary evidence it deems necessary to effect such identification.

In case of delay or failure by an investor to provide the information or documents required, the application for subscription will not be accepted, and in case of withdrawal, payment of redemption proceeds delayed. Neither the AIFM nor FLEX Master nor any affiliate thereof will have any liability for delays or failure to process subscriptions or payments as a result of an investor providing unsatisfactory information or no, or only incomplete, documentation.

Limited Partners (and underlying investors, as applicable) are expected to provide additional or updated information or identification documents from time to time pursuant to ongoing client due diligence requirements under the AML/KYC Rules.

The General Partner, or any delegate thereof, may provide the Luxembourg beneficial owner register (the "**RBO**") created pursuant to the Law of January 13, 2019, by establishing a register of beneficial owners ("**RBO Law**") with relevant information about any Limited Partner or, as applicable, beneficial owner thereof, qualifying as a beneficial owner of FLEX Master within the meaning of Article 1(7) of the Lux AML Law. As of the date of this Prospectus, access to the website of the RBO is suspended to the general public pursuant to judgments of the European Court of Justice in Joined Cases C-37/20 and C-601/20. Certain professionals (as defined in the RBO

Law) have resumed access to such information through the website of the RBO, to the extent required by and subject to the conditions of Luxembourg anti-money laundering laws and regulations.

By executing an application form with respect to FLEX Master, each Limited Partner (and underlying investor, as applicable) acknowledges that failure by a Limited Partner, or, as applicable, beneficial owner thereof, to provide the General Partner, or any delegate thereof, with any relevant information and supporting documentation necessary for the General Partner, or any delegate thereof, to comply with its obligation to provide information and documentation to the RBO, is subject to criminal fines in Luxembourg.

The AIFM (by itself and/or through its delegates or affiliates) and the Investment Manager(s) shall ensure that due diligence measures on FLEX Master's Investments are applied on a risk-based approach in accordance with the AML/KYC Rules.

Where Interests of FLEX Master are subscribed through a financial intermediary acting on behalf of its customers, due diligence will be performed (or procured that it is performed) by the AIFM or FLEX Master on such financial intermediary, in accordance with the AML/KYC Rules or equivalent standards, including by performing any enhanced due diligence required by the AML/KYC Rules and the AIFM's policies with respect to investors investing in FLEX Master in such manner. Due diligence on the underlying investors (including any beneficial owners) will be performed (or procured that it is performed) by the financial intermediary.

6. Data Protection

Prospective investors should be aware that, in making an investment in FLEX Master, and interacting with FLEX Master, the General Partner, the Investment Manager(s), and/or their respective affiliates and/or delegates:

(a) submitting the application forms;

(b) communicating through telephone calls, online investor platforms, written correspondence, and emails (all of which may be recorded); or

(c) providing personal data within the meaning given to it under data protection laws that apply to the processing of personal data, by FLEX Master, the General Partner, the Investment Manager(s) and/or their respective affiliates and/or delegates (including, but not limited to, the General Data Protection Regulation (EU) 2016/679 ("**GDPR**") and applicable laws implementing GDPR), including any information that relates to, describes, identifies or can be used, directly or indirectly, to identify an individual (such as name, address, date of birth, personal identification numbers, sensitive personal information, passport information, financial information, and economic information) ("**Personal Data**") concerning individuals connected with the investor (such as directors, officers, managers, trustees, employees, representatives, Limited Partners, shareholders, investors, clients, beneficial owners and/or agents),

they will be providing Personal Data to the General Partner, the Investment Manager(s) (each acting as an independent controller of such Personal Data for the purposes of GDPR) and/or their respective affiliates and/or delegates.

Personal Data shall be processed in accordance with the Franklin Templeton Privacy & Cookie Notice (the "**Privacy Notice**") posted on the following website: Franklin Templeton's in the webpage footer "Privacy Notice" or directly at: www.franklintempletonglobal.com/privacy and which will also be included in the application form for FLEX Master, and/or may be made available by any other means that the Privacy Notice is provided to prospective investors by, or on behalf of the General Partner, the Investment Manager(s) and/or their respective delegates and/or affiliates. A paper copy will be made available free of charge upon request. The Privacy Notice details, amongst other things, how and why Personal Data is processed, the purposes for which the Personal Data is used, the rights of individuals, how long Personal Data will be retained, with whom it will be shared, safeguards that are implemented (where required) for international transfers of Personal Data, security and relevant Franklin Templeton contacts who can be contacted in relation exercising privacy rights or to raise any question, concern, or complaint concerning the Privacy Notice.

All prospective investors should read the Privacy Notice carefully before sharing any Personal Data.

7. Website Disclosure

FLEX Master's website at www.franklintempleton.lu/flexi will contain important communications, notices to investors, material information and other additional information about FLEX or Franklin Templeton, including certain financial information. However, the contents of the website are not incorporated by reference in or otherwise a part of this Prospectus.

Due to regulatory requirements applicable to FLEX Master and/or certain persons, the access to FLEX Master's website may be restricted for access to only such persons that are eligible to acquire Interests in FLEX Master and Limited Partners.

8. Taxation of FLEX Master

This section is a short summary of certain important Luxembourg tax principles in relation to FLEX Master. The following information is based on the laws, regulations, decisions and practice currently in force in the Grand Duchy of Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Interests and is not intended as tax advice to any particular Investor or potential Investor. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than the Grand Duchy of Luxembourg. Furthermore, this section does not address the taxation of FLEX Master in any other jurisdiction or the taxation of any subsidiaries or intermediary companies or of any investment structure in which FLEX Master holds an interest in any jurisdiction.

Investors should inform themselves of and, when appropriate, consult their professional advisors on the possible tax consequences of purchasing, buying, holding or disposing of Interests under the laws of their country of citizenship, residence, domicile or incorporation and of the current tax status of FLEX Master in Luxembourg.

At the date of this Prospectus, under current law and practice, FLEX Master is not liable in the Grand Duchy of Luxembourg to any Luxembourg direct tax on its profits or income and is not subject to the Grand Duchy of Luxembourg's net wealth tax. Non-Luxembourg tax resident investors investing in FLEX Master should not be subject to Luxembourg non-resident capital gains tax in case of gains upon the sale or redemption of their limited partnership interests.

FLEX Master, however, is liable in the Grand Duchy of Luxembourg to an annual subscription tax (*taxe d'abonnement*) of 0.05% per annum of its NAV, such tax being payable quarterly on the basis of the value of the net assets of FLEX Master at the end of the relevant calendar quarter. Individual Sub-Funds and individual Classes within a Sub-Fund are subject to a rate of 0.01%, provided that the relevant Interests are reserved for one or more institutional investors. This tax is not applicable for the portion of the assets of a fund invested in other undertakings for collective investment which have been already subject to such tax.

By derogation to the paragraph above, Sub-Funds or individual Classes that comply with the requirements of article 175 b) of the 2010 Law may benefit from an exemption of the aforementioned subscription tax. The requirements for a Sub-Fund or a Class to benefit from this exemption are the following: (i) the Interests of the Sub-Fund or of the Class must be reserved to institutional investors; (ii) the Sub-Fund must be authorised as a short-term Money Market Fund in accordance with the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds; and (iii) the Sub-Fund must benefit from the highest possible rating of a recognized rating agency.

FLEX Master may benefit from reduced subscription tax rates depending on the value of the relevant fund's net assets invested in economic activities that qualify as environmentally sustainable within the meaning of Article 3 of the Taxonomy Regulation (the "**Qualifying Activities**"), except for the proportion of net assets of FLEX Master or the relevant fund invested in fossil gas and/or nuclear energy related activities.

The reduced subscription tax rates would be of:

- 0.04% if at least 5% of the total net assets of FLEX Master, or of the relevant fund, are invested in Qualifying Activities;

- 0.03% if at least 20% of the total net assets of FLEX Master, or of the relevant fund, are invested in Qualifying Activities;
- 0.02% if at least 35% of the total net assets of FLEX Master, or of the relevant fund, are invested in Qualifying Activities; and
- 0.01% if at least 50% of the total net assets of FLEX Master, or of the relevant fund, are invested in Qualifying Activities.

The subscription tax rates mentioned above would only apply to the net assets invested in Qualifying Activities.

No stamp duty or other tax is payable in the Grand Duchy of Luxembourg on the issue of the Interests in FLEX Master.

A EUR 75 registration duty is to be paid upon establishment and each time the Partnership Agreement is amended.

Investment income received or capital gains realised by FLEX Master may be subject to tax in the countries of origin at varying rates. The Company may benefit in certain circumstances from double taxation treaties, which the Grand Duchy of Luxembourg has concluded with other countries.

Distributions made by FLEX Master to Limited Partners (whether resident or non-resident) are not subject to withholding tax in the Grand Duchy of Luxembourg.

In Luxembourg, under the current administrative practice, entities qualifying as UCIs within the meaning of Part II of the 2010 Law such as FLEX Master are considered as taxable persons for value added tax ("VAT") purposes without any input VAT deduction right.

Accordingly, FLEX Master should qualify as a "taxable person" and will be obliged to self-assess Luxembourg VAT due under the "reverse charge" mechanism on non VAT exempt supplies received from suppliers established outside Luxembourg (and register for Luxembourg VAT), unless such services could benefit from a VAT exemption under the Luxembourg VAT Law.

A VAT exemption applies in Luxembourg for services qualifying as "fund management" for VAT purposes (including e.g. investment management services) for the ultimate benefit of eligible investment vehicles, including vehicles such as UCIs within the meaning of Part II of the 2010 Law.

FLEX Master should not be entitled to recover any input VAT and thus any VAT incurred (either charged by Luxembourg suppliers or self-assessed by FLEX Master on services from foreign suppliers under the "reverse charge" mechanism) will be a final cost for FLEX Master.

No VAT liability in principle arises in Luxembourg in respect of payments made by FLEX Master to its Limited Partners to the extent such payments are linked to their subscription to the limited partnership interests in FLEX Master and do not constitute consideration received for taxable services supplied.

9. Taxation of Investors

It is expected that Limited Partners will be resident for tax purposes in different countries. Consequently, except as set-out below, no attempt is made in this Prospectus to summarise the taxation consequences for each Limited Partner subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Interests. These consequences will vary in accordance with the law and practice currently in force in a Limited Partner's country of citizenship, residence, domicile or incorporation and with their personal circumstances. Limited Partner should consult their own professional advisors on the possible tax or other consequences of buying, holding, transferring or selling Interests under the laws of their countries of citizenship, residence or domicile.

Luxembourg

Investors are currently not subject to any capital gains, income, withholding, gift, estate, inheritance or other taxes in the Grand Duchy of Luxembourg (except for Investors domiciled, resident or having a permanent establishment in the Grand Duchy of Luxembourg).

10. Automatic Exchange of Financial Account Information

On 29 October 2014, the Grand Duchy of Luxembourg signed the Multilateral Competent Authority Agreement (the "**MCAA**") on the implementation of the Global Standard for the automatic exchange of financial account information. By signing the MCAA, Luxembourg agreed to implement regulations to enable the adoption of automatic exchange of information with other MCAA signatory countries.

On 9 December 2014, the European Council adopted Directive 2014/107/EU in relation to the administrative cooperation in the field of direct taxation. Directive 2014/107/EU provides for the automatic exchange of account information between Member States of the European Union ("**EU Member States**"). Directive 2014/107/EU has been implemented in the Grand Duchy of Luxembourg by the law of 18 December 2015 relating to the automatic exchange of financial account information in tax matters (the "2015 Law"), which was effective from 1 January 2016.

Investors are hereby notified that FLEX Master may be required by Luxembourg law to report details of specified units of account holders resident in EU Member States or MCAA signatory jurisdictions. The Luxembourg Tax Authorities may share such account data in accordance with Directive 2014/107/EU and the MCAA with the Tax Authorities of other EU Member States and MCAA signatory jurisdictions, where the account holder is tax resident. The information which may be reported includes the name, residence address, TIN(s), the date and place of birth, the country of tax residence(s), the account number (or functional equivalent), the account balance or value, the total gross amount paid or credited to the Limited Partner by FLEX Master (including any redemption payments) with respect to the account, as well as any other information required by applicable laws (i) of each Reportable Person that is an account holder, and (ii), in the case of a Passive NFE within the meaning of the CRS-Law, of each Controlling Person that is a Reportable Person (the "**CRS Personal Data**").

FLEX Master and, where applicable, the Investment Manager(s), and/or their respective affiliates and/or delegates are data controllers and process personal data of Limited Partners and Controlling Persons as Reportable Persons for the purposes set out in the CRS-Law.

CRS Personal Data may also be processed by the Processors, which, in the context of CRS processing, may include the Central Administration.

FLEX Master's ability to satisfy its reporting obligations under the CRS-Law will depend on each Limited Partner or Controlling Person providing FLEX Master and/or, where applicable, the Investment Manager(s), and/or their respective affiliates and/or delegates with the CRS Personal Data, including information regarding direct or indirect owners of each Limited Partner, along with the required supporting documentary evidence. Upon request of FLEX Master (and/or where applicable, the Investment Manager(s), and/or their respective affiliates and/or delegates), each Limited Partner or Controlling Person must provide FLEX Master (and/or, where applicable, the Investment Manager(s), and/or their respective affiliates and/or delegates) with such information. Failure to do so within the prescribed timeframe may trigger a notification of the account to the Luxembourg Tax Authority.

CRS Personal Data will be processed in accordance with the provisions of the Privacy Notice as described above under Data Protection notice. Limited Partners and Controlling Persons have a right to access any data reported to the Luxembourg Tax Authorities for the purpose of the CRS Law and, as the case may be, to have these data rectified in case of error.

The foregoing is only a summary of the implications of Directive 2014/107/EU, the MCAA and the 2015 Law. The summary is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and Investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of Directive 2014/107/EU, the MCAA and the 2015 Law.

11. Luxembourg FATCA Law

The Foreign Account Tax Compliance Act ("**FATCA**"), which is an amendment to the U.S. Internal Revenue Code of 1986 (as amended, the "**Code**"), was enacted in the United States in 2010 and many of the operative provisions became effective on 1 July 2014. Generally, FATCA requires financial institutions outside the US ("**foreign financial institutions**" or "**FFIs**") to provide the U.S. Internal Revenue Service ("**IRS**") with information about financial accounts held directly or indirectly by certain specified U.S. persons. A 30% withholding tax is imposed on certain types of U.S. source income paid to an FFI that fails to comply with FATCA.

On 28 March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("**IGA**") with the United States of America and a memorandum of understanding in respect thereof. FLEX Master hence has to comply with such Luxembourg IGA, as implemented into Luxembourg law by the law of 24 July 2015 relating to FATCA (the "**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the U.S. Treasury Regulations implementing FATCA.

Under the FATCA Law and the Luxembourg IGA, FLEX Master will be required to collect information aiming to identify its direct and indirect Limited Partners that are U.S. Persons for FATCA purposes ("**reportable accounts**"). Any such information on reportable accounts provided to FLEX Master will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. FLEX Master intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of FLEX Master. FLEX Master will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure FLEX Master's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, FLEX Master, the Investment Manager(s) and/or their respective affiliates and/or delegates may:

- request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Limited Partner's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Limited Partner's FATCA status;

- report information concerning a Limited Partner and his account holding in FLEX Master to the Luxembourg tax authorities if such account is deemed a U.S. reportable account under the FATCA Law and the Luxembourg IGA; and

- report information to the Luxembourg tax authorities concerning payments to account holders with the FATCA status of non-participating foreign financial institution.

FLEX Master, the Investment Manager(s), and/or their respective affiliates and/or delegates are data controllers and may process personal data of Limited Partners and Controlling Persons as reportable persons for FATCA purposes.

FLEX Master, the Investment Manager(s) and/or their respective affiliates and/or delegates process personal data concerning Limited Partners or their Controlling Persons for the purpose of complying with FLEX Master's legal obligations under the FATCA Law. These personal data (the "**FATCA Personal Data**") includes data such as the name, date of birth, address, U.S. tax identification number, the country of tax residence and residence address, the account number (or functional equivalent), the account balance or value, the total gross amount paid or credited by FLEX Master to the Limited Partners (including redemption payments) during a given calendar year, and any other relevant information in relation to the Limited Partners or their Controlling Persons for the purposes of the FATCA Law (the "**FATCA Data**").

FATCA Personal Data may also be processed by FLEX Master's data processors ("**Processors**") which, in the context of FATCA processing, may include the Central Administration.

FLEX Master's ability to satisfy its reporting obligations under the FATCA Law will depend on each Limited Partner or Controlling Person providing FLEX Master with the FATCA Personal Data, including information regarding direct or indirect owners of each Limited Partner, along with the required supporting documentary evidence. Upon request of FLEX Master (or, where applicable, a delegate or affiliate FLEX Master), each Limited Partner or Controlling Person must provide FLEX Master with such information. Failure to do so within the prescribed timeframe may trigger a notification of the account to the Luxembourg Tax Authority.

FATCA Personal Data will be processed in accordance with the provisions of the Privacy Notice as described above under Data Protection notice. Limited Partners and Controlling Persons have a right to access any data reported to the Luxembourg Tax Authorities for the purpose of the FATCA Law and, as the case may be, to have these data rectified in case of error.

Limited Partners and Controlling Persons should consult their own tax advisor or otherwise seek professional advice regarding the impact of the FATCA Law on their investment.

12. DAC6

On May 25, 2018, the EU Council adopted a Directive (2018/822) amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("**DAC6**") that imposes mandatory disclosure requirements for certain EU cross-border tax arrangements which satisfy certain "hallmarks" provided for in DAC6 and which may have a tax advantage as the main or expected benefit (the "Reportable Arrangements"). In the case of a Reportable Arrangement, the information that must be reported includes, inter alia, the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement. The reporting obligation in principle rests with persons that design, market, organize, make available for implementation or manage the implementation of the Reportable Arrangement (so called "intermediaries"). However, in certain cases, the taxpayer itself can be subject to the reporting obligation. The information reported will be automatically exchanged between the tax authorities of all EU Member States.

DAC6 was implemented into Luxembourg law on March 25, 2020 (the "**DAC6 Law**") and became applicable from July 1, 2020. Starting from January 1, 2021, Reportable Arrangements must be reported within thirty days from the earliest of: (i) the day after the Reportable Arrangement is made available for implementation; (ii) the day after the Reportable Arrangement is ready for implementation; or (iii) the day when the first step in the implementation of the Reportable Arrangement has been made. As a result, FLEX Master may need to report in line with DAC6 Law.

Potential investors should consult their own tax advisors regarding all aspects of the implementation of these laws and directives as it affects their particular circumstances.

13. Sanctions

Certain countries or designated persons or entities may, from time to time, be subject to sanctions and other restrictive measures imposed by states or supranational authorities (for example, but not limited to, the EU or the United Nations) or their agencies (collectively, "**Sanctions**").

Sanctions may be imposed on, among others, foreign governments, state-owned enterprises, sovereign wealth funds, specified companies or economic sectors, as well as non-state actors or designated persons associated with any of the foregoing. Sanctions may take different forms, including, but not limited to, trade embargoes, prohibitions or restrictions to conduct trade or provide services to targeted countries or entities, as well as seizures, asset freezes and/or the prohibition from providing or receiving funds, goods or services to or from designated persons.

Sanctions may adversely affect companies or economic sectors in which FLEX Master, or any of its Sub-Funds, may from time to time invest as well as the Limited Partners in such Sub-Funds. FLEX Master could experience, among others, a decrease in value of securities of any issuer due to the imposition of Sanctions, whether directed towards such issuer, an economic sector in which such issuer is active, other companies or entities with which such issuer conducts business, or towards the financial system of a certain country. Because of Sanctions, FLEX Master may be forced to sell certain securities at unattractive prices, at inopportune moments and/or in unfavorable circumstances where it may not have done so in the absence of Sanctions. Even though FLEX Master will make reasonable efforts, acting in the best interest of the investors, to sell such securities under optimal conditions, such forced sales could potentially result in losses to FLEX Master. Depending on the circumstances, such losses could be considerable. FLEX Master may also experience adverse consequences due to an asset freeze or other restrictive measures directed at other companies, including, but not limited to, any entity that serves as a counterparty to derivatives, or as a sub-custodian, paying agent or other service provider to FLEX Master or any of its Sub-Funds. The imposition of Sanctions may require FLEX Master to sell securities, terminate ongoing agreements, lose access to certain markets or essential market infrastructure, cause some or all of a Sub-Fund's assets to become unavailable, freeze cash or other assets belonging to FLEX Master and/or adversely affect the cash flows associated with any investment or transaction.

The Investment Manager(s), the Depositary and/or Franklin Templeton, as applicable, (collectively, the "**FLEX Parties**") are required to comply with all applicable sanctions laws and regulations in the countries in which FLEX Parties conduct business (recognizing that certain of the sanctions regimes have implications for cross-border or foreign activities) and will implement the necessary policies and procedures to this effect (collectively, "**Sanctions Policies**"). These Sanctions Policies will be developed by FLEX Parties in their discretion and best judgment and may involve protective or preventive measures that go beyond the strict requirements of applicable laws and regulations imposing any Sanctions. Under no circumstances will FLEX Parties be liable for any losses suffered by FLEX Master or any of its Sub-Funds because of the imposition of Sanctions, or from their compliance with any Sanctions Policies.

14. Management of Conflicts of Interests

The AIFM shall manage conflicts of interest in line with the requirements of the 2013 Law. In the conduct of its business, the AIFM's policy is to identify, manage and, where necessary, prohibit any action or transaction that may pose a conflict between the interests of the AIFM and FLEX Master or its Limited Partners and between the interests of one or more Limited Partners and the interests of one or more other Limited Partners. The AIFM has implemented procedures designed to ensure that business activities involving a conflict which may harm the interests of FLEX Master or its Limited Partners are carried out with an appropriate level of independence and that conflicts are resolved fairly.

Nonetheless, there is a risk that in a particular situation, the organizational or administrative arrangements made by the AIFM for the management of conflicts of interests are not sufficient to ensure a conflict on the interests of FLEX Master or its Limited Partners is appropriately neutralized. In the case of any such non-neutralized conflicts of interests, the risks to FLEX Master or its Limited Partners, as well as the decisions and measures taken, will be reported to Limited Partners by FLEX Master.

Please also refer to Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations—Possible Conflicts of Interests*."

15. Exercise of Voting Rights

The AIFM, or the Investment Manager(s) to the extent delegated to it(them), has(have) put in place a voting rights policy. If delegated by the AIFM to the Investment Manager(s), the decision to exercise voting rights attached to the instruments held in respect of FLEX Master will be in the discretion of the Investment Manager(s), under the oversight of the AIFM.

16. Certain ERISA Considerations

The following is a summary of certain considerations associated with an investment in FLEX Master by (i) "employee benefit plans" within the meaning of Section 3(3) of ERISA that are subject to Title I of ERISA, (ii) plans, individual retirement accounts ("**IRAs**") and other arrangements that are subject to Section 4975 of the Code or provisions under any other U.S. or non-U.S. federal, state, local, foreign or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "**Similar Laws**"), and (iii) entities whose underlying assets are considered to include the assets of any of the foregoing described in items (i) and (ii) (each of the foregoing described in items (i), (ii) and (iii) referred to herein as a "**Plan**").

16.1 General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (a "**Covered Plan**") and prohibit certain transactions involving the assets of a Covered Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of a Covered Plan or the management or disposition of the assets of a Covered Plan, or who renders investment advice for a fee or other compensation to a Covered Plan, is generally considered to be a fiduciary of the Covered Plan.

In considering an investment in FLEX Master of a portion of the assets of any Plan, a fiduciary should determine, particularly in light of the risks and lack of liquidity inherent in an investment in FLEX Master, whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duties to the Plan, including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws. Furthermore, absent an exemption, the fiduciaries of a Plan should not invest in FLEX Master with the assets of any Plan if an Investment Manager or any of its affiliates is a fiduciary with respect to such assets of the Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit Covered Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code. The acquisition and/or ownership of Interests by a Covered Plan with respect to which FLEX Master is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or "**PTCEs**," that may apply to the acquisition and holding of investments in FLEX Master. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. Each of the above-noted exemptions contains conditions and limitations on its application. Fiduciaries of Covered Plans considering acquiring Interests in reliance on these or any other exemption should carefully review the exemption to ensure it is applicable. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

16.2 Plan Assets

Under ERISA and the regulations promulgated thereunder, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**"), when a Covered Plan acquires an equity interest in an entity that is neither a "publicly-offered security" (within the meaning of the Plan Asset Regulations) nor a security issued by an investment company registered under the Investment Company Act, the Covered Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established either that *less* than 25% of the total value of each class of equity interest in the entity is held by "benefit plan investors" (the "**25% Test**") or that the entity is an "operating company," as defined in the Plan Asset Regulations. For purposes of the 25% Test, the assets of an entity will not be treated as "plan assets" if, immediately after the most recent acquisition of any equity interest in the entity, *less* than 25% of the total value of each class of equity interests in the entity is held by "benefit plan investors," excluding equity interests held by persons (other than benefit plan investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee (direct or indirect) with respect to such assets, and any affiliates thereof. The term "benefit plan investors" is generally defined to include employee benefit plans subject to Title I of ERISA or Section 4975 of the Code (including "Keogh" plans and IRAs), as well as any entity whose underlying assets include plan assets by reason of a plan's investment in such entity (e.g., an entity of which 25% or more of the total value of any class of equity interests is held by benefit plan investors and which does not satisfy another exception under ERISA). Thus, absent satisfaction of another exception under ERISA, if 25% or more of the total value of any class of equity interests of FLEX Master were held by benefit plan investors, an undivided interest in each of the underlying assets of FLEX Master would be deemed to be "plan assets" of any Covered Plan that invested in FLEX Master.

16.3 Plan Asset Consequences

If the assets of FLEX Master were deemed to be "plan assets" under ERISA, this would result, among other things, in (i) the application of the prudence and other fiduciary responsibility standards of ERISA to Investments made by FLEX Master, and (ii) the possibility that certain transactions in which FLEX Master might seek to engage could constitute "prohibited transactions" under ERISA and the Code. If a prohibited transaction occurs for which no exemption is available, the relevant Investment Manager and/or any other fiduciary that has engaged in the prohibited transaction could be required to (x) restore to the Covered Plan any profit realized on the transaction, and (y) reimburse the Covered Plan for any losses suffered by the Covered Plan as a result of the Investment. In addition, each disqualified person (within the meaning of Section 4975 of the Code) involved could be subject to an excise tax equal to 15% of the amount involved in the prohibited transaction for each year the transaction continues and, unless the transaction is corrected within statutorily required periods, to an additional tax of 100%. Covered Plan fiduciaries who decide to invest in FLEX Master could, under certain circumstances, be liable for prohibited transactions or other violations as a result of their investment in FLEX Master or as co-fiduciaries for actions taken by or on behalf of FLEX Master or the Investment Managers. With respect to an IRA that invests in

FLEX Master, the occurrence of a prohibited transaction involving the individual who established the IRA, or such individual's beneficiaries, would cause the IRA to lose its tax-exempt status.

The Investment Managers will use reasonable best efforts to (i) limit equity participation by benefit plan investors in FLEX Master to *less* than 25% of the total value of each class of equity interests in FLEX Master as described above or (ii) operate FLEX Master in such a manner such that FLEX Master should satisfy another exception under ERISA. However, there can be no assurance that, notwithstanding the reasonable best efforts of the Investment Managers, the underlying assets of FLEX Master will not otherwise be deemed to include plan assets.

Under the Documents, the Investment Managers will have the power to take certain actions to avoid having the assets of FLEX Master characterized as "plan assets," including, without limitation, the right to cause a Limited Partner that is a Plan to withdraw, in whole or in part, from FLEX Master. While the Investment Managers and FLEX Master do not expect that the Investment Managers will need to exercise such power, neither the Investment Managers nor FLEX Master can give any assurance that such power will not be exercised.

16.4 Important Notice for Plans

This Prospectus and the Documents do not constitute an undertaking to provide impartial investment advice and it is not the Investment Managers' intention to act in a fiduciary capacity with respect to any Plan. The Investment Managers and their affiliates have a financial interest in the Limited Partners' investment in Interests on account of the fees and other compensation they expect to receive (as the case may be) from FLEX Master and their other relationships with FLEX Master as contemplated hereunder. Any such fees and compensation do not constitute fees or compensation rendered for the provision of investment advice to any Plan. Each Limited Partner that is a Plan will be required to represent and warrant, among other things, that it is advised by a fiduciary that is: (i) independent of the Investment Managers and their affiliates; (ii) capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies contemplated in this Prospectus and the Documents; and (iii) a fiduciary (under ERISA, Section 4975 of the Code or applicable Similar Law) with respect to the Plan's investment in FLEX Master and responsible for exercising independent judgment in evaluating the Plan's investment in FLEX Master and any related transactions. Each Plan is advised to contact its own financial advisor and other fiduciary unrelated to FLEX Master and the Investment Managers and their affiliates about any decision with respect to any Interests in FLEX Master, as may be appropriate for the Plan's circumstances.

16.5 Reporting of Indirect Compensation

Under ERISA's general reporting and disclosure rules, certain Covered Plans subject to Title I of ERISA are required to include information regarding their assets, expenses and liabilities. To facilitate such a Plan administrator's compliance with these requirements, it is noted that the descriptions of the fees and compensation described in this Prospectus, including the descriptions of the Management Fee and the Performance Participation Allocation payable to the Investment Managers or the Recipient, as applicable, are intended to satisfy the disclosure requirements for "eligible indirect compensation" for which the alternative reporting option on Schedule C of the Form 5500 Annual Return/Report may be available.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Each Plan fiduciary should consult with its legal advisor concerning the considerations discussed above before making an investment in FLEX Master. As indicated above, Plans not subject to Title I of ERISA or Section 4975 of the Code, such as governmental Plans, certain church Plans and non-U.S. Plans, may be subject to Similar Laws containing fiduciary responsibility and prohibited transaction requirements similar to those under ERISA and the Code (as discussed above). Accordingly, fiduciaries of Plans, in consultation with their advisors, should consider the impact of their respective laws and regulations on an investment in FLEX Master.

EACH PLAN FIDUCIARY SHOULD CONSULT WITH ITS LEGAL ADVISOR CONCERNING THE POTENTIAL CONSEQUENCES UNDER ERISA, THE CODE AND ANY APPLICABLE SIMILAR LAW BEFORE MAKING AN INVESTMENT IN FLEX MASTER.

XIII. DISSOLUTION AND LIQUIDATION OF THE SUB-FUNDS AND FLEX MASTER

FLEX Master has been established for an indefinite period of time.

1. Dissolution and liquidation further to a decision of the General Meeting

FLEX Master may at any time be put into liquidation by an Ordinary Limited Partner Consent subject to the prior non-objection from the CSSF.

Whenever FLEX Master's net assets falls below two thirds of the minimum share capital requirement under the 2010 Law from twelve (12) months after FLEX Master's authorisation by the CSSF, the General Partner must convene a General Meeting to resolve on the potential dissolution of FLEX Master. At such General Meeting, no quorum shall be required, and the resolution to dissolve FLEX Master will pass at the simple majority of the voting rights represented.

Whenever FLEX Master's net assets falls below one quarter of the minimum capital prescribed by the 2010 Law from twelve (12) months after FLEX Master's authorisation by the CSSF, the General Partner must convene a General Meeting to resolve on the potential liquidation of FLEX Master. At such General Meeting, no quorum shall be required, and the resolution to dissolve FLEX Master will pass by Limited Partners holding one quarter of the voting rights represented.

Each General Meeting referred to under this Section must be convened so that it is held within a period of forty (40) calendar days from when it is ascertained that the net assets of FLEX Master have fallen below two thirds or one quarter of the legal minimum as the case may be.

The General Partner (or a liquidator appointed by an Ordinary Limited Partner Consent and approved by the CSSF) will endeavour to liquidate all the Sub-Fund's or Class' assets as soon as reasonably practicable, but in an orderly and commercially reasonable manner. It may not be possible for the General Partner (or liquidator) to dispose advantageously of all Investments and, as a result, the General Partner (or liquidator) may have to sell, distribute or otherwise dispose of Investments at a disadvantageous time as a result of liquidation. The General Partner (or liquidator) will cause the relevant Sub-Fund or Class to pay all debts, obligations and liabilities of the Sub-Fund or Class and all costs of liquidation and the remaining proceeds will be distributed among the Limited Partners in one or more instalments. It is not possible to predict with certainty how long any liquidation might take to complete and it could be a number of years and will depend on a number of factors, including market conditions and the overall status and the size of the Sub-Fund or Class.

Any subscription or redemption request will be cancelled as from the moment of the announcement of the liquidation of the relevant Sub-Fund or Class and liquidation proceeds will be distributed to the Limited Partners in the relevant Sub-Fund or Class on a pro rata basis, without priority for Interests in respect of which a redemption request was submitted before the liquidation.

Assets which may not be distributed upon the implementation of the redemption will be deposited with the Caisse de Consignation on behalf of the persons entitled thereto within the applicable time period.

2. Dissolution and Liquidation of Sub-Funds and/or Classes

2.1 Automatic dissolution – expiration of the term of a Sub-Fund and/or Class

The Sub-Funds and/or Classes may be created for a finite or indefinite term. Sub-Funds and/or Classes having a finite term will be automatically dissolved at the expiration of such term and the outstanding Interests in such Sub-Fund or Class will be compulsory redeemed by FLEX Master on the basis of the relevant NAV per Interest (after deduction of the realisation expenses), unless the term of such Sub-Fund or Class is extended by the General Partner in accordance with the conditions set out in the relevant Annex.

2.2 Unilateral liquidation at the initiative of the General Partner

The General Partner may unilaterally decide to liquidate a Sub-Fund and/or Class and to compulsory redeem all Interests outstanding in such Sub-Fund or Class on the basis of the relevant NAV per Interests (after deduction of the realisation expenses) where:

- the value of the total net assets in such Sub-Fund or Class has decreased to, or has not reached, an amount determined by the General Partner to be the minimum level for such Sub-Fund, or such Class, to be operated in an economically efficient manner; and/or

- it determines, in its absolute discretion, that it is in the best interests of the Limited Partners of such Sub-Fund or Class to terminate such Sub-Fund or Class, for instance because of a substantial modification in the political, economic or monetary situation and/or for any other circumstances set forth in the relevant Annex.

The General Partner will serve a notice to the Limited Partners of the relevant Sub-Fund or Class, which will indicate the reasons for the dissolution and the liquidation procedure.

Without prejudice to the right of FLEX Master to suspend the calculation of NAV in accordance with the General Section, any order for subscription, redemptions and conversion shall be suspended as from the date the General Partner resolves on the termination of the relevant Sub-Fund or Class.

XIV. DOCUMENTATION AND INFORMATION / AMENDMENTS

1. FLEX Documents

The Prospectus, the Partnership Agreement, audited annual reports and semi-annual reports issued by FLEX Master will be available to Limited Partners for inspection upon request and free of charge at the registered office of FLEX Master.

2. KID

A key information document (a "**KID**") in compliance with the relevant provisions of the PRIIPs Regulation and Commission Delegated Regulation (EU) 2017/653 is published for each interest class available for subscription in the EEA by non-professional clients within the meaning of Directive 2014/65/EU ("**Retail Investors**"). KIDs are available to Retail Investors prior to their subscription in FLEX Master and are provided (i) in paper form, (ii) by way of a durable medium other than paper, (iii) electronically, such as in a data room for Limited Partners or on a website for FLEX Master, or (iv) in another format upon request to FLEX Master.

3. Historical Performance Information

If any historical performance information is produced for FLEX Master, it will be made available at the registered office of FLEX Master.

4. Important publications – Website disclosures

FLEX Master's website at www.franklintempleton.lu/flexi will contain important communications, notices to investors, material information and other additional information about FLEX Master, its Sub-Funds and/or Franklin Templeton, including certain financial information (including the NAV per Interest of each Class within each Sub-Fund). However, the contents of the website are not incorporated by reference in or otherwise a part of this Prospectus.

Due to regulatory requirements applicable to FLEX Master and/or certain persons, the access to FLEX Master's website may be restricted for access to only such persons that are eligible to acquire Interests in FLEX Master and Limited Partners.

5. Amendments to FLEX Documents

The Partnership Agreement may be amended from time to time in accordance with the quorum and majority requirements laid down by the 1915 Law and/or the Partnership Agreement.

The Prospectus, including particularly the investment objective, investment strategy and/or any investment restrictions, may be amended from time to time by the General Partner with the prior approval of the CSSF in accordance with Luxembourg law and regulations.

In accordance with applicable laws and regulations, Limited Partners in a Sub-Fund will, where required by the CSSF, be given at least one (1) month prior notice of any proposed material adverse changes in order for them to request the redemption of their Interests, without any repurchase or redemption charge, subject at all times to any Redemption Limitation in the relevant Annex.

XV. DEFINITIONS

"**$**," "**USD**" or "**dollars**"	means U.S. dollars;
"**€**," "**EUR**" or "**euros**"	means Euros;
"**1915 Law**"	means the law of August 10, 1915 on commercial companies;
"**1940 Act Funds**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**2004 Law**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**2010 Law**"	means the Luxembourg law of December 17, 2010 relating to undertakings for collective investment, as amended;
"**2013 Law**"	means the Luxembourg law of July 12, 2013 on alternative investment fund managers, as amended;
"**2019 Law**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**4th AML Directive"**	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Accumulation Interest(s)**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Accumulation Interest Classes**"	has the meaning as given in Section VII: "*Distributions*"*;*
"**Action Plan**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Administration Agreement**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**Advisers Act**"	means the Investment Advisers Act of 1940, as amended;
"**Advisors**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Advisory Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Aggregate Net Leverage**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**AI Act"**	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**AIF**"	means alternative investment fund(s);
"**AIFM Agreement**"	means the alternative investment fund management agreement entered into between the AIFM and FLEX Master, as amended, restated or supplemented from time to time;

"**AIFM Directive**"	means the Directive 2011/61/EC of the European Parliament and of the Council, as amended from time to time;
"**AIFM Fee**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";
"**AIFM Regulation**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**AIFM Rules**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**AIFM**"	means Waystone Management Company (Lux) S.A. or any successor entity appointed by FLEX Master as alternative investment manager;
"**Amending Directive**" or "**AIFMD II**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**AMLD 5**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Annex**"	means an annex to this Prospectus containing information with respect to a particular Sub-Fund;
"**Artificial Intelligence**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**ATAD 1**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**ATAD 2**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**ATAD 3**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**AUD**"	means Australian Dollar;
"**Auditor**"	has the meaning as given in Section IX: "*Independent Auditor*";
"**BEPS**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Board of Managers**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**Business Day**"	means any day on which banks are normally open for business in each of Luxembourg and the United States, France and Spain;
"**CAD**"	means Canadian Dollar;
"**CBDF Rules**"	means the directive 2019/1160 EU and Regulation 2019/1156 EU on cross-border distribution of funds;
"**CCP**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Central Administration Sub-contractors**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";

"**Central Administration**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**CFIUS**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**CHF**"	means Swiss Franc;
"**Class A Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Class A-Italy Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Class B Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Class C Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Class D Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Class E Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Class F Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Class I Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"Class J Interests"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"Class K Interests"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"Class Z Interests"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Classes**"	has the meaning as given in Section III: "*Interest Class Information*";
"**Code**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**Co-Investments**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Conversion Cut-off Time**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Counsel**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**CSSF Circular 18/698**"	means the CSSF Circular 18/698 on the authorization and organization of investment fund managers incorporated under Luxembourg law;

"**CSSF Regulation 12-02**"	means the CSSF Regulation N°12-02 of December 14, 2012 on the fight against money laundering and terrorist financing, as amended by the CSSF Regulation 20-05;
"**CSSF**"	means the Luxembourg supervisory authority (*Commission de Surveillance du Secteur Financier*);
"**Currency Administrator**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**DAC 6**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**DAC 6 Law**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Debt and Other Securities**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Depositary Agreement**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**Depositary**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**Direct Investments**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Distribution Interest(s)**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Distribution Interest Classes**"	has the meaning as given in Section VII: "*Distributions*";
"**Documents**"	means the Partnership Agreement, the application form and related documentation with respect thereto;
"**Dodd-Frank Act**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**DPL**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Early Redemption Deduction"**	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**EEA**"	means the European Economic Area;
"EEA AIF"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Effective Date**"	means, in respect of each Sub-Fund, the first anniversary of the date on which such Sub-Fund accepts its first subscription;
"EFSF"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";

"**EMIR Framework**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**EMIR REFIT**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**EPA**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**ERISA**"	means the U.S. Employee Retirement Income Security Act of 1974, as amended;
"**ESM**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**EU Member States**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**EU**"	means the European Union;
"**FATCA Data**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**FATCA Law**"	means the Luxembourg law transposing the Intergovernmental Agreement concluded on March 28, 2014 between the Grand Duchy of Luxembourg and the United States of America;
"**FATCA Personal Data**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**FATCA**"	means the U.S. Foreign Account Tax Compliance Act;
"**FCA**"	UK Financial Conduct Authority;
"**Feeder Class Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Feeder Entity**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";
"**FFI**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**FIRRMA**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**FLEX**"	means FLEX Feeder, FLEX Master, the FLEX Aggregators and the Parallel Entities;
"**FLEX-I**"	has the meaning as given in Annex 1: "*FLEX Master-I*" of Appendix A: "*Sub-Funds Terms*";
"**FLEX Aggregator(s)**"	means the subsidiary(ies) of FLEX Master established for the purpose of holding Investments;
"**FLEX Aggregator-I**"	has the meaning as given in Section I: "*Description/Overview of FLEX-I and FLEX Master-I*" of Annex 1: "*FLEX Master-I*" of Appendix A: "*Sub-Funds Terms*";
"**FLEX Aggregator Parallel Vehicles**"	means additional vehicles established in parallel to the FLEX Aggregators;
"**FLEX Entity**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";

"**FLEX Feeder**"	means Franklin Lexington Private Markets Fund SICAV SA;
"**FLEX Feeder-I**"	has the meaning as given in Annex 1: "*FLEX Master-I*" of Appendix A: "*Sub-Funds Terms*";
"**FLEX Master**"	means Franklin Lexington Private Markets Fund (Master) SCSp, along with its Sub-Funds;
"**FLEX Master-I**"	has the meaning as given in Annex 1: "*FLEX Master-I*" of Appendix A: "*Sub-Funds Terms*";
"**FLEX Parties**"	means the AIFM, the Investment Manager(s), the Depositary and any members from Franklin Templeton;
"**Franklin Advisers**"	means Franklin Advisers, Inc.;
"**Franklin Templeton**" or "**Franklin Templeton Group**"	means Franklin Resources, Inc. and its affiliates (including for the avoidance of doubt, Lexington);
"**FTIS**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**GBP**"	means British Pound;
"**GDPR**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**General Meeting**"	has the meaning as given in Section X: "*Meeting of Limited Partners*";
"**General Partner**"	has the meaning as given in the "*Important Information*" Section;
"**GHGs**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**GP Interest**"	has the meaning as given in Section III "*Interest Class Information*";
"**Global Distributor**"	means FTIS, in its capacity as Global Distributor;
"**Hedged Interest Class**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**HKAA**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**HKD**"	means Hong Kong Dollar;
"**IBOR**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**IGA**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**Indemnified Party**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**Information Data**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**Initial Class**" and "**New Class**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;

"**Initial Offering Period**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Initial Operating Expenses Support**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Institutional Interests**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Initial Subscription Date"**	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Intermediate Vehicle**"	has the meaning as given in Section II: "*Investment Information*";
"**Interest(s)"**	means all limited partnership interests issued by FLEX Master from time to time, to the exclusion of the GP Interest;
"**Interest Class Hedging Strategy**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Investment Company Act**"	means the U.S. Investment Company Act of 1940, as amended from time to time;
"**Investment Management Agreement**"	means, with respect to each Sub-Fund having one or more Investment Manager, the investment management agreement(s) entered among the AIFM, the relevant Investment Manager and FLEX Master (as amended, restated or supplemented from time to time);
"**Investment Manager(s)**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**Investment**"	has the meaning as given in Section II: "*Investment Information*";
"**IRAs**"	means individual retirement accounts;
"**IRS**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**JPY**"	means Japanese Yen;
"**KID**"	means key information document;
"**Level 2 AIFMD**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Level 2 MiFID II"**	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Leverage Limit**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Leverage Ratio**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Lexington**" or "**Lexington Group**"	means Lexington Advisors and its affiliates;
"**Lexington Advisors"**	means Lexington Advisors LLC;

"**LIBOR**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Limited Partners"**	means the limited partners of FLEX Master;
"**Liquid AIF**" and "**Less Liquid AIFs**"	have the meanings as given in Section XII: "*Regulatory and Tax Considerations*";
"**Lux AML Law**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**Luxembourg GAAP**"	has the meaning as given in Section XI: "*Financial Year, Accounting Standards and Periodical Reports*";
"**Luxembourg Tax Authority**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**Management Fee**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";
"**MiFID II Delegated Directive"**	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**MiFID II Org Regulation**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**MiFID II**"	means Directive 2014/65/EU of May 15, 2014 on markets and financial instruments and Regulation (EU) No 600/2014 of May 15, 2014 on markets and financial instruments, as amended from time to time;
"**Minimum Subscription Amount**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**MLI**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**National Security Law**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**NAV Release Date**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**NAV**"	means the net value of the assets attributable to FLEX Master or a Sub-Fund or a Class, as the case may be, determined in accordance with the Partnership Agreement; or, as applicable, the net value of the assets attributable to the relevant vehicle (or a sub-fund or a share/unit class, as the case may be) calculated in accordance with its governing documents;
"**New Sub-Fund**"	has the meaning as given in Section IV: "*Subscriptions, Redemptions and Other Transactions*";
"**Ordinary Limited Partner Consent**"	means a resolution of the General Meeting adopted by the majority of the votes validly cast and without any quorum requirement. No Ordinary Limited Partner Consent will be passed without the consent of the General Partner;
"**Operating Expenses**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";
"**Organizational and Offering Expenses**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";

"**Other Lexington Vehicle(s)**"	means, as the context requires, individually and collectively, any of the following: investment funds, vehicles, accounts, products and/or other similar arrangements sponsored, advised, and/or managed by a member of the Lexington Group, whether currently in existence or subsequently established (in each case, including any related successor funds, alternative vehicles, supplemental capital vehicles, surge funds, over-flow funds, co-investment vehicles and other entities formed in connection with the Lexington Group or its affiliates side-by-side or additional general partner investments with respect thereto) other than those vehicles comprising FLEX;
"**Parallel Entities**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Parallel Vehicles**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Partnership Agreement**"	has the meaning as given in the "*Important Information*" Section;
"**Performance Participation Allocation**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*" and in the relevant Annex, in respect of each applicable Sub-Fund;
"**Permitted U.S. Person**"	means an investor who represents and warrants in its application form that it is: (i) an "accredited investor" as such term is defined in Regulation D promulgated under the Securities Act, and the rules, regulations and interpretations thereunder; and (ii) a "qualified purchaser" as such term is defined in Section 2(a)(51) of the Investment Company Act; *provided*, that the Investment Manager(s) may admit other investors as "Permitted U.S. Persons" in its sole discretion;
"**Plan**," "**Covered Plan**," "**Plan Asset Regulations**," "**PTCEs**" and "**25% Test**"	have the meanings as given in Section XII: "*Regulatory and Tax Considerations*";
"**Portfolio Company**"	means any company in which FLEX invests directly, but excluding (i) Portfolio Funds and their credit assets and (ii) holding vehicles and other special purpose vehicles (such as acquisition vehicles);
"**Portfolio Funds**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Portfolio Investments**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"PPT"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Privacy and Data Protection Laws**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**PRIIPs Regulation**"	means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of November 26, 2014 on key information documents for packaged retail and insurance-based investment products, as amended from time to time;
"**Primary Funds Investments**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Private Assets**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;

"**Private Investment Funds' Investments**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Private Markets Debt Investments**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Processors**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**Prohibited Person**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Prospectus"**	means this confidential prospectus (as it may be amended, restated and/or supplemented from time to time);
"**Qualifying Activities**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**Ramp-Up Period**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**RBO Law**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**RBO**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**RBO Rules**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**RCS**"	means the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés*);
"**Recipient**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";
"**Redemption Cut-off Time**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Redemption Date**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Redemption Fee**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Redemption Request**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Reference Currency**"	means the reference currency of FLEX Master, a Sub-Fund or a Class, as the context so requires;
"**Related Individuals**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**Reportable Arrangements**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Retail Investor**"	means a "retail investor" within the meaning of Directive 2014/65/EU;
"**RFRs**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";

"**RTS**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**SA**"	means a public limited liability company (*société anonyme*);
"**Sanctions**" and "**Sanctions Policies**"	have the meanings as given in Section XII: "*Regulatory and Tax Considerations*";
"**SCSp**"	means a Luxembourg special limited partnership (*société en commandite spéciale*);
"**SDR**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Secondary Investments**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Securities Financing Transactions**"	has the meanings as given in Section XII: "*Regulatory and Tax Considerations*";
"**Series**"	has the meaning as given in Section IV: "*Subscriptions, Redemptions and Other Transactions*";
"**Servicing Fee**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";
"**Settlement Date**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**SFDR**"	means the EU regulation on sustainability-related disclosures in the financial services sector (Regulation (EU) 2019/2088), as amended from time to time;
"**SFTR**"	has the meanings as given in Section XII: "*Regulatory and Tax Considerations*";
"**SGD**"	means Singapore Dollar;
"**SICAV**"	means an investment company with variable capital (*société d'investissement à capital variable*);
"**Similar Laws**"	has the meaning as given in Section XII: "*Regulatory and Tax Considerations*";
"**Solvency II**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Special Limited Partner Consent**"	means the written consent (which may consist of one or more documents in the like form each signed by one or more of the Limited Partners) or the consent at a General Meeting who together represent at least two-thirds (2/3) of the votes validly cast at the relevant time, provided that (i), for the avoidance of doubt, unless otherwise set out in the Partnership Agreement any resolution of the Limited Partners is subject to the General Partner's approval and (b) in respect of any Special Limited Partner Consent that is sought in writing, the General Partner may request such consent and require a response within a specified reasonable time period (which shall not be less than fifteen (15) calendar days), and failure by a Limited Partner to respond within such time period shall be deemed to constitute an invalid vote and will not count as a vote validly cast with respect to the relevant Special Limited Partner Consent;

"**Standard**," "**CRS**," "**CRS-Law**," "**Reportable Persons**," "**NFEs**," "**Information**," "**Controlling Person**," and "**CRS Personal Data**"	have the meanings as given in Section XII: "*Regulatory and Tax Considerations*";
"**Sub-Fund**"	has the meaning as given in Section "*Important Information*";
"**Sub-Investment Manager**"	has the meaning as given in Section VIII: "*Management and Administration of FLEX Master*";
"**Subscription Cut-off Time**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Subscription Date**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Subscription Fees**"	has the meaning as given in Section VI: "*Fees and Expenses of FLEX*";
"**Subscription Request**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**Taxonomy Regulation"**	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**Total Assets**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;
"**TRS**"	has the meanings as given in Section XII: "*Regulatory and Tax Considerations"*;
"**UCI**"	means any undertaking for collective investment, collective investment scheme or similar pooled investment vehicle (whether regulated or unregulated and whether based in Luxembourg or abroad) in which a Sub-Fund holds, directly or indirectly, an Investment;
"**UK**"	means The United Kingdom;
"**UK AIFM Law**"	has the meaning as given in Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*";
"**United States**" or "**U.S.**"	means The United States of America, its territories and possessions, any state thereof and the District of Columbia;
"**US Vehicle**"	means Franklin Lexington Private Markets Fund, a Delaware statutory trust registered under the Investment Company Act, as a non-diversified, closed-end management investment company;
"**Valuation Date**"	means such day as is specified in each Annex as of which the assets of the relevant Sub-Fund (and Class) will be valued for the purpose of determining the relevant NAV;
"**Valuation Procedures**"	has the meaning as given in the relevant Annex, in respect of each applicable Sub-Fund;

"**VAT**" means (A) any tax imposed in compliance with the council directive of November 28, 2006 on the common system of value added tax; and (B) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in (A), or elsewhere;

XVI. RISK FACTORS, POTENTIAL CONFLICTS OF INTERESTS AND OTHER CONSIDERATIONS

1. Risk Factors

An investment in FLEX involves a high degree of risk. Investment in FLEX is suitable only for those persons who, either alone or together with their duly designated representative, have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of their proposed investment, who can afford to bear the economic risk of their investment, who are able to withstand a total loss of their investment and who have no need for liquidity in their investment and no need to dispose of their Interests to satisfy current financial needs and contingencies or existing or contemplated undertakings or indebtedness. The following risk factors should be considered carefully, but are not meant to be an exhaustive list of all of the potential risks associated with an investment in FLEX. The following risks may be directly applicable to FLEX and any Sub-Funds or may be indirectly applicable through each Sub-Fund's investments. Potential investors with questions as to the suitability of an investment in FLEX should consult their professional advisors to assist them in making their own legal, tax, accounting and financial evaluation of the merits and risks of investment FLEX in light of their own circumstances and financial condition. By subscribing for Interests, investors will become Limited Partners and be deemed to have acknowledged the existence of the risks set out below and waived any claim with respect to, or arising from, any such risks.

The order in which the risks are presented is not an indication of the likelihood of the risks actually materializing, or the significance or degree of the risks or the scope of any potential harm to FLEX, its financial situation or its Investments. The risks mentioned herein may materialize individually or cumulatively.

General Risks of Investing in FLEX.

FLEX invests through a "master-feeder" structure, which may reduce the overall return to Limited Partners.

FLEX invests through a "master-feeder" structure. A "master-feeder" fund structure presents certain unique risks to investors. For example, a smaller feeder fund investing in a master fund may be materially affected by the actions of a larger feeder fund investing in such master fund. If a larger feeder fund withdraws from a master fund, the remaining feeder fund may experience higher pro rata operating expenses, thereby producing lower returns. A master fund such as FLEX Master may become less diverse due to a withdrawal by a larger feeder fund, resulting in increased portfolio risk. A master fund is a single entity and creditors of such master fund may enforce claims against all assets of such master fund. In addition, certain conflicts of interests may exist due to different tax considerations applicable to each feeder fund. Due to regulatory, tax and/or other considerations that may be applicable to FLEX, certain investments may be made through subsidiaries thereof, some of which may be taxable as corporations, which may reduce the overall return to all investors, including the Limited Partners.

FLEX has no operating history.

FLEX Master was established on 18 October 2024 and is separate from the predecessor funds of Franklin Templeton and Lexington and their respective investments. Although the investment professionals of the Investment Managers have extensive investment experience generally, FLEX is a newly formed entity with no operating history and does not have any historical financial statements or other meaningful operating or financial data on which potential investors may evaluate FLEX and its performance. FLEX is subject to all of the business risks and uncertainties associated with any relatively new business, including the risk that it will not achieve its investment objectives and that the value of Interests could decline substantially or even result in a total loss. There is no assurance that FLEX or any particular portfolio Investments will be successful.

The past performance of prior secondary funds managed or advised by Franklin Templeton and Lexington may not be an indicative of the future performance of FLEX. Prior secondary funds managed or advised by Franklin Templeton and Lexington were subject to different economic terms and fee structure than FLEX. Accordingly, investors should draw no conclusions from the performance of any such other prior secondary funds and should not expect to achieve similar returns. The FLEX investment program should be evaluated on the basis that there can be no assurance that the Investment Managers' assessment of the short-term, intermediate term or long-term prospects of investments will prove accurate or that FLEX or any particular portfolio Investments will be successful, achieve its investment objective and strategy, or avoid loss of capital.

FLEX is subject to conflicts of interest.

An investment in FLEX is subject to a number of actual or potential conflicts of interest. As a result, the Investment Managers and/or their affiliates have an incentive to enter into arrangements with FLEX, and face conflicts of interest when balancing that incentive against the best interests of FLEX. The Investment Managers and/or their affiliates also face conflicts of interest in their service as investment adviser to other clients, and, from time to time, make investment decisions that differ from and/or negatively impact those made by the Investment Managers on behalf of FLEX. See "*Potential Conflicts of Interest*" below.

The AIFM and/or the General Partner may change the Sub-Funds' investment objective and strategies without Limited Partner approval.

Pursuant to a properly adopted amendment of the Prospectus and/or the Partnership Agreement, FLEX may deviate from the investment objectives, strategy and limitations set forth in this Prospectus. Subject to applicable law, the AIFM and/or the General Partner will therefore have the authority to modify or waive certain of FLEX's operating policies and strategies without the Limited Partners' approval. FLEX cannot predict the effects that any changes to its current operating policies and strategies would have on FLEX's business, operating results and value of its Interests. Nevertheless, the effects may adversely affect FLEX's business and impact its ability to make distributions.

FLEX's performance will depend on the Investment Managers and key personnel.

Investors in FLEX are placing their investment in the discretion of, and are dependent upon the skill and experience of, the Investment Managers and FLEX's investment professionals and investors will be relying on the ability of the Investment Managers and such investment professionals to identify, select, structure and implement the investments to be made using the capital available to FLEX. In the event of the death, disability, or departure of key personnel of the Investment Managers or their respective affiliates, the business and the performance of FLEX may be adversely affected. The interests of these professionals in the Investment Managers and the Performance Participation Allocation should tend to discourage them from withdrawing participation in FLEX's investment activities. However, there can be no assurance that any such professional will continue to be associated with the Investment Managers or their respective affiliates or that any replacement will perform well. Some of the senior and other professionals involved in prior funds managed or advised by Lexington or Franklin Templeton will not be part of the team working on FLEX. In addition, members of the investment team may work on other projects for and have other responsibilities at the Investment Managers and their affiliates and may devote a substantial amount of their business time to other products. Conflicts of interest may arise in allocating management time, services or functions of the investment team and the Investment Managers, and the ability of the members of the investment team to access other professionals and resources within the Investment Managers for the benefit of FLEX may be limited.

FLEX is dependent upon the services of the Investment Managers and other third-party service providers.

FLEX is dependent upon the services of the Investment Managers. If the services of the Investment Managers became unavailable, FLEX would need to contract a replacement adviser or recruit appropriately qualified personnel, which might prove difficult. Similarly, if an Investment Manager loses the services of important team members, or of a significant number of employees in general, they would need to recruit appropriately qualified replacement personnel. The loss of services of the Investment Managers could have an adverse impact on FLEX's ability to implement its investment strategy or achieve its investment objectives.

There can be no assurance that the Investment Managers will continue to provide services to FLEX. Similarly, since the employment market for skilled investment professionals and other important team members can be highly competitive, there can be no assurance that the Investment Managers will remain fully resourced or that any of the investment or other professionals associated with the Franklin Templeton Group will remain with the Franklin Templeton Group, nor that suitable replacements would be found if any or all such individuals were to leave the Franklin Templeton Group.

The Investment Managers may rely on outside consultants and other service providers in specialized areas, such as particular industry sectors or asset classes considered for Investments, where internal resources do not have the required expertise or experience.

Certain of FLEX's and the Investment Managers' operations involve and/or depend on third-party service providers, including the Central Administration and the Depositary, and FLEX or the Investment Managers may not be able to verify the risks or reliability of such third parties. The costs, fees and expenses associated with the provision of such services by third-party service providers will generally be borne by FLEX (and, indirectly, the Limited Partners) and not the Investment Managers. There can be no assurance that the services of such key service providers will be available throughout the life of FLEX, and if any of them have to be replaced, it may be difficult to identify and engage suitable replacement providers sufficiently quickly and on acceptable terms.

FLEX may suffer adverse consequences from actions, errors or failure to act by such third parties, and will have obligations, including indemnity obligations, and limited recourse against them. See also "*There is a risk that employee or third-party service providers misconduct could occur with respect to FLEX"* herein. Moreover, any misconduct by service providers (such as the improper use or disclosure of confidential information which could result in litigation or serious financial harm, including limiting FLEX's business prospects or future activities), which the Investment Managers may not be able to detect and prevent, could cause significant losses to FLEX.

Liquidity of the Interests is limited, and the Interests may not be transferred without the consent of the General Partner or its delegate.

An investment in FLEX is suitable only for investors that have no need for immediate liquidity in respect of their investment, who have the financial ability and experience to understand, the willingness to accept, and the financial resources to withstand, the extent of their exposure, the risks and lack of liquidity inherent to an investment in FLEX. Limited Partners may lose some or all of their invested capital and should not invest unless they can readily bear the consequences of such loss. FLEX is designed primarily for long-term investors. The Interests are appropriate only for investors who are comfortable with investment in less liquid or illiquid portfolio investments.

Interests in FLEX have not been registered under the securities laws of any country, U.S. state or other jurisdiction and cannot be resold except as permitted pursuant to applicable securities laws. It is not currently contemplated that registration of the Interests under any securities laws will be effected. There is no public market for the Interests, and none is expected to develop. Except as otherwise provided in the relevant Sub-Fund's Annex, Limited Partners will also generally not be permitted to assign their Interests without the prior consent of the General Partner or its delegate, which may be withheld by the General Partner or such delegate in their sole discretion, and any such transfer may result in costs paid by the parties to the transfer. In general, liquidity for the Interests will be limited to participation in the Interest redemption program which may be subject to limitations as set out in the relevant Sub-Fund's Annex.

Prospective Limited Partners with any doubts as to the suitability of an investment in FLEX should consult their professional advisers to assist them in making their own legal, tax, accounting and financial evaluation of the merits and risks of an investment in FLEX in light of their own circumstances and financial condition. FLEX will likely have access to or acquire confidential information relating to its Investments. FLEX will likely limit the information reported to its investors with respect to such Investments.

The Investments may be difficult to value.

FLEX is subject to valuation risk, which is the risk that one or more of the securities in which each Sub-Fund invests are valued at prices that FLEX is unable to obtain upon sale due to factors such as incomplete data, market instability, human error, or, with respect to securities for which there are no readily available market quotations, the inherent difficulty in determining the fair value of certain types of investments. The Investment Managers may, but are not required to, use an independent pricing service or prices provided by dealers to value securities at their market value. Because the secondary markets for certain investments may be limited, such instruments may be difficult to value.

A substantial portion of each Sub-Fund's assets are expected to consist of Portfolio Funds and Co-Investments for which there are no readily available market quotations. The information available in the marketplace for such companies, their securities and the status of their businesses and financial conditions is often extremely limited, outdated and difficult to confirm. Such securities are valued by FLEX at fair value as determined pursuant to policies and procedures approved by the General Partner. In determining fair value, the AIFM is required to consider all appropriate factors relevant to value and all indicators of value available to FLEX. The determination of fair value necessarily involves judgment in evaluating this information in order to determine the price that FLEX might reasonably expect to receive for the security upon its current sale. The most relevant information may often be provided by the issuer of the securities. Given the nature, timeliness, amount and reliability of information provided by the issuer, fair valuations may become more difficult and uncertain as such information is unavailable or becomes outdated.

The value at which a Sub-Fund's investments can be liquidated may differ, sometimes significantly, from the valuations assigned by FLEX. In addition, the timing of liquidations may also affect the values obtained on liquidation. FLEX will invest a significant amount of its assets in private market investments for which no public market exists. There can be no guarantee that the Sub-Funds' investments could ultimately be realized at FLEX's valuation of such investments.

Each Sub-Fund's NAV is a critical component in several operational matters including computation of the Management Fee, the Performance Participation Allocation and the Servicing Fee, and determination of the price at which the Interests can be subscribed and at which redemptions will be made. Consequently, variance in the valuation of each Sub-Fund's investments will impact, positively or negatively, the relevant Sub-Fund's NAV, the fees and expenses Limited Partners will pay, the price a Limited Partner will receive in connection with a redemption and the number of Interests an investor will receive upon investing in FLEX, as further described in the relevant Sub-Funds' Annex. See also "*Determination of the NAV is subject to certain limitations*" below.

Unless as otherwise provided in the relevant Sub-Fund's Annex, the Investment Managers generally expect to receive information for each Sub-Fund's investments in private market investments, including Portfolio Funds and Co-Investments, on which it will base such Sub-Fund's NAV, only as of each calendar quarter end and on a significant delay. The Investment Managers generally do not expect to receive updated information intra quarter for such investments. As a result, the Sub-Fund's NAV for periods other than calendar quarter end will likely be based on information from the prior quarter. A Sub-Fund may need to liquidate certain Investments, including its investments in Private Assets, in order to satisfy redemption of Interests in connection with Redemption Requests. A subsequent decrease in the valuation of such Sub-Fund's Investments after redemptions could potentially disadvantage remaining Limited Partners to the benefit of Limited Partners whose Interests were accepted for redemption. Alternatively, a subsequent increase in the valuation of a Sub-Fund's Investments could potentially disadvantage Limited Partners whose Interests were accepted for redemption to the benefit of remaining Limited Partners. Similarly, a subsequent decrease in the valuation of a Sub-Fund's Investments after a subscription could potentially disadvantage subscribing investors to the benefit of pre-existing Limited Partners, and a subsequent increase in the valuation of such Sub-Fund's Investments after a subscription could potentially disadvantage pre-existing Limited Partners to the benefit of subscribing investors. For more information regarding FLEX's calculation of its NAV, see Section V "*Calculation of NAV*" of this Prospectus and the relevant Sub-Fund's Annex.

FLEX cannot guarantee the amount or frequency of distributions.

The amount of distributions that FLEX may pay is uncertain, as it is uncertain as to when profits, if any, will be realized. FLEX expects to pay distributions out of assets legally available for distribution from time to time, at the sole discretion of the General Partner or its delegates. See Section VII "*Distributions*" of this Prospectus and the relevant Sub-Fund's Annex. Nevertheless, FLEX cannot assure Limited Partners that any Sub-Fund will achieve investment results that will allow FLEX to make a specified level of cash distributions or year-to-year increases in cash distributions. FLEX's ability to pay distributions may be adversely affected by the impact of the risks described in this Prospectus. All distributions will depend on each Sub-Fund's earnings, its net investment income, its financial condition, and such other factors as the General Partner or its delegates may deem relevant from time to time.

FLEX cannot guarantee that it will make distributions. FLEX may finance its cash distributions to Limited Partners from any sources of funds available to FLEX, including subscription proceeds, borrowings, net investment income from operations, capital gains proceeds from the sale of assets (including fund investments), non-capital gains proceeds from the sale of assets (including fund investments), dividends or other distributions paid to a Sub-Fund on account of preferred and common equity investments by such Sub-Fund in Portfolio Funds and/or Co-Investments and expense reimbursements from the Investment Managers. FLEX has not established limits on the amount of funds FLEX may use from available sources to make distributions.

The repayment of any amounts owed to the Investment Managers or their affiliates will reduce future distributions to which the Limited Partners would otherwise be entitled. Furthermore, the expenses of operating each Sub-Fund (including the Management Fee) may exceed its income, thereby requiring that the difference be paid from such Sub-Fund's NAV.

The overall performance of FLEX may vary depending on the type of Class of Interests and the timing of a Limited Partner's subscription, subsequent subscription and/or redemption.

Performance for individual Limited Partners may vary from FLEX's overall performance as a result of the timing of a Limited Partner's admission (including automatic reinvestment for Accumulation Interest Classes) to FLEX, the redemption or increase of any part of a Limited Partner's participation in FLEX and the Class of Interests in which they invest (including as a result of different Management Fees, Performance Participation Allocations, Subscription Fees, Servicing Fees and currency fluctuations).

Additional subscriptions will dilute the voting interest of existing Limited Partners.

FLEX intends to accept additional subscriptions for Interests, and such subscriptions will dilute the voting interest of existing Limited Partners in the relevant Sub-Fund. Additional subscriptions will also dilute the indirect interests of existing Limited Partners in such Sub-Fund's Investments prior to such purchases, which could have an adverse impact on the existing Limited Partners' interests in the Sub-Fund if subsequent Investments underperform the prior Investments.

FLEX and certain service providers may have access to Limited Partners' personal information.

The Investment Managers, the Auditor, the AIFM, the Depositary, the Central Administration and other service providers to FLEX may receive and have access to personal data relating to Limited Partners, including information contained in a prospective investor's subscription documents and arising from a Limited Partner's business relationship with FLEX and the Investment Managers. Such information may be stored, modified, processed or used in any other way, subject to applicable laws, by FLEX, the Investment Managers and by FLEX's other service providers and their agents, delegates, sub-delegates and certain third parties in any country in which such person conducts business. Subject to applicable law, Limited Partners may have rights in respect of their personal data, including a right to access and rectification of their personal data and may in some circumstances have a right to object to the processing of their personal data.

Franklin Templeton, Lexington and their affiliates manage funds and accounts with similar strategies and objectives to FLEX.

The Investment Managers and other affiliates of the Franklin Templeton Group or the Lexington Group are investment advisers to various clients for whom they make investments which may be of the same type as FLEX. The Investment Managers and other affiliates of the Franklin Templeton Group or the Lexington Group also may agree to act as investment adviser to additional clients that make private investments of the same type as FLEX. In addition, Investment Managers will be permitted to organize other pooled investment vehicles with principal investment objectives different from those of FLEX. It is possible that a particular investment opportunity would be a suitable investment for FLEX and such clients or pooled investment vehicles. See "*Potential Conflicts of Interest*" herein.

FLEX may be subject to leverage risk.

Unless otherwise provided in the relevant Sub-Fund's Annex, each Sub-Fund may incur substantial leverage to finance the operations of FLEX and such Sub-Fund's Investments. The use of leverage creates an opportunity for increased Interest gains, but also creates risks for Limited Partners. FLEX cannot assure Limited Partners that the use of leverage, if employed, will benefit the Interests. Any leveraging strategy FLEX employs may not be successful. Leverage involves risks and special considerations for Limited Partners, including:

- the likelihood of greater volatility of NAV of the Interests than a comparable portfolio without leverage;
- the risk that fluctuations in interest rates or dividend rates on any leverage that FLEX must pay will reduce the return to Limited Partners;
- the effect of leverage in a declining market, which is likely to cause a greater decline in the NAV of the Interests than if FLEX were not leveraged; and
- leverage may increase operating costs, which may reduce total return.

Any decline in the NAV of a Sub-Fund's Investments will be borne entirely by the Limited Partners in such Sub-Fund. Therefore, if the market value of a Sub-Fund's portfolio declines, leverage will result in a greater decrease in NAV to Limited Partners in such Sub-Fund than if such Sub-Fund were not leveraged. While FLEX may from time to time consider reducing any outstanding leverage in response to actual or anticipated changes in interest rates in an effort to mitigate the increased volatility of current income and NAV associated with leverage, there can be no assurance that FLEX will actually reduce any outstanding leverage in the future or that any reduction, if undertaken, will benefit Limited Partners. Changes in the future direction of interest rates are very difficult to predict accurately. If FLEX were to reduce any outstanding leverage based on a prediction about future changes to interest rates, and that prediction turned out to be incorrect, the reduction in any outstanding leverage may reduce the income and/or total returns to Limited Partners relative to the circumstance where FLEX had not reduced any of its outstanding leverage.

Moreover, any rise in interest rates may significantly increase the interest expense of an Investment, a Portfolio Fund or a portfolio company of a Portfolio Fund, causing losses and/or the inability to service its debt obligations. If an Investment, a Portfolio Fund or a portfolio company of a Portfolio Fund cannot generate adequate cash flow to meet debt obligations, FLEX may suffer a partial or total loss of capital invested in the Investment, the Portfolio Fund or indirectly in the portfolio company of a Portfolio Fund. In addition, the amount of leverage used to finance an Investment may fluctuate over the life of an Investment.

Certain types of leverage used by FLEX may result in a Sub-Fund being subject to covenants relating to asset coverage and portfolio composition requirements in addition to the burden of debt service and other costs associated with financings, such as extension, amendment, waiver and other fees that may become payable to lenders, which may limit flexibility in responding to changing business and economic conditions. For example, leveraged entities may be subject to restrictions on making interest payments and other distributions. Leverage at a Portfolio Fund or a portfolio company of a Portfolio Fund may impair such company's ability to finance its future operations and capital needs. FLEX may also be subject to certain restrictions on investments imposed by guidelines of one or more rating agencies, which may issue ratings for the short-term corporate debt securities or preferred shares issued by FLEX. The Investment Managers do not believe that these covenants or guidelines will impede them from managing each Sub-Fund's portfolio in accordance with such Sub-Fund's investment objective, strategy and policies.

FLEX expects to incur indebtedness and enter into guarantees and other credit support arrangements, including the grant of security over any and all of its assets (including, without limitation, over Debt and Other Securities), or incur any other obligations in connection with the relevant Sub-Funds' investment activities, for any proper purpose, including, without limitation, to fund Investments, cover Organizational and Offering Expenses and Operating Expenses, provide permanent financing or refinancing, provide cash and other types of collateral to secure outstanding letters of credit, provide funds for distributions to Limited Partners, and to fund redemptions. Borrowings and guarantees by FLEX may be deal-by-deal or on a portfolio basis, and may be on a joint, several, joint and several or cross-collateralized basis (which may be on an Investment-by-Investment or portfolio wide basis), Feeder Entities, Parallel Entities, Other Lexington Vehicles, joint venture partners and managers of such joint venture partners (which may or may not be parties to the same credit facility or facilities as FLEX). Such arrangements will not necessarily impose joint and several obligations on such other vehicles that mirror the obligations of FLEX (e.g., FLEX may provide credit enhancement through recourse to assets outside of a loan pool, whereas other vehicles may not provide such enhancement). Obligations of FLEX due to the cross-collateralization of obligations with other investment vehicles, hedging transactions designed to reduce FLEX's exposure to currency fluctuations or other related risks, agreements with counterparties to defer purchase price payments and guarantees that become recourse to FLEX only under limited circumstances and any guarantee issued or pledge made by FLEX in respect of hedging or any deferred portion of transaction consideration are permitted but not counted against FLEX's leverage limitations. The interest expense of any such borrowings will generally be allocated among FLEX and such other vehicles or funds *pro rata* (and therefore indirectly to the Limited Partners *pro rata*) based on principal amount outstanding, but other fees and expenses, including upfront fees and origination costs, could be allocated by a different methodology, including entirely to FLEX at the discretion of the General Partner or its delegates.

In addition, only FLEX's *pro rata* share (based on the amounts invested in a Portfolio Investment, or to be invested in a Portfolio Investment) of any joint and several or cross-collateralized indebtedness obligations will be counted for purposes of FLEX's leverage limitations, and while, under such arrangements, FLEX may ultimately be obligated for more than its *pro rata* share, such excess amounts will not be counted for purposes of FLEX's leverage limitations. Moreover, only indebtedness obligations that are recourse to FLEX shall be counted towards FLEX's leverage limitations. As noted herein, from time to time, counterparties to transactions in which FLEX participates (including lenders) may require FLEX to, and as a result FLEX will, guarantee, or otherwise be liable for, the obligations of Other Lexington Vehicles and accounts (including Feeder Entities, Parallel Entities and Other Lexington Vehicles) participating in such transactions. FLEX could lose its interests in performing Investments in the event such performing Investments are cross-collateralized with poorly performing or non-performing Investments of FLEX and such other vehicles. Cross-guarantees would typically result in FLEX being solely liable with respect to its own and any other relevant vehicle's share of the applicable obligation and would require FLEX to contribute amounts in excess of its *pro rata* share, including additional capital to make up for any shortfall if such other relevant vehicle is unable to repay its *pro rata* share of such indebtedness. In such situations it is not expected that FLEX would be compensated for being primarily liable for such obligations.

Borrowings under any such facilities (and expenses related thereto) may initially be made with respect to an investment opportunity based on preliminary allocations to FLEX and/or Other Lexington Vehicles, and such preliminary allocations may be subject to change and may not take into account excuse rights (where relevant), investment limits, differences among the relevant entities, and other considerations. Although the Investment Managers will seek to use leverage in a manner it believes is appropriate, the use of leverage involves a high degree of financial risk.

By executing an application form with respect to FLEX, Limited Partners will be deemed to have acknowledged and consented to the Investment Managers causing FLEX to enter into one or more credit facilities or other similar fund-level borrowing arrangements.

The aggregate amount of borrowings by FLEX are subject to certain limits (as more fully set forth in the relevant Annex in respect of each applicable Sub-Fund). These limits do not include leverage on Investments (including Investments alongside Other Lexington Vehicles), even though leverage at such entities could increase the risk of loss on such Investments. The limits also do not apply to guarantees of indebtedness, even though FLEX may be obligated to fully fund such guarantees or other related liabilities that are not indebtedness for borrowed money. There can be no assurance that the limits described herein are appropriate in all circumstances and would not expose FLEX to financial risks. FLEX may be required to make contingent funding commitments or guarantees to its Investments and to provide other credit support arrangements in connection therewith. Such credit support may take the form of a guarantee, a letter of credit or other forms of promise to provide funding. Such credit support may result in fees, expenses and interest costs to FLEX, which could adversely impact the results of FLEX.

To finance Investments, FLEX may securitize or otherwise restructure or repackage some or all of its Investments and/or other assets on an individual or cross-collateralized basis with other investments and/or assets held by FLEX and/or Other Lexington Vehicles. This would typically involve FLEX creating one or more investment or holding vehicles, contributing assets to such vehicle or a related entity, and issuing debt or preferred equity interests in such entity or having such entity make borrowings or incur other indebtedness or engaging in such transactions with existing holding or other investment vehicles. To the extent such arrangements are entered into by any such vehicle or entity (and not FLEX itself), such arrangements will not be subject to the limits on borrowings or other indebtedness (or any limits on issuing additional interests) by FLEX that are set forth in the relevant Sub-Fund Annex and will not be treated as a single Investment for purposes of the investment limitations set forth in such relevant Sub-Fund Annex. In connection with the foregoing, distributions from one Investment may be used to pay interest and/or principal (or the equivalent amounts regarding preferred securities) or other obligations.

If FLEX were to utilize one or more of such investment vehicles for any such purpose, the Limited Partners would be exposed to risks associated with FLEX's interest in such Investments and/or other assets. For example, in the event that the value of such Investment were to meaningfully deteriorate, there could be a margin call on FLEX's facility, in response to the decrease in the collateral value. A decline in the value of such Investment could also result in increased costs of borrowing for FLEX as a whole. Limited Partners may also have an interest in certain Investments that is disproportionate to their exposure to leverage through cross-collateralization on other Investments. Similar circumstances could arise in a situation where FLEX and a co-invest vehicle participate in borrowings that experience a margin call, and the co-invest vehicle's investors already have funded their full commitments to such vehicle and accordingly have the option (and not the obligation) to fund additional amounts or otherwise be diluted by FLEX and/or Other Lexington Vehicles. In addition, if FLEX does not participate in an investment, through cross-collateralization, FLEX may nevertheless be indirectly exposed to risks associated with leverage on investments made by Other Lexington Vehicles in which FLEX is not invested and distributions from unrelated investments may be used to satisfy obligations with respect to such investment, in which case the Limited Partners may receive such proceeds later than they otherwise would have, in a reduced amount, or not at all. The Limited Partners and/or FLEX may also have an interest in certain Investments that is disproportionate to their exposure to leverage through cross-collateralization on other Investments.

In addition, FLEX would depend on distributions from an investment vehicle's assets out of its earnings and cash flows to enable FLEX to make distributions to Limited Partners. The ability of such an investment vehicle to make distributions will be subject to various limitations, including the terms and covenants of the debt/preferred equity it incurs. For example, tests (based on interest coverage or other financial ratios or other criteria) may restrict FLEX's ability, as the holder of an investment vehicle's common equity interests, to receive cash flow from these investments. There is no assurance any such performance tests will be satisfied. Also, an investment vehicle may take actions that delay distributions in order to preserve ratings and to keep the cost of present and future financings lower or be required to prepay all or a portion of its cash flows to pay outstanding obligations to credit parties. As a result, there may be a lag, which could be significant, between the repayment or other realization from, and the distribution of cash out of, such an investment vehicle, or cash flow may be completely restricted for the life of the relevant investment vehicle. To the extent any such investment vehicle defaults in its obligations to any credit parties, such credit parties may be entitled to foreclose on any collateral pledged by the applicable investment vehicle(s) and/or otherwise exercise rights and remedies as a creditor against the assets of any such investment vehicle(s), which could result in a loss of all or a part of FLEX's interest in any applicable investment and/or distributions therefrom.

FLEX expects that the terms of the financing that any investment vehicles enter into will generally provide that the principal amount of assets must exceed the principal balance or market value of the related debt/preferred equity by a certain amount, commonly referred to as "over-collateralization." FLEX anticipates that the financing terms may provide that, if certain delinquencies and/or losses exceed specified levels, the required level of over-collateralization may be increased or may be prevented from decreasing as would otherwise be permitted if losses or delinquencies did not exceed those levels. Failure to obtain favorable terms with regard to over-collateralization may materially and adversely affect the liquidity of FLEX. If assets held by such investment vehicles fail to perform as anticipated, their over-collateralization or other credit enhancement expenses may increase, resulting in a reduction in income and cash flow to FLEX from these investment vehicles.

In addition, a decline in the quality of assets in an investment vehicle due to poor operating results of the relevant issuer, declines in the value of collateral (whether due to poor operating results or economic conditions), among other things, may force an investment vehicle to sell certain assets at a loss, reducing their earnings and, in turn, cash potentially available for distribution to FLEX for distribution to the Limited Partners, or in certain cases a margin call or mandatory prepayment may be triggered by such perceived decrease in value which may require a large amount of funding on short notice.

The use of margin borrowings results in certain additional risks to FLEX. For example, such margin financing arrangements secured by a pledge of equity of a Portfolio Company or a Portfolio Fund and its portfolio companies are not necessarily treated as borrowings incurred by FLEX to the extent not recourse to FLEX for purposes of determining FLEX's compliance with the limitations on leverage set forth in the relevant Sub-Fund Annex. For example, should the securities pledged to brokers to secure FLEX's margin accounts decline in value, FLEX could be subject to a "margin call," pursuant to which FLEX must either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of FLEX's assets, FLEX might not be able to liquidate assets quickly enough to satisfy its margin requirements.

The equity interests that FLEX will hold in such an investment vehicle will not be secured by the assets of the investment vehicle, and FLEX will rank behind all known or unknown creditors and other stakeholders, whether secured or unsecured, of the investment vehicle. To the extent that any losses are incurred by the investment vehicle in respect of any collateral, such losses will be borne first by FLEX as owner of common equity interests.

FLEX may make in-kind distributions to Limited Partners that are not marketable or otherwise illiquid.

FLEX may be permitted to distribute securities and other assets to Limited Partners that are not marketable or are otherwise illiquid, as set out in the relevant Sub-Fund Annex. The risk of loss and delay in liquidating such assets will be borne by the Limited Partners, with the result that Limited Partners could receive less cash than was reflected in the fair value of such assets as set out in the relevant Sub-Fund Annex. In addition, when Investments are distributed to Limited Partners in kind, such Limited Partners could then become minority Limited Partners in, or lenders to, the Portfolio Investments and might be unable to protect their interests effectively. The ability of the Limited Partners to liquidate positions in such Portfolio Investments may be subject to transfer restrictions, and Limited Partners must be prepared to hold such positions for an extended period of time. The value of these Portfolio Investments may increase or decrease before such Portfolio Investments are sold, and the Limited Partner will incur transactions costs in connection with the sale of any such Portfolio Investment. In addition, in certain circumstances, FLEX could elect to receive an in-kind distribution in lieu of a cash distribution with respect to carried interest or other amounts distributable to Lexington or Franklin Templeton, which will result in a conflict of interests (see "*Potential Conflicts of Interest*" herein).

In the event that any in-kind distributions are made, the independent auditor of FLEX shall establish a report to value the in-kind distribution. The risk of loss and delay in liquidating in-kind distributions will be borne by the Limited Partner, with the result that such Limited Partner may ultimately receive less cash than it would have received if it had been paid in cash.

Investors in Parallel Entities may have differential returns compared to the Limited Partners.

In addition to FLEX, Lexington or Franklin Templeton may from time to time form additional Parallel Entities, which may similarly be subject to different legal, tax, regulatory, accounting, administrative, or other requirements that could impact FLEX and its Portfolio Investments in a manner that otherwise would not have been the case if such Parallel Entities had not been formed. As a result of the foregoing, the returns of a Parallel Entity may differ materially from the returns of FLEX, and Limited Partners subscribing to different entities comprising FLEX may receive unequal returns and profits.

FLEX's expenses may be substantial and reduce the actual returns realized by a Limited Partner.

FLEX will pay and bear all expenses related to its operations (and any FLEX Entity's) investments and operations. See Sub-Section 7 "*Operating Expenses*" of Section VI "*Fees and Expenses of FLEX*" of this and the relevant Sub-Funds' Annex for further details. The amount of such expenses will be substantial and will reduce the actual returns realized by a Limited Partner on its investment in FLEX (and have the potential to, in certain circumstances, reduce the amount of capital available to be deployed by FLEX in Investments). FLEX's expenses include recurring and regular items, as well as extraordinary expenses for which it may be hard to budget or forecast. As a result, the amount of FLEX's expenses ultimately expensed at any one time may exceed expectations.

The limited liability of the Limited Partners is subject to certain exceptions.

FLEX Master was established as a Luxembourg special limited partnership (*société en commandite spéciale*) in accordance with the 1915 Law and qualifies as a multi-compartment Luxembourg investment company with variable capital (*société d'investissement à capital variable*) governed by the 2010 Law.

Generally, a Limited Partner should not be personally liable for the debts of FLEX except that, in the event FLEX is otherwise unable to meet its obligations, the Limited Partners may, under applicable law, be obligated to repay amounts previously received by them to the extent such amounts are deemed to have been wrongfully distributed to them, in accordance with Luxembourg law. In addition, Limited Partner's contributions to FLEX Master are susceptible to risk of loss as a result of any liability of FLEX irrespective of whether such liability is attributable to an investment to which such Limited Partner did not directly contribute any capital.

Determination of the NAV is subject to certain limitations.

The Central Administration's determination, under the oversight of the AIFM, of each Sub-Fund's monthly NAV per Interest will be based in part on the latest valuation of each of its Investments, as adjusted each month to incorporate the latest available financial data for such Investments, including any cash flow activity related to such Investments. As a result, each Sub-Fund's published NAV per Interest in any given month may not fully reflect any or all changes in value that may have occurred since the most recent quarterly valuation.

The NAV per Interest will be determined based on the information available to the Central Administration and the AIFM as of the applicable Valuation Date and, as such, may not reflect information subsequently received in connection with the preparation of any financial statements delivered to the Limited Partners. As a result, the subscription price and redemption price for a given Valuation Date may differ from the ultimate determination made regarding the value of FLEX Master's assets as of such Valuation Date. FLEX Master will not retroactively adjust any subscription price or redemption price to reflect amounts subsequently reported in any financial statements.

If the NAV per Interest is overvalued or undervalued relative to the actual value of the assets, redeeming Limited Partners may receive a redemption price that is too high or low, respectively, and new investors may pay a subscription price that is too high or low, respectively, and could result in dilution of existing Limited Partners. Generally, neither redeeming Limited Partners nor remaining Limited Partners will have any recourse against FLEX Master, the Investment Managers or any of their respective affiliates if information available after a Valuation Date indicates that a prior NAV per Interest was too overvalued or undervalued.

Due to the inherent uncertainty and the illiquid nature of the private capital investments, any valuation made of the NAV or any of the portfolio investments will be based on the AIFM's and the Investment Managers' good faith determination as to the fair value of those interests. There can be no assurance that valuations by the AIFM and the Investment Managers, underlying sponsors or third party valuation providers will be accurate or up-to-date, or that third-party pricing or valuations will be available.

In supporting the Central Administration in determining the NAV, the AIFM and Investment Managers may, but are not obligated to, monitor each Sub-Fund's Investments on an ongoing basis for events that the AIFM and Investment Managers believe may have a material impact on each Sub-Fund's NAV as a whole. Material events may include investment-specific events or broader market-driven events which may impact more than one specific investment. Upon the occurrence of such a material event and provided that each of the AIFM and Investment Managers is aware that such event has occurred, the AIFM or the Investment Managers may, but are not obligated to, provide an estimate of the change in value of the Investment, based on the valuation procedures of the applicable Sub-Fund, as described in the relevant Sub-Fund Annex. In addition to tracking the NAV plus related cash flows of each Sub-Fund's Investments, the AIFM and the Investment Managers, may, but are not obligated to, track relevant issuer-specific events or broader market-driven events that the AIFM or the Investment Managers believe may have a material impact on each Sub-Fund's NAV as a whole. Upon the occurrence of such a material event and provided that the AIFM or the Investment Managers are aware that such event has occurred, the AIFM and the Investment Managers may, but are not obligated to, make a corresponding adjustment to reflect the current fair value of such Investments, applying the valuation methodologies applicable Sub-Fund, as described in the relevant Sub-Fund Annex.

In general, each of the AIFM and the Investment Managers expects that any adjustments to fair values will be calculated after a determination that a material change has occurred and the financial effects of such change are quantifiable by the AIFM or the Investment Managers, as applicable. However, rapidly changing market conditions or material events may not be immediately reflected in each Sub-Fund's monthly NAV. As a result, the NAV per Interest may not reflect a material event until such time as sufficient information is available and analyzed, and the financial impact is fully evaluated, such that each Sub-Fund's NAV may be appropriately adjusted in accordance with the Valuation Procedures. Depending on the circumstances, the resulting potential disparity in each Sub-Fund's NAV may be in favor or to the detriment of either Limited Partners who redeem their Interests, or Limited Partners who buy new Interests, or existing Limited Partners. The methods used by the Central Administration, under the oversight of the AIFM, to calculate each Sub-Fund's NAV, including the components used in calculating each Sub-Fund's NAV, is not prescribed by rules of the CSSF, the SEC or any other regulatory agency. Further, there are no accounting rules or standards that prescribe which components should be used in calculating NAV, and each Sub-Fund's NAV is not audited by each Sub-Fund's independent registered public accounting firm. Each Sub-Fund calculates and publishes NAV solely for purposes of establishing the price at which such Sub-Fund sells and redeems Interests, and Limited Partners and prospective investors should not view such Sub-Fund's NAV as a measure of such Sub-Fund's historical or future financial condition or performance. The components and methodology used in calculating each Sub-Fund's NAV may differ from those used by other companies now or in the future.

In addition, calculations of each Sub-Fund's NAV, to the extent that they incorporate valuations of such Sub-Fund's assets and liabilities, may not be prepared in accordance with Luxembourg GAAP. These valuations may differ from liquidation values that could be realized in the event that the relevant Sub-Fund were forced to sell assets.

Additionally, errors may occur in calculating each Sub-Fund's NAV, which could impact the price at which the Sub-Fund's sells and redeems its Interests, the amount of the Management Fee and the Performance Participation Allocation (if any). The AIFM has implemented certain policies and procedures to address and remedy such errors in NAV calculations. If such errors were to occur, the AIFM, depending on the circumstances surrounding each error and the extent of any impact the error has on the price at which Interests were sold or redeemed or on the amount of the Management Fee and the Performance Participation Allocation (if any), may determine in its sole discretion to take certain corrective actions in response to such errors, including, subject to the Franklin Templeton

Group's policies and procedures, making adjustments to prior NAV calculations. Limited Partners should carefully review the disclosure of the Valuation Procedures and how NAV will be calculated, as described in Section V "*Calculation of NAV*" and in the relevant Sub-Fund Annex.

Limited Partners should recognize that valuations of illiquid assets involve various judgements and consideration of factors that may be subjective. As a result, the NAV per Interest calculations, as determined based on the fair value of the investments used by the AIFM and the Investment Managers, may vary from the prices at which such investments are ultimately sold.

Prospective investors and Limited Partners must rely upon their own examination of, and ability to understand, the terms of investment in, and redemption out of, FLEX Master, including the valuation process involved, in making a decision to invest in, or redeem out of FLEX Master.

The NAV may be suspended in certain circumstances.

A suspension of the NAV may occur under the circumstances set forth in this Prospectus, which would suspend FLEX's subscription and redemption program and therefore FLEX's active investment activities. Upon the occurrence of a suspension of the NAV, there can be no assurance that such suspension will not become permanent. A temporary or permanent suspension of FLEX's active investment activities could have a material adverse effect on the performance of FLEX and its ability to achieve its investment objectives.

Prohibited Person may be required by the General Partner to withdraw from FLEX.

Under the Partnership Agreement and this Prospectus, the General Partner may require a Prohibited Person to withdraw from FLEX. Such Prohibited Person may not recover its initial investment upon compulsory withdrawal. The withdrawal price will be as specified in the relevant Sub-Fund Annex. There can be no assurance that the valuation of portfolio investments described in this Prospectus will accurately predict the amount realized by FLEX in a sale or disposition of such portfolio investments. As such, it is possible that at the time of such compulsory withdrawal, such portfolio investments may be valued at a price that is lower than the price at which such portfolio investments are ultimately sold or disposed.

Limited Partners do not participate in the management of FLEX Master, and the General Partner may make decisions on behalf of FLEX Master without Limited Partner approval.

Limited Partners have no authority to make decisions or to exercise business discretion on behalf of FLEX. FLEX Master is under the administration and management of the General Partner, and control over the selection, structuring, execution and operation of Investments, including the negotiation of investment terms and legal documentation, will be vested entirely by the Investment Managers. As a result, FLEX's ability to implement its investment strategy and achieve its investment objectives will depend largely upon the investment and business acumen of the Investment Managers' investment professionals. Limited Partners do not participate in the administration or management of FLEX Master and/or its Investments and will have no opportunity to (1) evaluate for themselves the merits of particular Investments prior to FLEX making commitments in respect thereof, or (2) control the day-to-day operation, including investment and divestment decisions, of FLEX.

Risks of Investing in Private Assets.

FLEX and the Portfolio Funds are subject to general investment risks.

There is no assurance the Sub-Funds will achieve their respective investment objective and strategy. There is also no assurance that the Portfolio Fund Manager(s) will be successful in choosing, making and realizing investments in any Portfolio Fund, Co-Investment or operating company or portfolio of companies. Additionally, there can be no assurance that the Sub-Funds will be able to generate returns for their respective Limited Partners or that Limited Partners will receive any distribution from the relevant Sub-Funds. All investments involve the risk of loss of capital. Accordingly, an investment in FLEX should only be considered by persons for whom a speculative, illiquid, and long-term investment is an appropriate component of a larger investment program and who can afford a loss of their entire investment. The value of an interest in FLEX can fluctuate and may go down as well as up. Investments carry a relatively high degree of risk owing to the business and financial uncertainties facing individual issuers. Changes in economic and regulatory conditions, including, for example, interest rates, trends, tax laws and many other factors, can affect substantially and adversely the business and prospects of any or all of the Investments. None of these conditions are within the control of the Investment Managers, the AIFM or the General Partner.

FLEX and the Portfolio Funds are subject to risks associated with the use of financial projections.

Estimates or projections of market conditions, prices, and supply and demand dynamics are key factors in evaluating potential investment opportunities and valuing the Sub-Funds' investments and related assets. These estimates are subject to wide variances based on changes in market conditions, underlying assumptions, commodity prices, and technical or investment-related assumptions. The Investment Managers will generally evaluate investment opportunities on the basis of financial projections. Projected operating results of specific investments will often be based on the judgments by the management of the underlying portfolio company. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General economic conditions, which are not predictable, can have a material adverse impact on the reliability of such projections.

FLEX will rely on third-party sponsors.

FLEX expects that the Sub-Funds will invest in third party-sponsored Portfolio Funds. FLEX will not have an active role in the management of such funds or their portfolio investments and therefore will not have the opportunity to evaluate the specific investments made by any such fund after the date of investment by the relevant Sub-Funds. Moreover, the Sub-Funds will likely not be able to dispose of their respective Investment in any such fund despite poor performance. The returns of each Sub-Fund will depend significantly on the performance of these unrelated sponsors and could be substantially adversely affected by their poor performance. Additionally, the Investment Managers will generally not be in a position to change an unrelated sponsor's approach. Similarly, the Investment Managers will typically not be able to negotiate the level of any fee offsets and will not be responsible for determining whether sponsors are correctly calculating fees or fee offsets. The Investment Managers may not always receive full information from sponsors because certain of this information may be considered proprietary. The lack of access to information may make it more difficult for the Investment Managers to select and evaluate potential Portfolio Investments and/or Co-Investments.

FLEX and the Portfolio Funds are subject to risks associated with inflation.

The U.S., European and other developed economies have recently begun to experience higher-than normal inflation rates. It remains uncertain whether substantial inflation in the U.S., European and other developed economies will be sustained over an extended period of time or have a significant effect on the U.S., European or other economies. Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets, particularly in emerging economies.

For example, if an underlying portfolio company of a Portfolio Fund is unable to increase its revenue in times of higher inflation, its profitability may be adversely affected. Underlying portfolio companies of the Portfolio Funds may have revenues linked to some extent to inflation, including, without limitation, by government regulations and contractual arrangement. As inflation rises, an underlying portfolio company may earn more revenue but may incur higher expenses. As inflation declines, an underlying portfolio company may not be able to reduce expenses commensurate with any resulting reduction in revenue. Furthermore, wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilize inflation, countries may impose wage and price controls or otherwise intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on FLEX returns.

Some countries have historically experienced substantial rates of inflation. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging economies, including regions where FLEX is expected to invest. There can be no assurance that continued and more wide-spread inflation in the U.S., European and/or other economies will not become a serious problem in the future and have a material adverse impact on FLEX's returns.

FLEX and the Portfolio Funds are subject to risks associated with general economic and market conditions.

The success of FLEX's activities will be affected by general economic and market conditions in the relevant economy (whether within or outside the U.S.), such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in applicable laws and regulations (including laws relating to taxation of each Sub-Fund's investments), trade barriers, currency exchange controls, continued technology disruption, tax reform or other significant policy changes as well as national and international political, environmental, and socioeconomic circumstances (including wars, terrorist acts, security operations or public health considerations) in respect of the countries in which a Sub-Fund may invest. These factors may affect the level and volatility of securities prices and the liquidity of the Portfolio Funds, which could impair such Sub-Fund's profitability or result in losses. In addition, general fluctuations in the market prices of securities and interest rates may affect each Sub-Fund's investment opportunities and the value of the Portfolio Funds. Each of the Investment Managers' financial condition may be adversely affected by a significant general economic downturn and may be subject to legal, regulatory, reputational, and other unforeseen risks that could have a material adverse effect on their businesses and operations, which could impact FLEX. Moreover, a recession, slowdown and/or sustained downturn in the U.S., European or global economy (or any particular segment thereof) or weakening of credit markets may (i) adversely affect such Sub-Fund's profitability, (ii) impede the ability of the Portfolio Funds to perform, (iii) impair such Sub-Fund's ability to effectively exit the Portfolio Funds on favorable terms and (iv) have an adverse impact on the availability of credit to business generally, which in turn may have an adverse impact on the business and operations of FLEX. In addition, rapid changes in inflation could have a negative effect on the performance of FLEX. Any of the foregoing events could result in substantial or total losses to FLEX in respect of certain Portfolio Funds, which losses will likely be exacerbated if FLEX chooses to establish a credit facility or use other leverage at FLEX's level or at the individual investment level. Any market turmoil, coupled with the threat of an economic slow-down, as well as a perceived increase in counterparty default risk, may have an adverse impact on the availability of credit to businesses generally or which otherwise may have an adverse impact on the business and operations of FLEX, restrict each Sub-Fund's investment activities, and/or impede the relevant Sub-Fund's ability to effectively achieve its investment objective. In addition, economic problems in a single country are increasingly affecting other markets and economies. A continuation of this trend could adversely affect global economic conditions and world markets and, in turn, could adversely affect FLEX's performance. Investment results may vary substantially on a monthly, quarterly or annual basis. The impact of global market conditions on performance is uncertain, and future results may be lower than reported as of the date hereof.

The public markets are, as of the date of this Prospectus, experiencing significant volatility and many observers believe a global economic downturn or recession is possible. The extent and duration of such environment, to the private equity industry and global markets as a whole, is unknown as of the date of this Prospectus. For this reason, valuations in this environment are subject to heightened uncertainty and subject to numerous subjective judgments, any or all of which could turn out to be incorrect with the benefit of hindsight. Furthermore, traditional valuation approaches that have been used historically may need to be modified in order to effectively capture fair value of private investments in the midst of significant volatility or market dislocation.

If, due to extraordinary market conditions or other reasons, FLEX and other private investment funds managed by the Investment Managers or their affiliates were to incur substantial losses, the revenues of the Investment Managers and their affiliates would decline substantially. Such losses may hamper the Investment Managers' and their affiliates' ability to (i) retain employees and (ii) provide the same level of service to FLEX as it has in the past.

FLEX's strategy involves investments in "undervalued" assets.

FLEX's investment strategy is based, in part, upon the premise that certain potential investments may be available for purchase by FLEX at "undervalued" prices. However, purchasing interests at what may appear to be "undervalued" or "discounted" levels is no guarantee that these investments will generate attractive risk-adjusted returns to FLEX, and such investments may be subject to further reductions in value. No assurance can be given that investments can be acquired at favorable prices or that the market for such interests will continue to improve. In addition, the Performance Participation Allocation structure of the relevant Sub-Fund(s) could create an incentive to buy assets with steep discounts compared to their sponsor's valuation of such assets.

The Investment Managers' due diligence process may entail evaluation of important and complex issues and may require outside consultants.

Before making an investment in a Portfolio Fund, the Investment Managers will typically conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to such investment. Due diligence generally entails evaluation of important and complex business, financial, tax, accounting, environmental, social, government, compliance and legal issues. Outside consultants, legal advisors, appraisers, accountants, investment banks, other third parties, and the private equity sponsors themselves often are involved in the sourcing and due diligence process and/or the ongoing operation of the Sub-Funds' investments to varying degrees depending on the type of investment. Such involvement of third-party advisors or consultants presents a number of risks, including that the Investment Managers have reduced control of the functions that are outsourced. In addition, if the Investment Managers are unable to timely engage third-party providers, FLEX's ability to evaluate and acquire more complex targets could be adversely affected. When conducting due diligence and making an assessment regarding an investment in an underlying fund, the Investment Managers will rely on the resources available to it, including information provided by the target of the investment and, in some circumstances, third-party investigations. Representations made by a counterparty could be inaccurate, and the third-party investigations may not uncover risks. The due diligence investigation that the Investment Managers carry out with respect to any investment opportunity may not reveal or highlight all relevant facts that are necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful. Conduct occurring at the funds and operating companies in which the Investment Managers invest, even activities that occurred prior to FLEX's investment therein, could have an adverse impact on FLEX. In circumstances where the Investment Managers access non-public confidential information, there is a possibility that certain trading restrictions would apply to the Investment Managers and its affiliates, which may affect FLEX's ability to transact.

In addition, at times, FLEX's investment opportunities will require rapid execution, and investment analyses and decisions by the Investment Managers frequently will be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the Investment Managers at the time an investment decision is made can be limited, and the Investment Managers at times will not have access to detailed information regarding the investment. Therefore, no assurance can be given that the Investment Managers will have knowledge of all circumstances that could adversely affect an investment. In addition, the Investment Managers will from time to time involve independent consultants in connection with their evaluation or diligence of certain proposed investments. No assurance can be given as to the accuracy or completeness of the information provided by such independent consultants and FLEX may incur liability as a result of such consultants' actions.

Secondary investments are highly illiquid and typically subject to significant transfer restrictions.

Limited partnership interests or other interests in which FLEX seeks to invest are highly illiquid and typically subject to significant transfer restrictions, including approval requirements from the underlying fund's Portfolio Fund Manager in its sole discretion and rights of first refusal in favor of other investors. Completion of transfers is often time-consuming and difficult. There can be no assurance that FLEX will be successful in closing on acquisitions of secondary interests, even in situations where it has signed a binding contract to acquire the investments.

FLEX will generally hold non-controlling interests in its Portfolio Funds or Co-Investments.

FLEX expects that the Sub-Funds will generally hold non-controlling interests in its Portfolio Funds or Co-Investments. A Sub-Fund may have a limited ability to protect their position in such Portfolio Funds or Co-Investments (other than by exercise of those rights afforded to limited partners). Such Sub-Fund may make investments with other third parties through acquisition vehicles, joint ventures, or other entities. A Sub-Fund may co-invest with third parties through consortiums of private equity investors, joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-venturer may have financial, legal, or regulatory difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the relevant Sub-Fund, or may be in a position to take (or block) action in a manner contrary to such Sub-Fund's investment objectives. In addition, a Sub-Fund may in certain circumstances be liable for the actions of its third-party co-venturers.

FLEX will have access to confidential information.

FLEX will likely have access to or acquire confidential information relating to its Investments. FLEX will likely limit the information reported to its investors with respect to such Investments.

FLEX may incur Broken Deal Expenses in connection with its Investments.

Investments in secondaries generally often require extensive due diligence activities prior to acquisition, including legal costs, and FLEX may incur Broken Deal Expenses in developing, negotiating, and structuring prospective or potential Portfolio Investments or Co-Investments, which are not consummated. If a proposed Investment by FLEX is not consummated, all or a portion of such expenses (for example, but not limited to, expenses attributable to investment bankers, legal and tax advice and consultants), which may be significant, may be borne by FLEX. In addition, co investors (including committed co investment vehicles) may not bear their share of Broken Deal Expenses (including, without limitation, commitment fees, legal, tax, accounting, travel and entertainment, advisory, consulting, and printing expenses and any liquidated damages, reverse termination fees, or similar payments) for unconsummated transactions, and in such instances such costs and expenses may be borne by FLEX and indirectly by its Limited Partners.

Investors in Parallel Entities may have differential returns compared to the Limited Partners.

In addition to FLEX, Franklin Templeton and Lexington may from time to time form additional Parallel Entities, which may similarly be subject to different legal, tax, regulatory, accounting, administrative, or other requirements that could impact the relevant Sub-Fund and its Portfolio Investments in a manner that otherwise would not have been the case if such Parallel Entities had not been formed. As a result of the foregoing, the returns of a Parallel Entity may differ materially from the returns of the relevant Sub-Funds, and Limited Partners subscribing to different entities comprising FLEX may receive unequal returns and profits.

Less information may be available with respect to private company investments and such investments offer limited liquidity.

Private companies are generally not subject to regulatory and other public reporting requirements, are not required to maintain their accounting records in accordance with generally accepted accounting principles, and are not required to maintain effective internal controls over financial reporting. As a result, FLEX may not have timely or accurate information about the business, financial condition and results of operations of the private companies in which each Sub-Fund invests. There is risk that a Sub-Fund may invest on the basis of incomplete or inaccurate information, which may adversely affect such Sub-Fund's investment performance. Private companies in which a Sub-Fund may invest may have limited financial resources, shorter operating histories, more asset concentration risk, narrower product lines and smaller market shares than larger businesses, which tend to render such private companies more vulnerable to competitors' actions and market conditions, as well as general economic downturns. These companies generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position. These companies may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity.

Typically, investments in private companies are in restricted securities that are not traded in public markets and subject to substantial holding periods, so that the relevant Sub-Fund may not be able to resell some of its holdings for extended periods, which may be several years. There can be no assurance that such Sub-Fund will be able to realize the value of private company investments in a timely manner.

Private investments are subject to general market risks.

The funds in which each Sub-Fund will invest may invest in portfolio companies that involve a high degree of business or financial risk. The portfolio companies may be start-ups or in an early stage of development, may be distressed or have operating losses or significant variations in operating results and may be engaged in a rapidly changing business with products subject to a substantial risk of obsolescence. The portfolio companies may also include companies that are experiencing, or are expected to experience, financial difficulties which may never be overcome. In addition, they may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or may otherwise have a weak financial condition. Portfolio companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and other capabilities and a larger number of qualified managerial and technical personnel.

Many portfolio companies may be highly leveraged, which may impair these companies' ability to finance their future operations and capital needs and which may result in restrictive financial and operating covenants. As a result, these companies' flexibility to respond to changing business and economic conditions may be limited. In addition, in the event that a company does not perform as anticipated or incurs unanticipated liabilities, high leverage will magnify the adverse effect on the value of the equity of the company and could result in substantial diminution in or the total loss of an equity investment in the company.

The day-to-day operations of each Portfolio Fund will be the responsibility of the Portfolio Fund Managers.

The day-to-day operations of each Portfolio Fund will be the responsibility of the Portfolio Fund Manager. Although the Investment Managers will be responsible for monitoring the performance of each Portfolio Fund, there can be no assurance that the existing management team, or any successor, will operate the company or fund, as the case may be, in accordance with FLEX's plans or expectations. Additionally, funds and companies need to attract, retain, and develop executives and members of their management teams. The market for executive talent can be, notwithstanding general unemployment levels or developments within a particular industry, extremely competitive. There can be no assurance that the Portfolio Funds will be able to attract, develop, integrate, and retain suitable members of their management teams and, as a result, FLEX may be adversely affected.

Competition for access to private equity investment opportunities is limited.

The activity of identifying, completing and realizing attractive secondary private investments is highly competitive, and involves a high degree of uncertainty. The availability of investment opportunities generally will be subject to market conditions. In particular, in light of changes in such conditions, including changes in long-term interest rates, certain types of investments may not be available to a Sub-Fund on terms that are as attractive as the terms on which opportunities were available to previous investment programs sponsored by Franklin Templeton and Lexington. Each Sub-Fund will be competing for investments with many other private equity investors, including, without limitation, other investment partnerships and corporations, business development companies, sovereign wealth funds, domestic and international public pension plans, individuals, financial institutions and other investors investing directly or through affiliates. Some of these competitors may have more relevant experience, greater financial and other resources and more personnel than the Investment Managers and FLEX. Further, over the past several years, an increasing number of secondary private funds have been formed (and many such existing funds have grown substantially in size). Additional funds with similar objectives may be formed in the future by other unrelated parties. Additionally, there continues to be a significant amount of capital available for secondary investments.

Consequently, it is possible that competition for appropriate investment opportunities will increase, thus reducing the number of investment opportunities available to FLEX and adversely affecting the terms upon which portfolio investments can be made. FLEX may incur bid, legal, due diligence and other costs on investments which may not be successful. As a result, FLEX may not recover all of its costs, which would adversely affect returns. Participation in auction transactions will also increase the pressure on FLEX with respect to pricing of the transaction. Investors will be dependent upon the judgment and ability of the Investment Managers in sourcing transactions and investing and managing the capital of FLEX.

The Investment Managers manage a number of registered investment companies which are regulated pursuant to the Investment Company Act (collectively, "**1940 Act Funds**"). Certain provisions of the Investment Company Act prohibit the 1940 Act Funds from engaging in transactions with Franklin Templeton, Lexington and their affiliates; however, non-1940 Act Funds also managed by the Investment Managers, Franklin Templeton or Lexington are not prohibited from the same transactions. Such 1940 Act Funds can invest alongside FLEX and other non-1940 Act Funds in certain circumstances when doing so is consistent with their investment strategy as well as applicable law and SEC staff interpretations. The 1940 Act Funds would likely participate alongside FLEX in many or most of its Portfolio Investments. The establishment of the 1940 Act Funds would likely result in FLEX participating in investment opportunities to a lesser extent than would otherwise be the case, or not at all. The 1940 Act Funds would be subject to laws and regulations that result in the 1940 Act Funds' terms differing materially from FLEX's (including with respect to investment advisory fees and other incentive compensation, which may be more favorable to investors therein than those available to Limited Partners in FLEX), and limit what it may invest in as compared to FLEX, and the 1940 Act Funds would be controlled by a majority-independent board. The foregoing may influence which investment opportunities the Investment Managers pursue, or the 1940 Act Funds may not participate in all Portfolio Investments alongside FLEX as a result of such laws and regulations, which will result in a greater share of such opportunities being allocated to FLEX. In addition, due to certain public disclosure requirements under applicable law, information related to FLEX and its investments may be made public that otherwise would not have been if the Investment Managers did not form the 1940 Act Funds. Conflicts may also arise if the 1940 Act Funds hold different securities in an issuer's capital structure to those held by FLEX or other non-1940 Act Funds. Franklin Templeton's and Lexington's ability to manage such conflicts could, in certain circumstances, be restricted by the Investment Company Act and applicable rules, regulations and SEC Staff interpretations.

FLEX is subject to the risks of its Portfolio Funds.

Investments in Portfolio Funds are subject to a number of risks. Portfolio Fund interests are expected to be illiquid, their marketability may be restricted and the realization of investments from them may take considerable time and/or be costly. Some of the Portfolio Funds in which the relevant Sub-Funds invests may have only limited operating histories. Although the Investment Managers will seek to receive detailed information from each Portfolio Fund regarding its business strategy and any performance history, in most cases the Investment Managers will have little or no means of independently verifying this information. In addition, Portfolio Funds may have little or no near-term cash flow available to distribute to investors, including FLEX. Due to the pattern of cash flows in Portfolio Funds and the illiquid nature of their investments, investors typically will see negative returns in the early stages of Portfolio Funds. Then as investments are able to realize liquidity events, such as a sale or initial public offering, positive returns will be realized if the Portfolio Fund's investments are successful.

Portfolio Fund interests are ordinarily valued based upon valuations provided by Portfolio Fund Manager, which may be received on a delayed basis. Certain securities in which the Portfolio Funds invest may not have a readily ascertainable market price and are fair valued by the Portfolio Fund Managers. A Portfolio Fund Manager may face a conflict of interest in valuing such securities because their values may have an impact on the Portfolio Fund Manager's compensation. The Investment Managers will review and perform due diligence on the valuation procedures used by each Portfolio Fund Manager and monitor the returns provided by the Portfolio Funds. However, neither the Investment Managers nor the General Partner are able to confirm the accuracy of valuations provided by Portfolio Fund Managers. Inaccurate valuations provided by Portfolio Funds could materially adversely affect the value of Interests.

FLEX will pay asset-based fees, and, in most cases, will be subject to performance-based fees in respect of its interests in Portfolio Funds. Such fees and performance-based compensation are in addition to the Management Fee. In addition, performance-based fees charged by Portfolio Fund Managers may create incentives for the Portfolio Fund Managers to make risky investments, and may be payable by the relevant Sub-Fund to a Portfolio Fund Manager based on a Portfolio Fund's positive returns even if such Sub-Fund's overall returns are negative.

Moreover, a Limited Partner will indirectly bear a proportionate share of the fees and expenses of the Portfolio Funds, in addition to its proportionate share of the expenses of FLEX. Thus, a Limited Partner in FLEX may be subject to higher operating expenses than if the Limited Partner invested in the Portfolio Funds directly. In addition, because of the deduction of the fees payable by FLEX to the Investment Managers and other expenses payable directly by FLEX from amounts distributed to FLEX by the Portfolio Funds, the returns to a Limited Partner will be lower than the returns to a direct investor in the Portfolio Funds. Fees and expenses of FLEX and the Portfolio Funds will generally be paid regardless of whether FLEX or Portfolio Funds produce positive investment returns. Limited Partners could avoid the additional level of fees and expenses of FLEX by investing directly with the Portfolio Funds, although access to many Portfolio Funds may be limited or unavailable, and may not be permitted for investors who do not meet the substantial minimum net worth and other criteria for direct investment in Portfolio Funds.

In some circumstances, due to regulatory implications under the 1940 Act or other laws, rules and regulations, 1940 Act Funds may not be able to participate in as many investments as the non-1940 Act Funds, and allocations of investments to FLEX, other non-1940 Act Funds and 1940 Act Funds pursuing a similar investment strategy may vary materially from investment to investment as a result of such regulatory considerations. FLEX and other non-1940 Act Funds could be precluded from acquiring an interest in certain Portfolio Funds if the 1940 Act Funds are participating. Similarly, there could be certain circumstances in which 1940 Act Funds and/or FLEX and other non-1940 Act Funds participate in the same transaction and, due to subsequent events, either the 1940 Act Funds or FLEX and other non-1940 Act Funds cannot participate in follow-on investments in the same issuer. In addition, FLEX's ability to invest may be affected by considerations under other laws, rules or regulations. Such regulatory restrictions, including those arising under the 1940 Act, may cause FLEX to invest in different Portfolio Funds or Co-Investments than other clients of the Investment Managers. If a Sub-Fund fails to satisfy capital calls to a Portfolio Fund in a timely manner, then generally, it will be subject to significant penalties, including the complete forfeiture of such Sub-Fund's Investments in the Portfolio Fund. Any failure by a Sub-Fund to make timely capital contributions may impair the ability of such Sub-Fund to pursue its investment program, cause the Sub-Fund to be subject to certain penalties from the Portfolio Funds or otherwise impair the value of the Investments.

The governing documents of a Portfolio Fund generally are expected to include provisions that would enable the Portfolio Fund Manager, or a majority in interest (or higher percentage) of its limited partners or members, under certain circumstances, to terminate the Portfolio Fund prior to the end of its stated term. Early termination of a Portfolio Fund in which a Sub-Fund is invested may result in such Sub-Fund having distributed to it a portfolio of immature and illiquid securities, or such Sub-Fund's inability to invest all of its capital as anticipated, either of which could have a material adverse effect on the performance of such Sub-Fund.

Although the relevant Sub-Fund will be an investor in a Portfolio Fund, Limited Partners will not themselves be equity holders of that Portfolio Fund and will not be entitled to enforce any rights directly against the Portfolio Fund or the Portfolio Fund Manager or assert claims directly against any Portfolio Funds, the Portfolio Fund Managers or their respective affiliates. Limited Partners will have no right to receive the information issued by the Portfolio Funds that may be available to the relevant Sub-Funds as investor in the Portfolio Funds. In addition, Portfolio Funds are generally not registered as investment companies under the Advisers Act. Therefore, FLEX, as an investor in Portfolio Funds, will not have the benefit of the protections afforded by the Advisers Act. Portfolio Fund Managers may not be registered as investment advisers under the Advisers Act, in which case FLEX, as an investor in Portfolio Funds managed by such Portfolio Fund Managers, will not have the benefit of certain of the protections afforded by the Investment Company Act.

FLEX may engage in an "over-commitment" strategy with respect to the commitments made in the Portfolio Funds, and proceeds from the Investments may be re-invested or otherwise "recycled".

Commitments to Portfolio Funds generally are not immediately invested. Instead, committed amounts are drawn down by Portfolio Funds and invested over time, as underlying investments are identified—a process that may take a period of several years, with limited ability to predict with precision the timing and amount of each Portfolio Fund's drawdowns. During this period, investments made early in a Portfolio Fund's life are often realized (generating distributions) even before the committed capital has been fully drawn. In addition, many Portfolio Funds do not draw down 100% of committed capital, and historic trends and practices can inform the Investment Managers as to when it can expect to no longer need to fund capital calls for a particular Portfolio Fund.

Accordingly, Sub-Funds may make investments and commitments based, in part, on anticipated future capital calls and distributions from Portfolio Funds. This may result in a Sub-Fund making commitments to Portfolio Funds in an aggregate amount that exceeds the total amounts invested by Limited Partners in FLEX at the time of such commitment (i.e., to "over-commit") and to utilize, *inter alia*, credit facility borrowings and/or proceeds from Portfolio Investments to satisfy such excess commitments. The Investment Managers will take into account projected proceeds, projected availability of borrowings under the credit facility (if any) and the portion of the relevant Sub-Fund's obligations to Portfolio Investments that the Investment Managers do not expect to be called in determining to make such commitments.

To the extent that FLEX engages in an "over-commitment" strategy, the risk associated with a Sub-Fund defaulting on a commitment to a Portfolio Fund will increase, which could have a materially adverse effect on the economic interests and returns of the Limited Partners, in particular if such over-commitment resulted in such Sub-Fund becoming a defaulting investor in an Investment. Any such default could also create liability for FLEX (e.g., penalties), as well as result in FLEX forfeiting all or a portion of its Investment in which it defaults. It is generally expected that a Sub-Fund will maintain Debt and Other Securities in sufficient amounts, in the Investment Managers' judgment, to satisfy capital calls from Portfolio Funds. There can be no assurance that such amounts will ultimately be available or that the Investment Managers' projections or expectations will be accurate, in which case FLEX may be unable to pay its obligations when due.

Proceeds arising from Investments may be retained by Intermediate Vehicles through which the relevant Sub-Fund holds investments and redeployed by such Intermediate Vehicles, rather than being returned to such Sub-Fund for distributions to Limited Partners or redeployment by such Sub-Fund.

Sub-Funds may be subject to risks associated with Portfolio Funds with less established sponsors.

The Sub-Funds may invest a portion of its assets in Portfolio Funds of less established sponsors. Investments related to such sponsors may involve greater risks than are generally associated with investments with more established sponsors. Less established sponsors tend to have fewer resources, and therefore, are often more vulnerable to failure. Such sponsors also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. In addition, less mature sponsors could be deemed to be more susceptible to irregular accounting or other fraudulent practices. In the event of fraud by any sponsor related to an Investment, the relevant Sub-Fund may suffer a partial or total loss of capital invested in such investment. There can be no assurance that any such losses will be offset by gains (if any) realized on the relevant Sub-Fund's other assets.

FLEX is subject to the risks associated with its Portfolio Funds' underlying investments.

The investments made by the Portfolio Funds will entail a high degree of risk and in most cases be highly illiquid and difficult to value. Unless and until those investments are sold or mature into marketable securities they will remain illiquid. As a general matter, companies in which the Portfolio Fund invests may face intense competition, including competition from companies with far greater financial resources; more extensive research, development, technological, marketing and other capabilities; and a larger number of qualified managerial and technical personnel.

A Portfolio Fund Manager may focus on a particular industry or sector, which may subject the Portfolio Fund, and thus FLEX, to greater risk and volatility than if investments had been made in issuers in a broader range of industries. Likewise, a Portfolio Fund Manager may focus on a particular country or geographic region, which may subject the Portfolio Fund, and thus the relevant Sub-Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of geographic regions. In addition, Portfolio Funds may establish positions in different geographic regions or industries that, depending on market conditions, could experience offsetting returns.

FLEX will not obtain or seek to obtain any control over the management of any portfolio company in which any Portfolio Fund may invest. The success of each investment made by a Portfolio Fund will largely depend on the ability and success of the management of the portfolio companies in addition to economic and market factors.

The valuations of Portfolio Funds in which a Sub-Fund invests may be based on imperfect information and is subject to inherent uncertainties.

There is no established market for secondary private equity partnership interests or for the privately-held portfolio companies of private equity sponsors, and there are not likely to be any comparable companies for which public market valuations exist. In addition, under limited circumstances, the Investment Managers may not have access to all material information relevant to a valuation analysis. For example, sponsors are not generally obligated to update any valuations in connection with a transfer of interests on a secondary basis, and such valuations may not be indicative of current or ultimate realizable values. As a result, the valuation of Portfolio Funds in which a Sub-Fund may invest may be based on imperfect information and is subject to inherent uncertainties.

Regulatory Changes may adversely affect private investment funds such as FLEX.

Legal, tax and regulatory changes could occur that may adversely affect FLEX or its Investments, including changes that could make the acquisition of interests in private funds market less attractive or make the general partners of private funds less likely to consent to transfers. New and existing regulations and burdens of regulatory compliance may directly impact the results of, or otherwise have a material adverse effect on, the private investment funds in which FLEX invests.

The regulatory environment for private investment funds is evolving, and changes in the regulation of private investment funds may adversely affect the value of investments held by FLEX and the ability of FLEX to effectively employ its investment and trading strategies. Increased scrutiny and newly proposed legislation applicable to private investment funds and their sponsors may also impose significant administrative burdens on the Investment Managers and may divert time and attention from portfolio management activities. The effect of any future regulatory change on FLEX (due to its investments in Portfolio Funds), including any changes in the interpretation or application of such regulations, could be substantial and adverse. In addition, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action.

Recent U.S. presidential and congressional elections, and other recent elections, create uncertainty with respect to legal, tax and regulatory regimes in which FLEX and its investments, as well as the Investment Managers and their affiliates will operate, and the current regulatory environment in the United States may be impacted by future legislative developments that may adversely affect the private investment funds industry, including regulatory measures for the U.S. financial services industry, increases in tax rates and/or other changes to tax policies. Any significant changes in, among other things, economic policy (including with respect to interest rates or foreign trade), the regulation of the asset management industry, tax law, immigration policy and/or government entitlement programs could have a material adverse impact on FLEX and its Investments, and the uncertainty of future legislation could adversely impact FLEX and its ability to achieve its investment objectives.

Portfolio Funds are subject to risks associated with regulatory approvals and statutory or regulatory changes.

In addition to the risks regarding regulatory approvals, it should be noted that government counterparties or agencies may have the discretion to change or increase regulation of an underlying fund or its portfolio companies' operations, or implement laws or regulations affecting such entity's operations, separate from any contractual rights it may have. A fund also could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on its portfolio company. Governments have considerable discretion in implementing regulations, including, for example, the possible imposition or increase of taxes on income earned by or from a fund or gains recognized by FLEX on its investment in such fund, that could impact a fund's business as well as FLEX's return on investment with respect to such fund.

Any changes in tax or other laws or regulations in a relevant jurisdiction, including any changes in the interpretation or application of such laws or regulations, could have an adverse impact on (1) a Limited Partner's investment in FLEX, (2) the returns to a Limited Partner from its investment, (3) the operation or administration of FLEX, (4) the Sub-Funds' access to investment opportunities, either in particular jurisdictions or generally, or (5) the financial performance, marketability or other aspects of Investments. Among other things, changes in laws and regulations may result in increased compliance or other costs incurred by Investments or underlying portfolio companies, which in turn could reduce the distributions received by the relevant Sub-Fund as an investor or the returns to the Limited Partners.

In-kind distributions from Portfolio Funds may not be liquid.

FLEX may receive in-kind distributions of securities from Portfolio Funds. There can be no assurance that securities distributed in kind by Portfolio Funds to FLEX will be readily marketable or saleable. FLEX may be required to, or the Investment Managers, in their sole investment discretion, may determine to, hold such securities for an indefinite period. Timing of sales is subject to position size considerations, market liquidity, and other factors considered in the sole investment discretion of the Investment Managers. FLEX may incur additional expense in connection with any disposition of such securities.

Co-Investments may be subject to risks associated with the lead investor.

The Sub-Funds' investment portfolio will include Co-Investments. The relevant Sub-Fund's ability to realize a profit on such Co-Investments will be particularly reliant on the expertise of the lead investor in the transaction. There can be no assurance that such Sub-Fund will be given Co-Investment opportunities, or that any specific Co-Investment offered to such Sub-Fund would be appropriate or attractive to such Sub-Fund in the Investment Managers' judgment. The market for Co-Investment opportunities is competitive and may be limited, and the Co-Investment opportunities to which a Sub-Fund wishes to allocate assets may not be available at any given time. Due diligence will be conducted on Co-Investment opportunities; however, the Investment Managers may not have the ability to conduct the same level of due diligence applied to other investments. In addition, the Investment Managers may have little to no opportunities to negotiate the terms of such Co-Investments. The Sub-Funds generally will rely on the Portfolio Fund Manager or sponsor offering such Co-Investment opportunity to perform most of the due diligence on the relevant portfolio company and to negotiate terms of the Co-Investment.

The Sub-Funds' ability to dispose of Co-Investments may be severely limited, both by the fact that the securities are expected to be unregistered and illiquid and by contractual restrictions that may limit, preclude or require certain approvals for such Sub-Funds to sell such investment. Co-Investments may be heavily negotiated and, therefore, the Sub-Funds may incur additional legal and transaction costs in connection therewith.

FLEX may have limited Co-Investment opportunities.

Many entities compete with the Sub-Funds in pursuing Co-Investments. These competitors may have considerably greater financial, technical and marketing resources than FLEX. Some competitors may have a lower cost of funds and access to funding sources that are not available to FLEX. In addition, some competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of, or different structures for, private investments than FLEX. As a result of this competition, FLEX may not be able to pursue attractive Co-Investment opportunities from time to time.

The Sub-Funds' portfolio companies may require additional financings.

Certain of the Sub-Funds' portfolio companies, either directly through Co-Investments or indirectly through Portfolio Funds, especially those in a development or "*platform*" phase, may be expected to require additional financing to satisfy their working capital requirements or acquisition strategies. The amount of such additional financing needed will depend upon the maturity and objectives of the particular company. Each such round of financing (whether from the relevant Sub-Fund, Portfolio Fund or other investors) is typically intended to provide the company with enough capital to reach the next major corporate milestone. If the funds provided are not sufficient, the company may have to raise additional capital at a price unfavorable to the existing investors, including FLEX and a Portfolio Fund. In addition, a Sub-Fund may make additional debt and equity investments or exercise warrants, options, or convertible securities that were acquired, either directly through Co-Investments or indirectly through Portfolio Funds, in the initial investment in such company in order to preserve such Sub-Fund's proportionate ownership when a subsequent financing is planned, or to protect such Sub-Fund's investment when such company's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of any Sub-Fund, a Portfolio Fund or any portfolio company. There can be no assurance that a portfolio company will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

The Sub-Funds may be subject to risks associated with investments in restructurings.

The Sub-Funds, either directly through Co-Investments or indirectly through Portfolio Funds, may make investments in restructurings that involve portfolio companies that are experiencing or are expected to experience financial difficulties. These financial difficulties may never be overcome and may cause such company to become subject to bankruptcy proceedings. Such investments could, in certain circumstances, subject the relevant Sub-Fund to certain additional potential liabilities that may exceed the value of the Sub-Fund's original investment therein. For example, under certain circumstances, a lender who has inappropriately exercised control over the management and policies of a debtor may have its claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances, payments to such Sub-Fund may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment, or similar transaction under applicable bankruptcy and insolvency laws.

The Portfolio Funds may be subject to force majeure events.

Portfolio Funds (including their underlying portfolio companies) may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, civil unrest, acts of God, fire, flood, hurricanes and other natural disasters, including extreme weather events from possible future climate change, outbreaks of an infectious disease, pandemic, or any other serious public health concern, war, terrorism, government shutdowns, labor strikes). Some force majeure events may adversely affect the ability of a party (including a Portfolio Fund or a counterparty to FLEX or a Portfolio Fund) to perform its obligations until the force majeure event can be remedied. In addition, forced events, such as the cessation of machinery (e.g., turbines) for repair or upgrade, could similarly lead to the unavailability of essential machinery and technologies. These risks could, among other effects, adversely impact the cash flows available from a Portfolio Company, a Portfolio Fund and its portfolio companies or other issuer, cause personal injury or loss of life, damage property, or instigate disruption of service (see also "—*Public health crises, such as the COVID-19 pandemic, pose an ongoing risk to Investments and the financial markets generally*" herein). In addition, the cost to a Portfolio Fund or FLEX of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Sub-Funds invest specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more Portfolio Funds or its assets, could result in a loss to the relevant Sub-Funds, including if its investment in such Portfolio Fund is canceled, unwound, or acquired (which could be without what the relevant Sub-Fund considers to be adequate compensation). Any of the foregoing may therefore adversely affect the performance of FLEX and its Portfolio Funds.

Other Investment Risks.

FLEX will hold cash, money market instruments and other short-term investments which may lower FLEX's performance.

FLEX will, at times, hold assets in cash, money market instruments and other short-term investments, which may hurt FLEX's performance. These positions may also subject FLEX to additional risks and costs.

FLEX may make non-U.S. Investments, which are subject to additional risks.

Any Sub-Fund, either directly through Co-Investments or indirectly through Portfolio Funds, may invest a portion of its assets in operating companies organized, headquartered and/or focused on Investments outside the United States. Non-U.S. securities, including those held by Portfolio Funds, involve certain risks not typically associated with investing in U.S. securities, including risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which non-U.S. investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences in conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; (iii) differences between the U.S. and non-U.S. securities markets, including potential price volatility in, and relative illiquidity of, some non-U.S. securities markets; (iv) the absence of uniform accounting, auditing, and financial reporting standards, practices and disclosure requirements and less government supervision and regulation in some countries; (v) certain economic, social and political risks, including potential exchange control regulations and restrictions on non-U.S. investment and repatriation of capital, the risks of political, economic or social instability, including the risk of sovereign defaults, and the possibility of expropriation or confiscatory taxation and adverse economic and political development; (vi) the possible imposition of non-U.S. taxes on income and gains recognized with respect to such securities; (vii) differing, and potentially less well-developed or well-tested laws regarding corporate governance, fiduciary duties, the protection of investors and intellectual property rights; (viii) differences in the legal and regulatory environment or enhanced legal and regulatory compliance; (ix) political hostility to investments by foreign or private equity investors; and (x) less publicly available information. In addition, Investments (including their underlying portfolio companies) with operations in non-U.S. jurisdictions may be involved in restructurings, bankruptcy proceedings and/or reorganizations that are not subject to laws and regulations that are similar to the U.S. Bankruptcy Code and the rights of creditors afforded in U.S. jurisdictions. To the extent such non-U.S. laws and regulations do not provide the relevant Sub-Fund and/or Portfolio Fund with equivalent rights and privileges necessary to promote and protect its interest in any such proceeding, such Sub-Fund's Investments may be adversely affected. While the Investment Managers intend, where deemed appropriate, to manage FLEX in a manner that will minimize exposure to the foregoing risks to the extent practicable, there can be no assurance that adverse developments with respect to such risks will not adversely affect the assets of the Sub-Funds that are held in certain countries.

FLEX may invest in emerging markets, which are subject to additional risks.

Any Sub-Fund, either directly through Co-Investments or indirectly through Portfolio Funds, may invest in non-U.S. securities of issuers in so-called "emerging markets" (or lesser developed countries, including countries that may be considered "frontier" markets). Such Investments are particularly speculative and entail all of the risks of investing in non-U.S. securities but to a heightened degree. "Emerging market" countries generally include every nation in the world except developed countries, that is, the United States, Canada, Japan, Australia, New Zealand and most countries located in Western Europe. Investments in the securities of issuers domiciled in countries with emerging capital markets involve certain additional risks that do not generally apply to investments in securities of issuers in more developed capital markets, such as (i) low or non-existent trading volume, resulting in a lack of liquidity and increased volatility in prices for such securities, as compared to securities of comparable issuers in more developed capital markets; (ii) uncertain national policies and social, political and economic instability, increasing the potential for expropriation of assets, confiscatory taxation, high rates of inflation or unfavorable diplomatic developments; (iii) possible fluctuations in exchange rates, differing legal systems and the existence or possible imposition of exchange controls, custodial restrictions or other foreign or U.S. Governmental laws or restrictions applicable to such investments; (iv) national policies that may limit the relevant Sub-Fund's investment opportunities such as restrictions on investment in issuers or industries deemed sensitive to national interests; and (v) the lack or relatively early development of legal structures governing private and foreign investments and private property.

Foreign investment in certain emerging market countries may be restricted or controlled to varying degrees. These restrictions or controls may at times limit or preclude foreign investment in certain emerging market issuers and increase the costs and expenses of FLEX. Certain emerging market countries require governmental approval prior to investments by foreign persons in a particular issuer, limit the amount of investment by foreign persons in a particular issuer, limit the investment by foreign persons only to a specific class of securities of an issuer that may have less advantageous rights than the classes available for purchase by domiciliaries of the countries and/or impose additional taxes on foreign investors.

Emerging markets are more likely to experience hyperinflation and currency devaluations, which may adversely affect returns to investors. In addition, many emerging markets have far lower trading volumes and less liquidity than developed markets. Since these markets are often small, they may be more likely to suffer sharp and frequent price changes or long-term price depression because of adverse publicity, investor perceptions or the actions of a few large investors. In addition, traditional measures of investment value used in the United States or in Europe, such as price to earnings ratios, may not apply to certain small markets. Also, there may be less publicly available information about issuers in emerging markets than would be available about issuers in more developed capital markets, and such issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which U.S. or European companies are subject. In certain countries with emerging capital markets, reporting standards vary widely.

Many emerging markets have histories of political instability and abrupt changes in policies and these countries may lack the social, political and economic stability characteristic of more developed countries. As a result, their governments are more likely to take actions that are hostile or detrimental to private enterprise or foreign investment than those of more developed countries, including expropriation of assets, confiscatory taxation, high rates of inflation or unfavorable diplomatic developments. In the past, governments of such nations have expropriated substantial amounts of private property, and most claims of the property owners have never been fully settled. There is no assurance that such expropriations will not reoccur. In such an event, it is possible that the relevant Sub-Fund could lose the entire value of its investments in the affected market. Some countries have pervasiveness of corruption and crime that may hinder investments. Certain emerging markets may also face other significant internal or external risks, including the risk of war, and ethnic, religious and racial conflicts. In addition, governments in many emerging market countries participate to a significant degree in their economies and securities markets, which may impair investment and economic growth. National policies that may limit a Sub-Fund's investment opportunities include restrictions on investment in issuers or industries deemed sensitive to national interests. In such a dynamic environment, there can be no assurances that any or all of these capital markets will continue to present viable investment opportunities for the relevant Sub-Funds.

Emerging markets may also have differing legal systems and the existence or possible imposition of exchange controls, custodial restrictions or other foreign or U.S. Governmental laws or restrictions applicable to such investments. Sometimes, they may lack or be in the relatively early development of legal structures governing private and foreign investments and private property. In addition to withholding taxes on investment income, some countries with emerging markets may impose differential capital gains taxes on foreign investors.

Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because FLEX will need to use brokers and counterparties that are less well capitalized, and custody and registration of assets in some countries may be unreliable. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognize ownership exists in some emerging markets, and, along with other factors, could result in ownership registration being completely lost.

The relevant Sub-Funds would absorb any loss resulting from such registration problems and may have no successful claim for compensation. In addition, communications between the United States, Europe and emerging market countries may be unreliable, increasing the risk of delayed settlements or losses of security certificates.

FLEX may be impacted by turmoil in the U.S. and global financial markets.

There can be no assurances that conditions in the global financial markets will not worsen and/or adversely affect one or more of Investments in which any Sub-Fund invests (including with respect to performing under or refinancing their existing obligations), its access to capital or leverage, its ability to effectively deploy its capital or realize portfolio investments on favorable terms or its overall performance. A Sub-Fund's investment strategy and the availability of opportunities satisfying such Sub-Fund's risk-adjusted return parameters relies in part on the continuation of certain trends and conditions observed in the financial markets and in some cases the improvement of such conditions. Trends and historical events do not imply, forecast or predict future events and, in any event, past performance is not necessarily indicative of future results. There can be no assurance that the assumptions made or the beliefs and expectations held by the Investment Managers will prove correct and actual events and circumstances may vary significantly.

FLEX may be subject to regional risk due to interdependence of markets.

Economic problems in a single country are increasingly affecting other markets and economies. A continuation of this trend could lead to local economic problems increasingly having an adverse effect on regional and even global economic conditions and markets. The market and the economy of a particular country in which a Sub-Fund invests is influenced by economic and market conditions in other countries in the same region or elsewhere in the world. Similarly, concerns about the fiscal stability and growth prospects of certain European countries in the last economic downturn had a negative impact on most economies of the Eurozone and global markets. A repeat of either of these crises or the occurrence of similar crises in the future could cause increased volatility in the economies and financial markets of countries throughout a region, or even globally.

FLEX may be subject to risks related to changes in foreign currency exchange rates.

A portion of any Sub-Fund's Investments, either directly through Co-Investments or indirectly through Portfolio Funds, and the income received by such Sub-Fund with respect to such Investments, may be denominated primarily in foreign currencies. However, the books of FLEX will be maintained, and subscriptions to and distributions from FLEX generally will be made, in the Reference Currency, the U.S. dollar. Accordingly, changes in currency exchange rates may adversely affect the dollar value of Investment and the amounts of distributions, if any, to be made by FLEX. In addition, FLEX will incur costs in converting investment proceeds from one currency to another. The Investment Managers may enter into hedging transactions designed to reduce such currency risks.

To the extent unhedged, the value of a Sub-Fund's positions in non-U.S. Investments will fluctuate with U.S. dollar exchange rates as well as with the price changes of the Investments in the various local markets and currencies. In such cases, an increase in the value of the U.S. dollar compared to the other currencies in which such Sub-Fund makes Investments will reduce the effect of any increases and magnify the effect of any decreases in the prices of such Sub-Fund's securities in their local markets and may result in a loss to such Sub-Fund. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect on a Sub-Fund's non-U.S. dollar Investments.

Furthermore, subscriptions of Interests and distributions from FLEX will be made in the Reference Currency of the relevant Class subscribed by the Limited Partners. Investors subscribing for Interests in any country in which U.S. dollars are not the local currency should note that changes in the value of exchange between U.S. dollars and such currency may have an adverse effect on the value, price, or income of the investment to such investor. There may be foreign exchange regulations applicable to investments in foreign currencies in certain jurisdictions. The fees, costs, and expenses incurred by investors in converting their local currency to U.S. dollars (if applicable) in order to meet drawdowns will be borne solely by such investor and will be in addition to the amounts required by such drawdowns. Movement in the foreign exchange rate between FLEX and/or Classes' Reference Currency and the currency applicable to a particular Limited Partner may have an impact upon such Limited Partner's returns in their own currency of account. Each prospective investor should consult with its own counsel and advisors as to all legal, tax, financial, and related matters concerning an investment in the Interests.

FLEX and the Investment Managers are subject to fund regulation and enforcement.

Numerous jurisdictions around the world have imposed regulatory requirements for managers or funds like the Investment Managers or FLEX. Such requirements may involve registration, reporting or other obligations; they may be similar to, or substantially different in scope or approach from, the AIFM Directive. Such regulatory requirements have the potential to (1) adversely affect the operations of the Investment Managers or FLEX and (2) expose the Investment Managers or FLEX to conflicting regulatory requirements.

As alternative asset managers become more influential participants in the U.S. and global financial markets and economy generally, the private investment funds industry has been subject to enhanced public scrutiny. The SEC and other various U.S. federal, state and local agencies have been conducting inquiries into, and bringing enforcement and other proceedings regarding trading and other practices against, advisors, sponsors and distributors of investment companies and investment funds. For example, recently various U.S. federal, state and local agencies have been examining the role of placement agents, finders and other similar service providers in the context of investments by public pension plans and other similar entities, including investigations and requests for information.

FLEX may be impacted by international trade policy.

The future of global free trade, and the approach of the U.S. government to tariffs and international trade policy generally, is uncertain. Some foreign governments have instituted tariffs on certain U.S. goods and have indicated a willingness to impose additional tariffs on U.S. products. Global trade disruption, significant introductions of trade barriers and bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect the financial performance of FLEX.

FLEX may be subject to risks related to hedging.

FLEX may, and the Portfolio Funds and operating companies in which a Sub-Fund invests may, employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices and currency exchange rates. There can be no assurance that hedging techniques will be deployed with respect to any or all such risks or at the relevant times, or that the techniques employed will be effective in reducing the risks in question. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while a Sub-Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for such Sub-Fund than if it or the operating companies in which a Sub-Fund invests had not entered into such hedging transactions. In connection with employing hedging techniques, FLEX may acquire publicly-traded securities (via open market purchases or otherwise).

In addition, if the Investment Managers deem it necessary or advisable, the Investment Managers may, in lieu of holding an Investment directly, structure an Investment as a derivative contract, instrument or similar arrangement designed to substantially replicate the benefits and risks of holding the otherwise permissible Investment in the underlying fund. FLEX will likely enter into guarantees with counterparties in connection with any such hedging transactions, and may cross-guarantee amounts attributable to Other Lexington Vehicles investing alongside the relevant Sub-Fund. Such guarantees will not count towards restrictions on such Sub-Fund's ability to borrow or incur leverage.

Other Risks.

FLEX may be subject to weather and climatological risks.

As consensus builds that global warming is a significant threat, initiatives seeking to address climate change through regulation of greenhouse gas emissions have been adopted by, are pending or have been proposed before international, federal, state, and regional regulatory authorities. Climate change may cause more extreme weather conditions and increased volatility in seasonal temperatures, which can interfere with operations and increase operating costs, and damage resulting from extreme weather may not be fully insured. Many industries (e.g., electrical power, mining, manufacturing, transportation, and insurance) face various climate change risks, many of which could conceivably materially impact them. Such risks include (i) regulatory/litigation risk (e.g., changing legal requirements that could result in increased permitting and compliance costs, changes in business operations, the discontinuance of certain operations, and related litigation), (ii) market risk (e.g., declining market for products and services seen as greenhouse gas intensive); and (iii) physical risk (e.g., risks to plants or property owned, operated or insured by a company posed by rising sea levels, increased frequency or severity of storms, drought, and other physical occurrences attributable to climate change). These risks could result in unanticipated delays or expenses and, under certain circumstances, could prevent completion of investment activities once undertaken, any of which could have an adverse effect on FLEX.

Public health crises, such as the COVID-19 pandemic, pose an ongoing risk to Investments and the financial markets generally.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Investment Managers, FLEX and the Portfolio Funds and operating companies in which any Sub-Fund invests and could adversely affect such Sub-Fund's ability to fulfill its investment objective and strategy.

The extent of the impact of any public health emergency on a Sub-Fund and/or the Portfolio Funds and operating companies in which such Sub-Fund invests will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In addition, health crises caused by a pandemic could exacerbate other pre-existing political, social, economic, market and financial risks. The COVID-19 pandemic (and its impacts on global market conditions generally) has, for example, made it more difficult to value investment opportunities and decreased the number of investment opportunities in the market. Public health emergencies have the potential to materially and adversely impact the value and performance of such Sub-Fund's investments, such Sub-Fund's ability to source, manage and divest investments, and such Sub-Fund's ability to achieve its investment objectives, all of which could result in significant losses to such Sub-Fund. In particular, a public health emergency may have a greater impact on leveraged assets.

Furthermore, such circumstances can have a negative impact on a counterparty's ability to meet or willingness to honor its financial obligations (including, without limitation, its ability to extend credit or otherwise to transact with such Sub-Fund or the Portfolio Funds and operating companies in which such Sub-Fund invests). Current conditions may affect how counterparties interpret their obligations (and such Sub-Fund's obligations) pursuant to counterparty arrangements such that the applicability, or lack thereof, of force majeure or similar provisions could also come into question and ultimately could work to the detriment of such Sub-Fund. In addition, the operations of a Sub-Fund, the Portfolio Funds and operating companies in which it invests, and the Investment Managers may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel and movement, remote working requirements and other social, political, financial, legal and regulatory or other factors related to an actual or threatened public health emergency (such as the COVID-19 pandemic), including its potential short-term and/or long-term adverse impact on the health of the personnel of any such entity or the personnel of any such entity's key service providers. These circumstances also may hinder the Investment Managers', the Sub-Funds' and/or any of the Portfolio Funds and operating companies in which any Sub-Fund invests' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance. No previous experience by the Investment Managers or their affiliates in dislocated markets is any guarantee of FLEX's similar experience in respect of investing and managing any investment during and after the COVID-19 pandemic.

FLEX and the Portfolio Funds may be impacted by the effects of the Russian invasion of Ukraine.

In February 2022, the Russian military commenced an invasion of Ukraine, which remains ongoing. Subsequently, the United States, UK and EU have announced various sanctions against Russia, and may impose further sanctions designed to target the Russian financial system or take other actions against Russia. In addition, a number of countries have banned Russian planes from their airspace. U.S. and allied countries have recently announced they are committed to taking steps to prevent certain Russian banks from accessing international payment systems. Russia's invasion of Ukraine, the resulting displacement of persons both within Ukraine and to neighboring countries and the increasing international sanctions could have a negative impact on the economy and business activity globally (including in the United States and other countries in which any Sub-Fund invests), and therefore could adversely affect the performance of a Sub-Fund's Investments. Furthermore, given the ongoing nature of the conflict between the two nations and its ongoing escalation (such as Russia's recent decision to place its nuclear forces on high alert and the possibility of significant cyberwarfare against military and civilian targets globally), it is difficult to predict the conflict's ultimate impact on global economic and market conditions, and, as a result, the situation presents material uncertainty and risk with respect to the Sub-Fund and the performance of its investments or operations, and the ability of such Sub-Funds to achieve its investment objectives.

The effects of the China National Security Law may impact FLEX.

The Chinese government has continued to increase its control over the historically autonomous administrative region of Hong Kong. In June 2019, protests began in connection with an amendment to Hong Kong's extradition law and continued with increased size and intensity through the end of 2019 and into 2020. These protests resulted in disruptions to businesses in major business and tourist areas of Hong Kong and pushed Hong Kong's economy into a recession for the first time since the Global Financial Crisis. On June 30, 2020, the National People's Congress of China passed a national security law (the "**National Security Law**"), which criminalizes certain offenses including secession, subversion of the Chinese government, terrorism and collusion with foreign entities. The National Security Law also applies to non-permanent residents. Although the extra-territorial reach of the National Security Law remains unclear, there is a risk that the application of the National Security Law to conduct outside Hong Kong by non-permanent residents of Hong Kong could limit the activities of or negatively affect the Investment Managers, the Sub-Funds and operating companies in which the Sub-Funds invest, either directly through Co-Investments or indirectly through Portfolio Funds.

The National Security Law has been condemned by the United States, the United Kingdom and several EU countries. On July 14, 2020, the United States signed into law the Hong Kong Autonomy Act ("**HKAA**"), which introduces sanctions on foreign persons who have "materially contributed" to the Chinese government's recent actions in Hong Kong as well as on certain foreign financial institutions. Simultaneously, the United States issued an executive order declaring a national emergency with respect to the threat posed by the Chinese government's actions in Hong Kong, formally suspending or eliminating any differential treatment of Hong Kong under U.S. law, including export control law, and authorizing sanctions on persons determined to be engaged in a broad array of anti-democratic or repressive activity. The United States has also imposed sanctions on senior Chinese officials and certain employees of Chinese technology companies that it believes have contributed to the Chinese government's activities in Hong Kong, including on July 20, 2020, adding 11 new Chinese companies to the Department of Commerce's Entity List. In mid-July the United Kingdom also suspended its extradition treaty with Hong Kong and extended its arms embargo on China to Hong Kong. Escalation of tensions resulting from the National Security Law and the response of the international community, including conflict between China and other countries like the United States and United Kingdom, protests and other government measures, as well as other economic, social or political unrest in the future, could adversely impact the security and stability of the region and may have a material adverse effect on countries in which the Investment Managers, FLEX and operating companies in which the Sub-Funds invest, either directly through Co-Investments or indirectly through Portfolio Funds, or any of their respective personnel or assets are located. In addition, any downturn in Hong Kong's economy could adversely affect the financial performance of the any Sub-Fund and its Investments, or could have a significant impact on the industries in which any Sub-Fund participates, and may adversely affect the operations of the Investment Managers, FLEX and operating companies in which any Sub-Fund invests, either directly through Co-Investments or indirectly through Portfolio Funds, including the retention of investment professionals located in Hong Kong.

The exit of the United Kingdom from the European Union may impact investments in the UK, EU and the broader global economy.

As part of the process of the UK leaving the EU, the EU and the UK agreed an EU-UK Trade and Cooperation Agreement ("**FTA**") that governs the trading relationship between the UK and the member states of the EU from and after January 1, 2021. Broadly, the FTA provides for zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin, but is subject to the both parties maintaining a level playing field in areas such as environmental protection, social and labor rights, investment, competition, state aid, and tax transparency.

UK regulated firms in the financial sector are adversely affected by these arrangements because the FTA does not provide for continued access by UK firms to the EU single market – although there is the possibility that in time, the UK may obtain a recognition of equivalence from the EU in certain financial sectors which would enable varying degrees of access to the EU market. Similarly, notwithstanding zero tariffs and zero quotas on goods, market access for those firms that conduct cross-border trade in goods will fall below what the single market previously allowed. Non-tariff barriers, customs declarations, customs checks, restrictions on movements of employees, withdrawal of recognition of previously recognized professional qualifications, changes in the status of the UK vis-à-vis the EU for tax and VAT purposes, and other sources of friction have the potential to impair the profitability of a business, require it to adapt, or even relocate to operate through an establishment in the EU.

It will take some time to observe the many and varied effects on UK businesses of the consequences of leaving the single market and customs union (taking into account the flow of goods and services in both directions). Given the size and global significance of the UK's economy, uncertainty, at least in the near term, about the effect of the FTA on the day-to-day operations of those businesses that engage in the cross-border trade of goods or services between member states of the EU and the UK may be a continued source of currency fluctuations or have other adverse effects on international markets, international trade and other cross-border cooperation arrangements. The present uncertainty could therefore adversely affect FLEX, the performance of the Portfolio Funds of any Sub-Fund and its ability to fulfil its investment objectives (especially if its Portfolio Funds include, or expose it to, businesses that have historically relied on access to the single market for their custom or that have historically relied on sourcing goods, materials or labor from the single market).

Terrorist activities may negatively impact certain investments in the Middle East or certain asset types.

U.S. activities in Iraq, Afghanistan, and Syria, for example, and terrorist attacks of unprecedented scope have caused instability in the world financial markets and may generate global economic instability. The continued threat of terrorism and the impact of military or other action have led to and will likely lead to increased volatility in prices for commodities and could affect FLEX's financial results. Further, the United States government has issued public warnings indicating that energy assets might be a specific target of terrorist organizations. Portfolio Funds (including their underlying portfolio companies) may involve significant strategic assets having a national or regional profile. The nature of these assets could expose them to a greater risk of being the subject of a terrorist attack than other assets or businesses. Any terrorist attacks that occur at or near such assets would likely cause significant harm to employees, property and, potentially, the surrounding community, and may result in losses far in excess of available insurance coverage.

Global developments may negatively impact Asian economies.

Many countries in Asia are heavily dependent upon international trade, and the United States and Europe remain important export markets for many economies in the region. Consequently, countries in the region may be adversely impacted by economic and political developments in other parts of the world, particularly in the case of significant contractions and weakening in demand in primary export markets or enactment of trade barriers by key trading partners. The global financial crisis in 2009 caused significant dislocations, illiquidity and volatility in the wider global credit and financial markets, including markets in Asia. While the volatility of global financial markets has largely subsided, there are rising political tensions within the region and globally, leaders in the United States and several European nations have risen to power on protectionist economic policies, and there are growing doubts about the future of global free trade. There can be no certainty that economies in the region may not be impacted by future shocks to the global economy. Further, the U.S. presidential administration and certain members of the U.S. congress have previously expressed and continue to actively express support for renegotiating international trade agreements and imposing a "border tax adjustment." In addition, both the United States and China are engaged in sometimes hostile negotiations regarding their intentional trade arrangements, and the each side has engaged or threaten to engage in an escalation of domestic protective measures such as tariff. Commonly referred to as a "trade war", the ongoing negotiations between the United States and China has led to significant uncertainty and volatility in the financial markets. As of the date of this Prospectus, the future of the relationship between the United States and China is uncertain, and the failure of those countries to resolve their current disputes could have materially adverse effects on the global economy. This, and/or future downturns in the global economy, significant introductions of barriers to trade or even bilateral trade frictions between the region's major trading partners and the United States or countries representing key export markets in Europe could adversely affect the financial performance of an underlying fund's investment and such underlying fund could lose both invested capital in and anticipated profits from the affected investments.

FLEX is subject to cybersecurity risk.

FLEX depends on the Investment Managers to develop or procure and utilize appropriate systems for FLEX's activities, and Franklin Templeton, the Investment Managers and FLEX depend heavily upon computer systems to perform necessary business functions. The Investment Managers' and the Portfolio Funds' information and technology systems and those of companies on which FLEX relies and in which its Sub-Funds invest are, just as with other companies, vulnerable to potential damage or interruption from cyber-attacks (such as computer viruses, malicious software, infiltration or tampering by unauthorized persons, ransomware demands and denial of service attacks), security breaches (such as physical and electronic break-ins), network failures, computer and telecommunication failures, ransomware demands, denial of service attacks, usage errors by their respective professionals, power outages, and catastrophic events such as fires, tornadoes, floods, hurricanes, and earthquakes. If important systems are compromised, become inoperable for extended periods of time or cease to function properly, it likely would be necessary for the Investment Managers, FLEX and/or a Portfolio Fund or portfolio company to make a significant investment to fix or replace them. Portfolio Funds may be invested in or otherwise involved with involve companies that have experienced cybersecurity events and that, given the rise of cybersecurity incidents, may become involved in future cybersecurity events. Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future (including as a consequence of the COVID-19 pandemic and the increased frequency of virtual working arrangements). The failure or inadequacy of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Investment Manager's, FLEX's, a Portfolio Fund's and/or portfolio company's operations and result in a failure to maintain capabilities essential to FLEX's operations and/or the security, confidentiality, and privacy of proprietary or sensitive data and information (including personal information of investors and their personnel and beneficial owners) that is processed and stored in, and transmitted through, the computer systems and networks of the Investment Managers, FLEX, any third parties on which FLEX relies or their downstream vendors. Such a failure could harm the Investment Managers', FLEX's and/or a Portfolio Fund's or portfolio company's reputation, subject any such entity and their respective affiliates to legal claims, and otherwise affect their business and financial performance. If a significant number of Franklin Templeton's or Lexington's personnel were to be unavailable in the event of a disaster, the Investment Managers' ability to effectively conduct the relevant Sub-Fund's business could be severely compromised. In addition, there are increased risks relating to the Investment Managers' reliance on their computer programs and systems if the Investment Managers' personnel are required to work remotely for extended periods of time as a result of events such as an outbreak of infectious disease or other adverse public health developments (such as have persisted during the COVID-19 pandemic) or natural disasters, including an increased risk of cyber-attacks and unauthorized access to the Investment Managers' computer systems.

The Investment Managers' service providers are subject to the same electronic information security threats as the Investment Managers. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to FLEX, may become inaccessible and personally identifiable information of individual Limited Partners may be lost or improperly accessed, used or disclosed. Notwithstanding the diligence that the Investment Managers perform on their service providers, the Investment Managers often are not in a position to verify the risks or reliability of their respective information technology systems.

The loss or improper access, use or disclosure of the Investment Managers' or FLEX's proprietary information may cause the Investment Managers or FLEX to suffer, among other things, financial loss, the disruption of their business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a negative effect on FLEX and its Sub-Funds.

There are certain costs (e.g., on-line time) and possible risks (e.g., slow downloading time, system outages and documents being quarantined in "fire walls") associated with electronic delivery. Moreover, the Investment Managers cannot provide any assurance that these communication methods are secure and will not be responsible for any security breaches, computer viruses, problems or malfunctions resulting from any computer viruses or other problems that may be associated with the use of an internet based system.

Any such cyber incidents or failure of technology systems as well recovery plans for any related reason could cause significant interruptions in the operations of the Franklin Templeton Group, the Lexington Group, FLEX or the Investments and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal data relating to Limited Partners and their beneficial owners and the intellectual property and trade secrets of the Franklin Templeton Group, the Lexington Group, FLEX or Investments. Any such intrusion or failure could subject Limited Partners or other parties to identity theft or harm the reputation of the Franklin Templeton Group, the Lexington Group, FLEX or an Investment. In addition, any such intrusion or failure could (i) subject Limited Partners, Franklin Templeton Group, the Lexington Group, FLEX or an Investment to legal claims, (ii) require any of them to make significant efforts or investments to remedy the effects of any such failures and the harm to their reputations, or (iii) otherwise affect their business and financial performance.

FLEX is subject to data protection risks.

FLEX, the Investment Managers, their respective affiliates and/or service providers and the Sub-Funds' portfolio investments may each receive, store, process and use personal data, which may include processingthrough the use of third-party processors and cloud-based and other service providers. Legal requirements relating to the collection, storage, handling and transfer of personal data continue to develop in different countries.

Certain activities of FLEX, the Investment Managers, their respective affiliates, portfolio investments and/or related organizations may, for example, be subject to the GDPR, the GDPR as it forms part of the law of the UK by virtue of the European Union (Withdrawal) Act 2018, and the UK Data Protection Act 2018, the California Consumer Privacy Act ("**CCPA**"), the Swiss Federal Data Protection Act or the Cayman Islands Data Protection Law ("**DPL**") (together with other applicable laws, and each as may be amended or replaced from time to time, the "**Privacy and Data Protection Laws**"). Privacy and Data Protection Laws can apply on an extraterritorial basis. As Privacy and Data Protection Laws are implemented, interpreted and applied, compliance costs for affected organizations may increase. Furthermore, a breach of such laws could result in negative publicity and may subject FLEX to significant costs associated with regulatory sanctions, civil liability for claims in damages from data subjects or third parties, and other penalties.

Under some Privacy and Data Protection Laws, certain breaches of security affecting personal data (or similar personal data breaches) must be notified to appropriate regulators, and/or the relevant data subjects (individuals) affected by the breach. Compliance with Privacy and Data Protection Laws requires implementing effective policies and procedures that reflect the applicable law, and maintaining an ongoing and active monitoring program. By way of example, GDPR imposes a number of obligations on data controllers and rights for data subjects, including, among others: accountability and transparency requirements, which will require controllers to demonstrate and record compliance with GDPR and to provide more detailed information to data subjects regarding processing; enhanced requirements for obtaining valid consent; obligations to consider data protection as any new products or services are developed and to limit the amount of personal data processed; obligations to comply with data protection rights of data subjects; and reporting of personal data breaches to the supervisory authority without undue delay (and no later than 72 hours where feasible). Privacy and Data Protection Laws may also impose restrictions on transfers of data (both personal and non-personal data), which could result in additional costs for organizations making such transfers. Privacy and Data Protection Laws can also result in significant penalties, for example under the GDPR, fines for serious breaches of up to the higher of 4% of annual worldwide turnover or €20,000,000. Data subjects also have a right to compensation for financial or non-financial losses (e.g., distress). There is a risk that the measures taken to comply with GDPR will not be implemented correctly or that individuals within the Franklin Templeton Group's, the Lexington Group's and their affiliates' business will not be fully compliant with the new procedures. If there are breaches of these measures, FLEX and the Investment Managers and their respective affiliates (as relevant) could face significant administrative and monetary sanctions as well as reputational damage which could have a material adverse effect on the operations, financial condition and prospects of FLEX. The above considerations may also apply to the Investments and other counterparties with which FLEX conducts investment activities, as well as organizations related to such Investments and counterparties. The costs of monitoring and complying with, and/or other burdens imposed by, applicable Privacy and Data Protection Laws will be borne (whether directly or indirectly) by FLEX entities and may increase over time, and could affect returns that would otherwise be available to investors.

Further evolution of Privacy and Data Protection Laws is expected. For example, in the EU, the EU Commission's Regulation on Privacy and Electronic Communications is intended to replace the current ePrivacy Directive, updating the legal framework regarding privacy in electronic communications, including for providers of such services for end users in the EU. The EU and UK are considering or have enacted a variety of other data-related laws and regulations such as the Digital Operational Resilience Act (EU), the Data Act (EU), the Financial Data Access Regulation (EU), Digital Services Act (EU), Online Safety Act (UK) and the Artificial Intelligence Act (EU). There may be further divergence between the data protection laws of the EU and the UK in future, which could result in a further regulatory compliance burden. The Investment Managers may not be able to accurately anticipate the ways in which regulators and courts will apply or interpret either current or future Privacy and Data Protection Laws and if such laws are implemented, interpreted or applied in a manner inconsistent with the Investment Managers' expectations, that may result in the Investment Managers' business practices changing in a manner that adversely impacts FLEX and its Sub-Funds. The resources required for day-to-day operations and for dealing with exceptional circumstances may divert the Investment Managers' time and effort from other activities relating to the management of FLEX and entail substantial expense.

Risks related to artificial intelligence may also affect FLEX.

There have recently been technological advances in artificial intelligence and machine learning technologies (collectively "**Artificial Intelligence**"), including, for example, the OpenAI ChatGPT application. It is expected that many organizations will increasingly produce, supply and/or use Artificial Intelligence. Such organizations may adopt and adjust their policies and procedures governing the production, supply and./or use of Artificial Intelligence, including in response to emerging regulations in this regard. Artificial Intelligence may pose opportunities but also create risks for organizations and entities connected to them, and it is possible that Artificial Intelligence could post opportunities and create risks for FLEX and Sub-Funds' Investments.

Notwithstanding any preventative policies that aim to restrict or govern the use of Artificial Intelligence, it is possible that portfolio companies and other entities or persons connected to FLEX or the affiliates or service providers of FLEX, may utilize Artificial Intelligence in contravention of such policies or otherwise misuse Artificial Intelligence, and Artificial Intelligence technologies may also be more susceptible to cybersecurity threats given the volumes of data they utilize. FLEX, portfolio companies and related organizations may be, exposed to these and other risks related to Artificial Intelligence, including where an investment or third party uses or relies on it. The Investment Manager may not be in a position to control the manner in which third party products or systems involving Artificial Intelligence are developed, used or maintained. Artificial Intelligence may also be competitive with certain business activities or increase the obsolescence of certain organizations' products or services, particularly as Artificial Intelligence improves. This could have an adverse impact on portfolio companies and investments, and could have an adverse impact on FLEX.

The use of Artificial Intelligence, including by a portfolio company or other organization connected to FLEX, could lead to legal and regulatory investigations and enforcement actions, potentially having an adverse impact on FLEX. This could be the case, for example, if the user of an Artificial Intelligence system inputs confidential and/or material non-public information into such system, with such information subsequently becoming accessible by other parties. Artificial Intelligence technologies are also reliant on the collection and analysis of large amounts of data and complex algorithms, but it is not possible or practicable to incorporate all relevant data into models that Artificial Intelligence technologies use in their operation, and it is expected that such data will include a degree or inaccuracy and error, potentially materially so, and that the data, algorithms and/or other aspects of Artificial Intelligence technologies may otherwise be flawed. This could negatively affect such technologies and adversely impact FLEX, whether directly or indirectly.

Regulations related to Artificial Intelligence may also impose certain obligations on organizations, and the costs of monitoring and responding to such regulations, as well as the consequences of non-compliance, could have an adverse effect on FLEX (whether directly or indirectly). For example, the EU is set to introduce a new regulation applicable to certain Artificial Intelligence systems and the data used to train, test and deploy them (the "**AI Act**"). The AI Act will impose material requirements on both the providers and deployers of Artificial Intelligence, with infringement punishable by sanctions of up to EUR 35 million or 7% of total annual worldwide turnover (whichever is higher) for the most serious breaches. Complying with the AI Act, once effective, and other regulations related to Artificial Intelligence, could involve material compliance costs and/or adversely affect the operations or results of a business related to FLEX.

Artificial Intelligence and their current and potential future applications including in the private investment and financial sectors, as well as the legal and regulatory frameworks within which they operate, continue to rapidly evolve, and it is not possible to predict the full extent of current or future risks related thereto.

Withholding requirements may reduce the number of investment opportunities in Private Investment Funds available to FLEX.

Unless an applicable non-foreign affidavit is furnished or other exception applies, if any portion of gain, if any, on a disposition of an interest in a partnership would be treated as effectively connected with the conduct of a U.S. trade or business, the transferee of such interest is required to withhold 10% of the amount realized on such disposition from a foreign transferor (and the Portfolio Fund would be required to withhold from future distributions to the transferee if the transferee fails to properly withhold). As a secondaries investment fund, FLEX may have a withholding obligation with respect to interests a Sub-Fund purchases in Portfolio Funds from foreign sellers. This withholding requirement may reduce the number of foreign sellers willing to sell interests in prospective Portfolio Funds and therefore reduce the number of investment opportunities available to the relevant Sub-Funds. Additionally, if FLEX does not properly withhold from such foreign sellers, the Portfolio Fund would be required to withhold on future distributions a tax in an amount equal to the amount FLEX failed to withhold, plus interest in accordance with Section 1446 of the Code, to the relevant Sub-Fund, which would negatively impact such Sub-Fund's returns.

Risks Related to Hedging and Derivative Transactions.

Any Sub-Fund may, directly or through any Intermediate Vehicle, invest in certain securities, such as swaps, derivatives, hedges or foreign currency forward contracts, among others, which may be subject to special and complex federal income tax provisions that may, among other things, (i) disallow, suspend or otherwise limit the allowance of certain losses or deduction, (ii) convert tax-advantaged, long-term capital gains and qualified dividend income into higher taxed short-term capital gain or ordinary income, (iii) increase ordinary income distributions, (iv) convert an ordinary loss or a deduction into a capital loss (the deductibility of which is more limited), (v) cause FLEX to recognize income or gain without a corresponding receipt of cash, (vi) adversely affect the timing as to when a purchase or sale of stock or securities is deemed to occur, (vii) adversely alter the characterization of certain complex financial transactions, and (ix) for which the federal income tax treatment may not be clear or may be subject to re-characterization by the IRS.

Any Sub-Fund may from time to time enter into derivatives transactions and certain other transactions including the following: (1) any swap (including TRS), security-based swap, futures contract, forward contract, option (excluding purchased options), any combination of the foregoing, or any similar instrument, under which such Sub-Fund is or may be required to make any payment or delivery of cash or other assets during the life of the instrument or at maturity or early termination, whether as margin or settlement payment or otherwise; (2) any short sale borrowing; and (3) reverse repurchase agreements and similar financing transactions.

Use of derivatives is a highly specialized activity that can involve investment techniques and risks different from, and in some respects greater than, those associated with investing in more traditional investments, such as stocks and bonds. Derivatives can be highly complex and highly volatile and may perform in unanticipated ways. Derivatives can create leverage, which can magnify the impact of a decline in the value of the reference instrument underlying the derivative, and the relevant Sub-Fund could lose more than the amount it invests. Derivatives can have the potential for unlimited losses, for example, where the relevant Sub-Fund may be called upon to deliver a security it does not own. Derivatives may at times be highly illiquid, and such Sub-Fund may not be able to close out or sell a derivative at a particular time or at an anticipated price. Derivatives can be difficult to value and valuation may be more difficult in times of market turmoil. Derivatives may involve risks different from, and possibly greater than, the risks associated with investing directly in the reference instrument. Suitable derivatives may not be available in all circumstances, and there can be no assurance that any Sub-Fund will use derivatives to reduce exposure to other risks when that might have been beneficial. Derivatives may involve fees, commissions, or other costs that may reduce a Sub-Fund’s gains or exacerbate losses from the derivatives.

Certain aspects of the regulatory treatment of derivative instruments, including federal income tax, are currently unclear and may be affected by changes in legislation, regulations, or other legally binding authority. Ongoing changes to regulation of the derivatives markets and potential changes in the regulation of funds using derivative instruments could limit a Sub-Fund’s ability to pursue its investment strategies. New regulation of derivatives may make them more costly, or may otherwise adversely affect their liquidity, value or performance.

Risks Related to Options.

Any Sub-Fund may purchase put and call options on currencies or securities. A put option gives the purchaser the right to compel the writer of the option to purchase from the option holder an underlying currency or security or its equivalent at a specified price at any time during the option period. In contrast, a call option gives the purchaser the right to buy the underlying currency or security covered by the option or its equivalent from the writer of the option at the stated exercise price. As a holder of a put option, a Sub-Fund will have the right to sell the currencies or securities underlying the option and as the holder of a call option, such Sub-Fund will have the right to purchase the currencies or securities underlying the option, in each case at their exercise price at any time prior to the option’s expiration date. FLEX Master may seek to terminate its option positions prior to their expiration by entering into closing transactions. The ability of a Sub-Fund to enter into a closing sale transaction depends on the existence of a liquid secondary market. There can be no assurance that a closing purchase or sale transaction can be effected when the relevant Sub-Fund so desires.

The hours of trading for options may not conform to the hours during which the underlying securities are traded. To the extent that the options markets close before the markets for the underlying securities, significant price and rate movements can take place in the underlying markets that cannot be reflected in the options markets. The purchase of options is a highly specialized activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. The purchase of options involves the risk that the premium and transaction costs paid by the relevant Sub-Fund in purchasing an option will be lost as a result of unanticipated movements in prices of the securities on which the option is based. Imperfect correlation between the options and securities markets may detract from the effectiveness of attempted hedging. Options transactions may result in significantly higher transaction costs and portfolio turnover for the. Some, but not all, of a Sub-Fund’s options may be traded and listed on an exchange. There is no assurance that a liquid secondary market on an options exchange will exist for any particular option at any particular time, and for some options no secondary market on an exchange or elsewhere may exist. If a Sub-Fund is unable to effect a closing sale transaction with respect to options on securities that it has purchased, it would have to exercise the option to realize any profit and would incur transaction costs upon the purchase and sale of the underlying securities.

Risks related to Future Contracts.

A Sub-Fund may enter into securities-related futures contracts, including security futures contracts. A security futures contract is a legally binding agreement between two parties to purchase or sell in the future a specific quantity of a security or of the component securities of a narrow-based security index, at a certain price. A person who buys a security futures contract enters into a contract to purchase an underlying security and is said to be "long" the contract. A person who sells a security futures contract enters into a contract to sell the underlying security and is said to be "short" the contract. The price at which the contract trades (the "contract price") is determined by relative buying and selling interest on a regulated exchange.

An open position, either a long or short position, is typically closed or liquidated by entering into an offsetting transaction (i.e., an equal and opposite transaction to the one that opened the position) prior to the contract expiration. Traditionally, most futures contracts are liquidated prior to expiration through an offsetting transaction and, thus, holders do not incur a settlement obligation. If the offsetting purchase price is less than the original sale price, a gain will be realized; if it is more, a loss will be realized. Conversely, if the offsetting sale price is more than the original purchase price, a gain will be realized; if it is less, a loss will be realized. The transaction costs must also be included in these calculations. However, there can be no assurance that the relevant Sub-Fund will be able to enter into an offsetting transaction with respect to a particular futures contract at a particular time. If the relevant Sub-Fund is not able to enter into an offsetting transaction, the relevant Sub-Fund will continue to be required to maintain the margin deposits on the futures contract and the relevant Sub-Fund may not be able to realize a gain in the value of its future position or prevent losses from mounting. This inability to liquidate could occur, for example, if trading is halted due to unusual trading activity in either the security futures contract or the underlying security; if trading is halted due to recent news events involving the issuer of the underlying security; if systems failures occur on an exchange or at the firm carrying the position; or, if the position is on an illiquid market. Even if the relevant Sub-Fund can liquidate its position, it may be forced to do so at a price that involves a large loss. Because of the low margin deposits required, futures contracts trading involves an extremely high degree of leverage. As a result, a relatively small price movement in a futures contract may result in an immediate and substantial loss or gain to the investor.

There can be no assurance that a liquid market will exist at a time when a Sub-Fund seeks to close out a futures contract position. Such Sub-Fund would continue to be required to meet margin requirements until the position is closed, possibly resulting in a decline in such Sub-Fund's NAV. In addition, many of the contracts discussed above are relatively new instruments without a significant trading history. As a result, there can be no assurance that an active secondary market will develop or continue to exist.

Security futures contracts that are not liquidated prior to expiration must be settled in accordance with the terms of the contract. Depending on the terms of the contract, some security futures contracts are settled by physical delivery of the underlying security. Settlement with physical delivery may involve additional costs. Depending on the terms of the contract, other security futures contracts are settled through cash settlement. In this case, the underlying security is not delivered. Instead, any positions in such security futures contracts that are open at the end of the last trading day are settled through a final cash payment based on a final settlement price determined by the exchange or clearing organization. Once this payment is made, neither party has any further obligations on the contract.

In addition, the value of a position in security futures contracts could be affected if trading is halted in either the security futures contract or the underlying security. In certain circumstances, regulated exchanges are required by law to halt trading in security futures contracts. The regulated exchanges may also have discretion under their rules to halt trading in other circumstances, such as when the exchange determines that the halt would be advisable in maintaining a fair and orderly market. A trading halt, either by a regulated exchange that trades security futures or an exchange trading the underlying security or instrument, could prevent the relevant Sub-Fund from liquidating a position in security futures contracts in a timely manner, which could expose the Fund to a loss. Each regulated exchange trading a security futures contract may also open and close for trading at different times than other regulated exchanges trading security futures contracts or markets trading the underlying security or securities. Trading in security futures contracts prior to the opening or after the close of the primary market for the underlying security may be less liquid than trading during regular market hours.

Risks related to Swap Agreements.

A Sub-Fund may enter into swap agreements. In a standard "swap" transaction, two parties agree to exchange the returns, differentials in rates of return or some other amount earned or realized on the "notional amount" of predetermined investments or instruments, which may be adjusted for an interest factor. Some swaps are structured to include exposure to a variety of different types of investments or market factors, such as interest rates, commodity prices, non-U.S. currency rates, mortgage securities, corporate borrowing rates, security prices, indexes or inflation rates. Swap agreements may be negotiated bilaterally and traded OTC between two parties or, in some instances, must be transacted through a futures commission merchant and cleared through a clearinghouse that serves as a central counterparty. Certain risks are reduced (but not eliminated) if a fund invests in cleared swaps. Certain standardized swaps, including certain credit default swaps, are subject to mandatory clearing, and more are expected to be in the future. The counterparty risk for cleared derivatives is generally lower than for uncleared derivatives, but cleared contracts are not risk-free.

Swap agreements may increase or decrease the overall volatility of a Sub-Fund's investments and the price of its Interests. The performance of swap agreements may be affected by a change in the specific interest rate, currency or other factors that determine the amounts of payments due to and from the relevant Sub-Fund. If a swap agreement calls for payments by the relevant Sub-Fund, the relevant Sub-Fund must be prepared to make such payments when due. In addition, if the counterparty's creditworthiness declines, the value of a swap agreement would likely decline, potentially resulting in losses. Generally, swap agreements have fixed maturity dates that are agreed upon by the parties to the swap. The agreement can be terminated before the maturity date only under limited circumstances, such as default by or insolvency of one of the parties and can be transferred by a party only with the prior written consent of the other party. The relevant Sub-Fund may be able to eliminate its exposure under a swap agreement either by assignment or other disposition, or by entering into an offsetting swap agreement with the same party or a similarly creditworthy party. If the counterparty is unable to meet its obligations under the contract, declares bankruptcy, defaults or becomes insolvent, it is possible that the relevant Sub-Fund may not be able to recover the money it expected to receive under the contract. A swap agreement can be a form of leverage, which can magnify a Sub-Fund's gains or losses. The use of swaps can cause the relevant Sub-Fund to be subject to additional regulatory requirements, which may generate additional Operating Expenses. To the extent applicable, the relevant Sub-Fund will monitors any swaps with a view towards ensuring that it remains in compliance with all applicable regulatory, investment and tax requirements.

FLEX will be required to indemnify the Indemnified Parties in connection with the affairs of FLEX.

To the fullest extent permitted by applicable law, FLEX Master will be required to indemnify and hold harmless each Indemnified Party from and against any and all claims, liabilities, damages, losses, costs and expenses of any kind, including legal fees and amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and expenses of investigating or defending against any claim or alleged claim, of any nature whatsoever, known or unknown, liquidated or unliquidated, that are incurred by any Indemnified Party and arise out of or in connection with the business of FLEX Master or the performance by the Indemnified Party of any of its responsibilities under the Prospectus, the Partnership Agreement, or the constitutive documents of any Parallel Entities. See Subsection 4.5: "*Exculpation and Indemnification*" of Section XII "*Regulatory and Tax Considerations*" of this Prospectus.

Such liabilities may be material and have an adverse effect on the returns to the Limited Partners. The indemnification obligation of FLEX would be payable from its assets.

FLEX may also be required to indemnify counterparties in any transactions relating to Investments as well as depositaries, sub-custodians and other service providers that may be appointed, subject to applicable laws. Such indemnification obligations of FLEX may impair the financial condition of FLEX and its ability to meet its obligations or the ability of its Sub-Funds to implement their investment strategy or achieve their investment objectives.

FLEX's insurance coverage may not be suitable for its risk profile and bear premiums, fees, costs and expenses in relation to such insurance coverage.

FLEX will purchase and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure FLEX, the Investment Managers, and each of their respective employees, agents, and representatives against liability in connection with the activities of FLEX. This includes a portion of any premiums, fees, costs and expenses for one or more "umbrella" or other insurance policies maintained by the

Franklin Templeton that cover FLEX, Other Lexington Vehicles, the Investment Managers and/or Franklin Templeton (including their respective affiliates, and each of their respective officers, employees, directors, agents, shareholders, members, and partners, and certain other persons who serve at the request of the Investment Managers on behalf of FLEX). Franklin Templeton will make judgments about the allocation of premiums, fees, costs and expenses for such "umbrella" or other insurance policies among FLEX, Other Lexington Vehicles, the Investment Managers and/or Franklin Templeton on a fair and reasonable basis, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would not result in FLEX bearing less (or more) premiums, fees, costs and expenses for insurance policies.

Further, the insurance coverage that Franklin Templeton has in place, whilst considered by the Investment Managers to be generally suitable for the risk profile of the firm, may prove to be insufficient in the context of a particularly large loss event. Further, as insurance coverage has been obtained by Franklin Templeton on an umbrella basis for the Franklin Templeton Group, the Investment Managers, FLEX and Other Lexington Vehicles, there is a risk that an insurance claim in one area of Franklin Templeton's business, which may or may not directly relate to FLEX, could exhaust possible recourse in the relevant insurance year, leaving FLEX without sufficient insurance coverage in such year, notwithstanding the fact that FLEX will bear its allocable share of premium and related costs for the insurance.

The AIFM is independent from the Franklin Templeton Group.

FLEX has appointed Waystone Management Company (Lux) S.A. as the first AIFM. The AIFM is in no way affiliated with the Franklin Templeton Group or the Lexington Group and is a completely independent organization with a board of directors that is also unaffiliated with the Franklin Templeton Group or the Lexington Group.

Non-compliance with Pay-to-Play Laws, Regulations and Policies may adversely affect FLEX.

In light of controversies and highly publicized incidents involving money managers, a number of U.S. states and public pension plans have adopted so-called 'pay-to-play' laws, regulations or policies which prohibit, restrict or require disclosure of payments to, or other relevant contacts with, state officials by individuals and entities seeking to do business with state entities, including investments by public retirement funds. The SEC has adopted rules that, among other things, prohibit an investment adviser from providing advisory services for compensation with respect to a government plan investor for two (2) years after the adviser or certain of its executives or employees make a contribution to certain elected officials or candidates. If the Investment Managers or their employees fail to comply with such pay-to-play laws, regulations or policies, such non-compliance could have an adverse effect on FLEX by, for example, providing the basis for the withdrawal of the affected government plan investor.

The interpretation of the provisions of the Partnership Agreement, this Prospectus and other legal requirements may not always be most favorable to the Limited Partners.

The Partnership Agreement, this Prospectus, the AIFM Agreement, the Investment Management Agreements and other constitutional documents of FLEX are detailed agreements that establish complex arrangements among the Limited Partners, FLEX, the Investment Managers and other entities and individuals. Questions will arise from time to time under these agreements regarding the parties' rights and obligations in certain situations, many of which may not have been contemplated at the time of the agreements' drafting and execution. In these instances, the operative provisions of the agreements, if any, may be broad, general, ambiguous or conflicting, and may permit more than one reasonable interpretation. At times there may not be a provision directly applicable to the situation. While Franklin Templeton and Lexington will construe the relevant agreements in a manner consistent with their respective legal obligations, the interpretations that Franklin Templeton or Lexington adopts may not be, and need not be, the interpretations that are the most favorable to the Limited Partners.

Accuracy of Third-Party Information contained in this Prospectus is limited

The General Partner has not confirmed the accuracy or determined the adequacy of any third-party information contained in this Prospectus.

There is a risk that employee or third-party service providers misconduct could occur with respect to FLEX.

The Investment Managers' reputations are critical to maintaining and developing relationships with existing and prospective investors, as well as with the numerous third parties with which the Investment Managers and FLEX do business. In recent years, there have been a number of highly publicized cases involving fraud or other misconduct by employees in the financial services industry, and there is a risk that employee misconduct could occur with respect to FLEX. Misconduct by employees or by third-party service providers could cause significant losses to FLEX. Employee misconduct could include, among other things, binding FLEX to transactions that exceed authorized limits or present unacceptable risks and other unauthorized activities or concealing unsuccessful investments (which, in each case, would result in unknown and unmanaged risks or losses), or otherwise charging (or seeking to charge) inappropriate expenses to the Investment Managers and FLEX. In addition, any improper use or disclosure of confidential information by employees and third-party service providers, could result in litigation or serious financial harm, including limiting FLEX's business prospects or future activities. Furthermore, because of the Investment Managers' diverse business entities and the regulatory regimes under which they operate, misdeeds by the Investment Managers (or their personnel) could result in foreclosing FLEX's ability to conduct its activities in the manner otherwise intended. It is not always possible to detect, deter and/or prevent misconduct by employees and/or service providers, and the precautions the Investment Managers takes to detect and prevent this activity are not guaranteed to be effective in all cases. It is also the case that misconduct at the level of a company in which FLEX invests also could have a negative effect on such company, and potentially on FLEX, the Investment Managers, and similar challenges in detection, deterrence and prevention apply, to an even greater degree, at such level.

This offering is being made on a reasonable best efforts basis by FTIS, an affiliate of the Franklin Templeton Group.

This offering is being made on a reasonable best efforts basis, whereby the Global Distributor is only required to use its reasonable best efforts to sell the Interests and neither it nor any selling agent has a firm commitment or obligation to purchase any of the Interests. The opportunity for the allocation of a Sub-Fund's investments among various issuers and industries may be decreased, and the returns achieved on those investments may be reduced as a result of allocating all of such Sub-Fund's expenses over a smaller capital base. As a result, such Sub-Fund may be unable to achieve its investment objective and a Limited Partner could lose some or all of the value of his, her or its investment in the Interests. The global distributor for FLEX is FTIS, an affiliate of the Franklin Templeton Group and the Lexington Group, and the Global Distributor's due diligence review and investigation of FLEX and this Prospectus cannot therefore be considered to be an independent review.

FTIS may utilize its affiliates or the Investment Managers or their affiliates to perform some of these functions. Any material adverse change to the ability of the Franklin Templeton Group and the Lexington Group, including the Investment Managers, and the Global Distributor to build and maintain a network of financial intermediaries (e.g., licensed securities broker-dealers and other agents) could have a material adverse effect on FLEX's business and the offering. If the Global Distributor is unable to build and maintain a sufficient network, with the assistance of other entities of Franklin Templeton Group and the Lexington Group, of participating financial intermediaries to distribute Interests in the offering, a Sub-Fund's ability to raise proceeds through the offering and implement its investment objective and strategy may be adversely affected. In addition, the Global Distributor serves and may serve as dealer manager for other issuers. As a result, the Global Distributor may experience conflicts of interests in allocating its time between the offering and such other issuers, which could adversely affect a Sub-Fund's ability to raise proceeds through the offering and implement its investment objective and strategy. Further, the participating financial intermediaries retained by the Global Distributor may have numerous competing investment products, some with similar or identical investment strategies and areas of focus as FLEX, which they may elect to emphasize to their retail clients.

Regulatory and tax related risks.

The Funds Industry and the Financial Services Industry is subject to enhanced scrutiny and comprehensive regulation.

There has been additional legislation, increasing global regulatory oversight of fundraising activities and changes in law relating to the alternative asset management industry, which has included, among other things, increased registration, oversight and regulation of alternative asset management firms and disclosure with respect to these firms and the vehicles they sponsor or advise, which could impact the AIFM's management of FLEX. Regulation generally as well as regulation more specifically addressed to the alternative asset management industry, including tax laws and regulation, could increase the cost of acquiring, holding or divesting portfolio investments, the profitability of enterprises and the cost of operating FLEX. Additional regulation could also increase the risk of third-party litigation. The transactional nature of the business of FLEX exposes FLEX, the Investment Managers, the AIFM and certain related parties generally to the risks of third-party litigation. Under the Partnership Agreement and this Prospectus, FLEX will generally be responsible for indemnifying the Investment Managers, the AIFM and certain related parties for losses or obligations they may incur with respect to such litigation.

The U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), signed into law in July 2010, imposed significant new regulations on almost every aspect of the U.S. financial services industry. Among other things, the Dodd-Frank Act requires private fund advisers to register with the SEC, under the Advisers Act, to maintain extensive records and to file reports if deemed necessary for purposes of systemic risk assessment by certain governmental bodies. Importantly, many of the provisions of the Dodd-Frank Act are subject to further rulemaking and to the discretion of regulatory bodies, such as the Financial Stability Oversight Council. In addition, numerous non-U.S. governments, including many based in Europe, have proposed modernizing financial regulations that have called for, among other things, increased regulation of and disclosure with respect to, and the registration of, private funds.

This enhanced oversight and regulation, and the need for significant additional rulemaking by various governmental bodies, has created uncertainty in the financial markets and, in particular, the private funds industry. Many of the regulators to which FLEX, the Investment Managers, the AIFM or any of their respective affiliates are expected to be subject to globally, including governmental agencies and self-regulatory organizations, are empowered to conduct investigations and administrative proceedings that can result in fines, suspensions of personnel or other sanctions, including censure, the issuance of cease-and-desist orders or the suspension or expulsion of applicable licenses or members. Even if an investigation or proceeding did not result in a sanction or the sanction imposed against FLEX, the Investment Managers, the AIFM or any of their respective affiliates were small in monetary amount, the adverse publicity relating to the investigation, proceeding or imposition of these sanctions could harm FLEX, the Investment Managers, the AIFM or their respective affiliates' reputations which may adversely affect any Sub-Fund's investment performance by hindering its ability to obtain favorable financing or consummate a potentially profitable investment. There is also a material risk that regulatory agencies in Europe, the U.S. and beyond will continue to adopt burdensome new laws or regulations (including tax laws or regulations), or change existing laws or regulations, or enhance the interpretation or enforcement of existing laws and regulations, as the global economy continues to struggle to improve. Any such events or changes could occur during FLEX's term and may adversely affect FLEX and its ability to operate and/or pursue its investment strategies. Such risks are often difficult or impossible to predict, avoid or mitigate in advance.

The SEC has indicated that it intends to seek to enact changes to numerous areas of law and regulations that would impact the Investment Managers' business and the business of FLEX. In particular, the SEC has signaled an increased emphasis on investment adviser and private fund regulation and has proposed a number of new rules that, if adopted, would impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose additional changes in the future. Any such changes are expected to materially impact the Investment Managers, the AIFM and its affiliates, FLEX and/or the Sub-Funds' investments, and increase their expenses. Significant time and resources would be required to comply with new regulations, which potentially will detract from the time and resources dedicated to FLEX.

The tax laws and other tax-related authorities may change, sometimes with retroactive effect. While some of these changes may be beneficial, others could negatively affect the after-tax returns of FLEX and the Limited Partners. Accordingly, no assurance can be given that the anticipated tax treatment of an investment in FLEX, or of investments made by its Sub-Funds, will not be modified by legislative, judicial or administrative changes, possibly with retroactive effect, to the detriment of the Limited Partners. Potential investors therefore should seek, and must rely on, the advice of their own tax advisers with respect to the possible impact on their investments of recent legislation, as well as any future proposed tax legislation or administrative or judicial action.

There has been, and it is possible that there will be, further involvement of governmental and regulatory authorities in financial markets around the world.

Neither the Investment Managers nor the AIFM can predict whether new legislation or regulation (including new financial and tax measures, laws and regulations) will be enacted by legislative bodies or governmental agencies, nor can either of them predict what effect such legislation or regulation might have. There can be no assurance that new legislation or regulation, including changes to existing laws and regulations, will not have an adverse effect on a Sub-Fund's investment performance. In the future FLEX may become subject to additional obligations that may affect its investment program, the manner in which it operates and, reporting requirements regarding its investments and investors. Each Limited Partner will be required to provide to FLEX such information as may be required to enable FLEX to comply with all applicable legal or regulatory requirements, and each Limited Partner will be required to acknowledge and agree that FLEX may disclose such information to governmental and/or regulatory or self-regulatory authorities to the extent required by applicable law or regulation and may file such reports with such authorities as may be required by applicable law or regulation.

In summary, regulation generally as well as regulation more specifically addressed to the private funds industry, including tax laws and regulation, could increase the cost of acquiring, holding or divesting of investments in underlying issuers, the profitability of enterprises and the cost of operating FLEX. There can be no assurance that any such enhanced scrutiny will not have an adverse impact on FLEX or not otherwise impede FLEX’s activities.

FLEX is subject to the requirements of the AIFM Directive.

The AIFM Directive took effect across the EU on July 22, 2013. The AIFM Directive as implemented regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors within the EEA.

The AIFM is authorized by the CSSF as an alternative investment fund manager. For the purposes of the AIFM Directive, FLEX will qualify as an AIF established in Luxembourg (an “**EEA AIF**”).

In its capacity as external alternative investment fund manager of FLEX, the AIFM is in charge of ensuring compliance with the AIFM Directive. Such obligations and requirements include, but are not limited to, the following: (i) the AIFM will be subject to requirements and obligations relating to, among others, reporting, disclosure, valuations and other compliance obligations and requirements under the AIFM Directive, some of which will result in FLEX incurring additional costs and expenses; (ii) FLEX and/or the AIFM may become subject to additional regulatory or compliance obligations arising under national law implementing or associated with the AIFM Directive in certain EEA jurisdictions, which may require FLEX and/or the AIFM to take additional significant measures resulting in FLEX incurring additional costs and expenses or which may otherwise affect the management and operation of FLEX; (iii) the AIFM will be required to make detailed information relating to FLEX and its investments available to regulators and third parties and (iv) if FLEX were to acquire voting interests in the capital of an EEA company, for example upon a reorganization, it will be subject to certain transparency obligations towards the company, its other shareholders and employees, and to certain restrictions on its activities in relation to that EEA company including, in some circumstances, FLEX’s ability to (within the first two (2) years of ownership) make distributions or deemed distributions from that company or to reduce its capital, recapitalize, refinance or potentially restructure an EEA underlying issuer. Such obligations and restrictions would not apply to other competitor funds not established, managed or marketed into the EEA. This could affect operations of FLEX generally and put FLEX at a competitive disadvantage.

Notwithstanding any broader marketing of FLEX to eligible investors under the laws of the relevant jurisdictions, FLEX is entitled, and intends, to market the interests in the EEA AIFs to certain eligible EEA investors through the use of the AIFM Directive marketing passport. If FLEX actively markets the interests in the EEA AIFs to prospective EEA investors, it will be necessary to comply with the relevant requirements under the AIFM Directive. It should be noted that it is possible some EEA jurisdictions may elect to impose additional conditions (including fees to use the marketing passport) on the marketing of EEA AIFs such as FLEX and that these may be treated as FLEX’s expenses.

The AIFM Directive is retained and transposed within the national law of the UK pursuant to the Alternative Investment Fund Managers Regulation 2013, as amended, including by the European Union (Withdrawal) Act 2019 and the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2018 (“**UK AIFM Law**”). The UK AIFM Law regulates AIFMs established in the UK that manage or market AIFs, and non-UK AIFMs that market AIFs within the UK. For the purposes of the UK AIFM Law, the AIFM is a non-UK AIFM and FLEX is a non-UK AIF. Following its departure from the EU, the UK operates its own national private placement regime in parallel with the EEA, applying the minimum requirements of the equivalent of article 42 under the UK AIFM Law. In summary, under article 42, the AIFM, as applicable, must at a minimum:

- provide pre-investment and periodic disclosure to investors;
- provide prescribed information to regulators on a periodic basis;
- prepare an annual report and make it available to investors and regulators; and

- if applicable: (a) comply with notification and disclosure requirements in relation to the acquisition and control of non-listed companies and issuers; and (b) comply with restrictions on early distributions, capital reductions and share redemptions in respect of Issuers (the asset-stripping rules).

The regulatory regime of Luxembourg and the UK, as well as the AIFM Directive and UK AIFM Law, and the regulatory regime of the EEA as a whole, may potentially be reformed during the life of FLEX. This may adversely affect investors' expected returns and may have an impact on the structuring of FLEX, for example, in the event that regulatory fees and capital requirements were to be increased. The AIFM Directive and UK AIFM Law may also expose the AIFM or FLEX to conflicting regulatory requirements in the UK and EEA. FLEX and the AIFM reserve the right to adjust the operation and management of FLEX to take into account any such changes to the requirements or impact of the AIFM Directive, the UK AIFM Law and implementing laws on the subject matter of this Prospectus.

The implementation of AIFMD II could curtail FLEX from making Investments.

On November 25, 2021, the European Commission adopted a legislative proposal to amend the AIFM Directive and Directive 2009/65/EC (the "**Amending Directive**", commonly referred to as "**AIFMD II**"). Following a period of trilogues, a provisional agreement on the Amending Directive was reached in July 2023. The final text of the political agreement was published by the European Council on 6 November 2023. The provisional agreement was approved by the European Parliament in its plenary session on 7 February 2024 and was formally adopted by the European Council on 26 February 2024. Following the entry into force of the Amending Directive, there will be an implementation period of up to 2 years. If implemented as anticipated, AIFMD II could adversely affect a Sub-Fund's ability to achieve its investment objectives, as well as the ability of a Sub-Fund to conduct its operations, or increase the costs or compliance obligations to which the relevant Sub-Fund, the Investment Managers or the AIFM is subject. The AIFMD II reforms include, but are not limited to, amendments to provisions relating to governance, marketing, investor disclosures, delegation, regulatory reporting, extension of permitted activities and the introduction of a new loan origination framework.

Compliance with the CBDF Rules may have an adverse impact on FLEX.

The CBDF Rules which came into force on August 2, 2021. The CBDF Rules intend to harmonize the regulation of the distribution of AIFs across EU Member States, in particular by imposing new rules on pre-marketing and more prescriptive requirements on the content and format of marketing communications. It requires EU-AIFMs to meet certain requirements when pre-marketing and marketing a Fund across the EU.

Under the CBDF Rules, the AIFM may be required to: (i) notify its home-state regulator regarding the jurisdiction's in which it is conducting pre-marketing (separately to the marketing notification it will be required to make under the AIFM Directive), and (ii) ensure that any pre-marketing materials sent to EU investors stay within the parameters imposed by the CBDF Rules, as implemented within the relevant EU Member State.

It is possible that there could be an adverse impact on FLEX due to the AIFM's increased regulatory burden ensuring compliance with the additional notification and marketing communication content requirements described herein, and in particular, in ensuring the pre-marketing parameters under the CBDF Rules are adhered to. The UK has not implemented the CBDF Rules.

European Market Infrastructure Regulation may increase costs incurred by FLEX and impose additional obligations on FLEX.

FLEX is permitted to enter into OTC derivative contracts for hedging purposes subject to compliance with the European Market Infrastructure Regulation, as amended, and any delegated or implementing regulations related thereto (the "**EMIR Framework**"). The EMIR Framework establishes certain requirements for counterparties concluding OTC derivatives contracts, including reporting requirements, bilateral risk management requirements, but subject to certain conditions, mandatory clearing requirements for certain classes of OTC derivatives and a margin posting obligation for OTC derivatives contracts not subject to clearing.

The EMIR Framework was amended as part of the European Commission's REFIT program pursuant to Regulation (EU) No 2019/834 of the European Parliament and of the Council of May 20, 2019 ("**EMIR REFIT**"), which entered into force on May 28, 2019 and applied from June 17, 2019. EMIR REFIT introduced or amended certain key obligations relating to clearing, reporting and risk-mitigation (margining). Although EMIR REFIT allows for certain financial counterparties (so called "*small financial counterparties*") to be exempted from the clearing obligation, there can be no assurance as to whether FLEX will be able to benefit from that exemption. From June 18, 2020, EMIR REFIT also requires financial counterparties to report transactions concluded with certain non-financial counterparties (i.e., non-financial counterparties that do not exceed certain thresholds) on behalf of such non-financial counterparties (unless requested otherwise by the latter counterparties). This could also increase costs incurred by FLEX.

The potential implications of the EMIR Framework (as amended by EMIR REFIT) for FLEX include, without limitation, the following:

- clearing obligation: certain standardized OTC derivative transactions are subject to mandatory clearing through a central counterparty (a "**CCP**"), provided that the counterparty of FLEX is also subject to the clearing obligation. Clearing derivatives through a CCP could result in additional costs and could be on less favorable terms than would be the case if such derivative was not required to be centrally cleared;

- risk mitigation techniques: for those of its OTC derivatives which are not subject to central clearing, FLEX will be required to put in place risk mitigation requirements, which could include, amongst others and subject to certain conditions, the collateralization of such uncleared OTC derivatives. These risk mitigation requirements could increase the cost of FLEX pursuing its hedging strategy;

- reporting obligations: each of FLEX's OTC derivative transactions must be reported to a trade repository, registered or recognized under the EMIR Framework or where such a trade repository is not available to record the details of OTC derivative transactions, to the European Securities and Markets Authority. This reporting obligation could increase the costs to FLEX of utilizing OTC derivatives; and

- sanctions: there exists a risk that sanctions could be imposed by the CSSF on the AIFM and/or on FLEX, in each case for non-compliance with the EMIR Framework obligations.

The requirements under the EMIR Framework continue to evolve and additional requirements applicable to FLEX Master could come into force, which may increase the costs of entering into derivative transactions. The UK has on-shored the EMIR Framework and EMIR REFIT and so a similar set of rules also apply when entering into OTC derivative transactions with a counterparty in the UK, notwithstanding the UK's withdrawal from the European Union.

Compliance with EU and UK Sustainable Finance Regulation and Developments may result in increased legal, compliance, reporting and other associated costs and expenses which may be borne by FLEX.

The European regulatory environment for alternative investment fund managers and financial services firms continues to evolve and increase in complexity, making compliance more costly and time-consuming. In March 2018, the European Commission published an Action Plan on Financing Sustainable Growth (the "**Action Plan**"), setting up the sustainable finance strategy for the EU to transform the entire financial system and reorient capital flows towards sustainable investment. The reorientation of capital flows toward sustainable investment is to be achieved through the selection of appropriate investments by well-informed, or suitably advised, investors who may themselves be under an obligation to disclose to their own stakeholders how they integrate sustainability into their own decision-making. The Action Plan was updated in August 2020 and, in July 2021, the European Commission published a strategy for financing the transition to a sustainable economy.

It is difficult to predict whether the Action Plan will succeed in reorienting capital flows and, if it is successful, the impact it will have on the returns to investors. There is a risk that the value of investments made by FLEX or a relevant Sub-Fund in pursuing its investment strategy could be adversely affected by changes to economic conditions brought about by the Action Plan initiatives.

As part of the original Action Plan, the European legislators have adopted the SFDR, which took effect from March 10, 2021, and the Regulation on the establishment of a framework to facilitate sustainable investment (2020/852) (the "**Taxonomy Regulation**") which took effect from January 2022. Both the SFDR and the Taxonomy Regulation have since been supplemented by delegated legislation specifying detailed implementing and regulatory technical standards, including Commission Delegated Regulation (EU) 2022/1288 (commonly referred to as the "**RTS**"). The SFDR requires transparency with regard to the integration of sustainability risks and the consideration of adverse sustainability impacts in an alternative investment fund manager's processes and the provision of sustainability-related information with respect to AIFs. In addition, the Taxonomy Regulation establishes a framework (and detailed criteria in regulatory technical standards made under the Taxonomy Regulation) to determine whether an economic activity qualifies as an environmentally sustainable economic activity, and requires in-scope financial products, such as a Sub-Fund, to disclose whether, and if so the degree to which, the financial product is invested in investments with exposure to such environmentally sustainable economic activities.

As of the date of this Prospectus, the full impact of the SFDR and the Taxonomy Regulation on FLEX-I continues to develop as guidance and clarifications are published by the European Commission and the European Supervisory Authorities. There could also be divergent interpretations of the requirements at EU Member State level, and national guidance and supervisory activities have already emerged in certain Member States. The AIFM and the Investment Managers will therefore have to continue to monitor any developments to these regulations and their implementation. As implementation and supervisory practices develop, it is difficult to assess the impact on costs of compliance with the SFDR and the Taxonomy Regulation. Resources will need to be allocated to continue to assess how such entities are impacted and the effects of any additional compliance and reporting burdens.

In addition, on September 14, 2023 the European Commission published a consultation to gather information from stakeholders on the current implementation of the SFDR and to seek views on potential future changes to the regime, in particular in relation to the possibility of the establishment of a categorisation system for financial products. No final proposals have yet been set out but the consultation could lead to further changes to the SFDR. It is unclear to what extent any such changes could impact the Sub-Funds and/or whether transitional relief would be made available to financial products in existence prior to the date of such changes. It is unclear as to how any such future changes could impact the AIFM and/or the Investment Managers' ability to manage the Sub-Funds in line with its investment strategy or as to what additional costs could be borne by each Sub-Fund.

In addition, on August 2, 2021, a number of delegated regulations that are part of the Action Plan were published in the Official Journal of the EU, which amend, amongst others, the MiFID II Delegated Regulation 2017/565 (the "**MiFID II Org Regulation**"), the Commission Delegated Directive 2017/593 (the "**MiFID II Delegated Directive**" together with the MiFID II Org Regulation, "**Level 2 MiFID II**") and the Commission Delegated Regulation (EU) 231/2013 ("**Level 2 AIFMD**"), on the integration of certain environmental, social and governance considerations and sustainability risks into certain organizational requirements and product governance. Further, the changes introduced to Level 2 MiFID II could have an impact on the ability of third party distributors or third party investment managers in the EU to recommend or to invest in a Sub-Fund on behalf of their clients. The Level 2 MiFID II obligations have applied since August 2, 2022 and November 22, 2022, respectively, while the Level 2 AIFMD obligations have applied since August 1, 2022.

The UK announced that it will not implement the SFDR into national law following the UK's withdrawal from the EU. Nonetheless, the UK has introduced ESG-related disclosure requirements for asset managers, including rules introduced in late 2023 (to apply from 2024 onwards) establishing a new regime for Sustainability Disclosure Requirements ("**SDR**") and investment labels, and including new naming and marketing requirements for funds that have sustainability characteristics. In general, the above UK ESG related disclosure requirements are expected to have limited direct impact on non-UK funds managed by non-UK asset managers as they will apply only to UK authorised firms and do not currently extend to overseas funds; however, there could be an indirect impact on FLEX and its Sub-Funds in circumstances where the Sub-Funds are marketed to investors via a UK authorised firm acting as a placement agent or distributor (including an affiliate of FTIS or the Investment Managers, as applicable), as such firms are required to comply with an "anti-greenwashing rule", which may result in additional costs to the Sub-Funds and FLEX and/or reputational risk to the AIFM, FTIS and the Investment Managers, as applicable, and may impact the way in which a distributor is able to market the Sub-Funds on behalf of FTIS to UK investors. Nonetheless, there is still uncertainty as to the potential indirect impacts of SDR on the Sub-Funds, the AIFM and/or the Investment Managers. The FCA has stated its belief that the regime would be enhanced by including additional funds within scope of the new SDR and investment labels regime, including overseas funds; however, this will require secondary legislation to be introduced by the UK government. If the UK's ESG related disclosure requirements were to become applicable to the Sub-Funds, this could result in additional regulatory costs to be incurred by the Sub-Funds.

Compliance with the SFDR, the Taxonomy Regulation and other applicable ESG related rules is expected to result in increased legal, compliance, reporting and other associated costs and expenses which will be borne by the relevant Sub-Fund, in addition to other matters that relate solely to marketing and regulatory matters, and such costs and expenses may reduce investor returns. The AIFM, FTIS and the Investment Managers, as applicable, reserve the right to adopt such arrangements as they deem necessary or desirable to comply with any applicable requirements of the SFDR, the Taxonomy Regulation and any other applicable legislation or regulations related to the Action Plan.

Further information with respect to the SFDR classification of a Sub-Fund and its applicable disclosures under the SFDR and Taxonomy Regulation can be found in the applicable Annex for that Sub-Fund in Appendix A: "*Sub-Funds Terms*." To the extent a Sub-Fund promotes environmental and/or social characteristics (for the purposes of Article 8 of SFDR); or has sustainable investment or reduction in carbon emissions as its objective (for the purposes of Article 9 of SFDR), further information can be found on FLEX's website. There is a risk that a given Sub-Fund's classification may affect the pool of investors the Sub-Fund will be able to target.

ESG related considerations may impact FLEX's investment decision-making process and portfolio composition.

Making investments considering environmental, social or governance factors may have a material impact on value creation in investments. An investment transaction's ESG profile and risks is only one of a number of factors Franklin Templeton and Lexington consider when evaluating managers and investments, and such ESG considerations are not determinative of any selection of a manager or investment. The exclusion of investments for ESG purposes may cause the performance of a portfolio to be lower than it otherwise would be if such investments were included, and there is no guarantee that the evaluation of ESG considerations will be additive to a portfolio's overall performance. The incorporation of ESG factors into Franklin Templeton's or Lexington's investment decision-making may increase or lower a portfolio's exposure to certain companies or industries that have an impact on ESG factors, and the consideration of such factors in the investment decision-making process may not work as intended. There is no guarantee that the funds or transactions to which a Sub-Fund makes commitments after Franklin Templeton or Lexington conduct ESG due diligence will not have ESG issues or will be effective in achieving any direct or indirect ESG objective. At times, Franklin Templeton's or Lexington's analysis of ESG factors relies heavily on ESG-related data and ratings provided by one or more third-party firms. Such third-party firms may use proprietary methodologies to assess a company's ESG impact, and Lexington has no influence over such methodologies. Franklin Templeton and Lexington cannot guarantee the accuracy or completeness of any third-party data and has not reviewed the assumptions on which such information is based. There can be no guarantee that a third-party firm's methodology for assessing ESG impact will, in every instance, appropriately measure a company's ESG risks or such company's effectiveness in addressing these risks.

Climate Change Regulation could have an adverse effect on Portfolio Companies and portfolio companies of Portfolio Funds.

In response to findings that emissions of carbon dioxide, methane, and other greenhouse gases ("**GHGs**") present an endangerment to public health and the environment, national governments have adopted or are contemplating adopting laws and regulations to regulate and limit the emission of GHGs. In addition, efforts are also underway to address climate change and the emission of GHGs at an international and/or regional level, which may result in additional regulations and restrictions on activities contributing to climate change. International talks to further regulation on climate change have also been undertaken under the auspices of the United Nations conferences on climate change. National governments have also implemented their own regulations. For example, the U.S. Environmental Protection Agency ("**EPA**") has adopted regulations under existing provisions of the U.S. Clean Air Act that, among other things, establish Prevention of Significant Deterioration and Title V permit reviews for GHG emissions from certain large stationary sources. The EPA has also adopted rules requiring the monitoring and reporting of GHG emissions from specified sources on an annual basis in the U.S., including certain oil and natural gas production facilities, which may be owned by potential Portfolio Funds or Portfolio Companies. The adoption and implementation of any regulations, at an international, national, or local level imposing reporting obligations on, or limiting emissions of GHGs from, equipment and operations of the companies in which a Portfolio Fund invests and could require them to incur costs to reduce emissions of GHGs associated with their operations or could adversely affect demand for the oil and natural gas they produce.

To the extent that a Portfolio Fund invests in Portfolio Companies that produce GHG emissions, its financial condition and results of operations could be materially adversely affected by the enactment of any legislation or regulation that mandates a reduction in GHG emissions or that imposes financial penalties, costs, or taxes upon those that produce GHG emissions. For example, to the extent a cap-and-trade program is adopted, the Portfolio Company may be required to incur material costs to reduce its GHG emissions or to procure emission allowances or credits to comply with such program and may or may not be able to pass these costs through to its electric power purchaser, depending on the terms of the applicable power purchase agreement. To the extent a carbon-tax is adopted, the Portfolio Company could be subject to a material tax liability under such a program and could incur material costs to reduce its GHG emissions in order to reduce such tax liability. In addition, certain GHG and other environmental regulations could affect the costs of certain carbon energy sources used as fuel, also contributing to an increase in operating costs. Any one of these climate change regulatory and legislative initiatives could have a material adverse effect on the business, financial condition and results of operations of a Portfolio Company.

While the U.S. Congress has from time to time considered legislation to reduce emissions of GHGs, there has not been significant activity in the form of adopted legislation to reduce GHG emissions at the U.S. federal level in recent years. In the absence of such federal climate legislation, a number of state and regional efforts have emerged that are aimed at tracking and/or reducing GHG emissions by means of cap-and-trade programs that typically require major sources of GHG emissions, such as electric power plants, to acquire and surrender emission allowances in return for emitting those GHGs. In addition, the U.S. government may adopt additional regulations to reduce emissions of GHGs in the coming years, possibly including further restrictions on emissions of methane from oil and gas operations. Although it is not possible at this time to predict how legislation or new regulations that may be adopted to address GHG emissions would impact the business of energy infrastructure companies, any such future laws and regulations that require reporting of GHGs or otherwise limit emissions of GHGs from exploration, drilling, and production equipment and operations could require affected companies to incur costs to monitor and report on GHG emissions or reduce emissions of GHGs associated with their operations, and such requirements also could adversely affect demand for the oil and natural gas they produce. Finally, it should be noted that scientists have concluded that increasing concentrations of GHGs in the Earth's atmosphere will produce climate changes that have significant physical effects, such as increased frequency and severity of storms, droughts, floods, and other climatic events. If any such effects were to occur, they could have an adverse effect on Portfolio Companies.

Portfolio Fund or Portfolio Company may be at increased risk that its investments or activities may be subject to review by CFIUS and other national security review.

Certain investments of an underlying Portfolio Fund or the business activities or investments of an underlying Portfolio Company that involve the acquisition or operation of a business connected with or related to national security or critical infrastructure of the U.S. may be subject to review and approval by the U.S. Committee on Foreign Investment in the United States ("**CFIUS**"), and/or non-U.S. national security or investment clearance regulators depending on the beneficial ownership and control of interests in such Portfolio Fund or Portfolio Company. Depending upon the final composition of the Limited Partners in FLEX Master (in respect of their classification as U.S. or non-U.S. investors), any Sub-Fund, through which an investment in an underlying Portfolio Fund or Portfolio Company is made, may be classed as a non-U.S. investor in such underlying Portfolio Fund or Portfolio Company. In cases where the aggregate of non-U.S. investors investing in a Portfolio Fund or a Portfolio Company comprises a substantial portion of such Portfolio Fund's or Portfolio Company's aggregate capital commitments or capitalization, such Portfolio Fund or Portfolio Company may be at increased risk that its investments or activities may be subject to review by CFIUS or another regulator, and that limitations or restrictions will be imposed by CFIUS or another regulator with respect to such investments or activities.

The U.S. government has also implemented and expanded a number of economic sanctions programs and export controls that target Chinese entities and nationals on national security grounds, and has imposed restrictions on acquiring and retaining interests in the securities of certain Chinese entities. These initiatives target, for example, China's response to political demonstrations in Hong Kong, China's conduct concerning the treatment of Uighurs and other ethnic minorities in its Xinjiang province, and certain Chinese entities designated by the U.S. government as Communist Chinese military companies, among other things. In January 2021, China's Ministry of Commerce issued The Rules on Counteracting Unjustified Extraterritorial Application of Foreign Legislation and Other Measures to counteract the impact of foreign sanctions on Chinese persons by enabling Chinese citizens, legal persons, and other organizations to seek remedies as a result of prohibitions or restrictions on normal economic, trade, and related activities with persons of other countries.

The U.S. government also enacted Foreign Investment Risk Review Modernization Act ("**FIRRMA**") and related regulations, which significantly expanded the types of transactions that are subject to CFIUS jurisdiction. Under FIRRMA, CFIUS has the authority to review and potentially block or impose conditions on certain foreign investments in U.S. companies or real estate. In addition to the United States, many other countries are enacting or beginning to enforce their own foreign direct investment laws, such as Measures for the Security Review of Foreign Investments in China or the proposed National Security and Investment Bill in the United Kingdom.

In the event that CFIUS or another regulator reviews one or more of a Portfolio Fund's proposed or existing investments or a Portfolio Company's business activities or investments, CFIUS or another regulator may seek to impose limitations on or prohibit those investments or activities by such Portfolio Fund or Portfolio Company. Such limitations or restrictions may adversely affect the Portfolio Fund's or Portfolio Company's performance and thus adversely affect the performance of the relevant Sub-Fund.

In addition, where restrictions are imposed on any investment by a Portfolio Fund due to the non-U.S. status of investors in such Portfolio Fund, the General Partner or other managing entity of the Portfolio Fund may have the ability to restrict non-U.S. investors (which may potentially include the relevant Sub-Fund) from investing in or receiving information with respect to any such portfolio investment or cause non-U.S. investors (which may potentially include the relevant Sub-Fund) to withdraw from the Portfolio Fund, which could adversely impact the performance of the relevant Sub-Fund. Regulations similar to that of CFIUS may also be adopted by national security and investment clearance regulators in other countries in which a Portfolio Fund makes investments, with potentially similar adverse consequences to the investment of the relevant Sub-Fund in respect of such Portfolio Fund.

The withdrawal of the UK from the EU may have an adverse effect on FLEX, the performance of its Investments and its ability to fulfil its investment objectives.

The withdrawal of the UK from the EU has resulted in some divergence between the laws and regulations applicable in the UK and the EU. This divergence is expected to increase over time and will as such, increase the compliance and regulatory burden of FLEX as its service providers may need to consider both systems to ensure compliance, to the extent applicable.

The UK's withdrawal from the EU has adversely impacted UK firms that conduct or depend on the provision of cross-border services, including UK regulated firms in the financial sector, as they no longer have access to the EU single market.

Although the arrangements between the UK and EU following the UK's withdrawal provide for zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin (subject to both parties maintaining a level playing field in areas such as environmental protection, social and labor rights, investment, competition, state aid, and tax transparency), market access for those firms that conduct cross-border trade in goods will fall below what the single market previously allowed. Non-tariff barriers, customs declarations, customs checks, restrictions on movements of employees, withdrawal of recognition of previously recognized professional qualifications, changes in the status of the UK *vis-à-vis* the EU for tax and VAT purposes, and other sources of friction have the potential to impair the profitability of a business, require it to adapt, or even relocate to operate through an establishment in the EU. Understanding and preparing for these new arrangements may result in increased operational and compliance burdens for FLEX. In addition, there may be an adverse effect on FLEX, the performance of its Investments and its ability to fulfil its investment objectives (especially if its Investments include, or expose it to, businesses that have historically relied on access to the single market for their custom or that have historically relied on sourcing goods, materials or labor from the single market).

FLEX may make Investments in the European Union, which is subject to additional risks and may impact the value of the Interests

Some of a Sub-Fund's investments may be in the Eurozone. The General Partner shall not be responsible for any economic or financial event relating to the Euro or the Eurozone that may affect the investment objectives and/or performance of such Sub-Fund. Changes in currency exchange rates may adversely affect the value of portfolio investments, interest received by such Sub-Fund, gains and losses realized on the sale of portfolio investments, and the amount of distributions, if any, to be made by such Sub-Fund. In addition, such Sub-Fund may incur costs in the event of converting investment principal and income from one currency to another.

The long-term financial stability of the Eurozone remains uncertain and difficult to predict. The possibility of a sovereign default remains a risk in countries where gross government debt, as a percentage of gross domestic product, remains relatively high by comparison to other countries in the EU, and especially taking into account the extraordinary indebtedness incurred in managing the COVID-19 pandemic. A particularly high level of government debt may be unsustainable for a country that has, and continues to endure, vulnerabilities such as weak fundamentals, weak economic growth and / or high unemployment and that has yet to implement or benefit from long-term economic reforms. A default on sovereign debt, although a remote risk, could have a material impact on economic conditions and market activity in the Eurozone and elsewhere in the EU. For example, default by a participating member state could contribute to the collapse of the Eurozone, or possibly result in the defaulting member state ceasing to use the Euro as its national currency, or even provide a stimulus for one or more member states to withdraw from EU membership – any of which could have an adverse impact on the relevant Sub-Fund. Moreover, any structural instability of the Eurozone could have negative implications for the European financial industry and the global economy as a whole because of counterparty risks, exposures and other "systemic" risks. A potential effect would be an immediate reduction of liquidity for particular investments in economically connected countries, thereby impairing the value of such investments. Uncertain economic conditions generally affect markets adversely. Volatility in the global credit markets typically makes it more difficult for issuers and borrowers to obtain favorable financing or refinancing arrangements that may be needed to execute a Sub-Fund's investment strategy. Uncertainty in the Eurozone could have an adverse effect on such Sub-Fund's by affecting the performance of its investments (whether made in a country that is at greater risk of default or in a country that is economically connected) and its ability to fulfill its investment objectives.

The stability of certain European financial markets has deteriorated and speculation as to the possibility of additional defaults by sovereign states in Europe in respect of their obligations has increased. As a result of the credit crisis in Europe, the European Commission created the European Financial Stability Facility (the "**EFSF**") and the European Financial Stability Mechanism (the "**EFSM**") to provide funding to Eurozone countries in financial difficulties that seek such support. In March 2011, the European Council agreed on the need for Eurozone countries to establish a permanent stability mechanism, the European Stability Mechanism (the "**ESM**"), which was activated to assume the role of the EFSF and the EFSM in providing external financial assistance to Eurozone countries from June 2013 onwards. Despite these measures, concerns persist regarding the growing risk that other Eurozone countries could be subject to an increase in borrowing costs and could face an economic crisis similar to that of Cyprus, Greece, Italy, Ireland, Spain and Portugal, together with the risk that some countries could leave the Eurozone (either voluntarily or involuntarily) and could have a negative impact on FLEX's activities in Europe, as the impact of these events on Europe and the global financial system could be severe.

Given current market conditions of relatively weak growth in many EU Member States (which are expected to continue in the near to medium term), there is a risk that default of certain participating member states of the EU could lead to the collapse of the Eurozone as it is constituted today or that certain member states of the EU could cease to use the Euro as their national currency. Moreover, financial and economic developments in one EU member state could impact economic and financial conditions among other EU member states. Any such development could have an adverse effect on FLEX, the performance of the Portfolio Investments and a Sub-Fund's ability to effectively achieve its investment objectives. Any deterioration in the economic environment caused directly or indirectly by such a default is likely to have a direct effect on the creditworthiness of borrowers and / or issuers, thereby impacting the value of the Portfolio Investments generally and adversely affecting FLEX's ability to generate attractive risk-adjusted investment returns.

Moreover, any structural instability of the Eurozone could have negative implications for the European financial industry and the global economy as a whole because of counterparty risks, exposures and other "systemic" risks. A potential effect would be an immediate reduction of liquidity for particular investments in economically connected countries, thereby impairing the value of such investments. Uncertain economic conditions generally affect markets adversely. Volatility in the global credit markets typically makes it more difficult for issuers and borrowers to obtain favorable financing or refinancing arrangements that may be needed to execute a Sub-Fund's investment strategy. Uncertainty in the Eurozone could have an adverse effect on such Sub-Fund by affecting the performance of its investments (whether made in a country that is at greater risk of default or in a country that is economically connected) and its ability to fulfill its investment objectives.

This situation as well as the United Kingdom's referendum as discussed in the risk factors herein have raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union and may result in changes to the composition of the Eurozone. The departure or risk of departure from the Euro by one or more Eurozone countries could lead to the reintroduction of national currencies in one or more Eurozone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. This could have adverse effects on FLEX. Practical consequences for FLEX may include but are not limited to: (i) increased risk of default by FLEX's creditors; (ii) increased risk of default by FLEX's counterparties; (iii) loss in the value of the portfolio of the Sub-Funds; (iv) difficulty in valuing assets due to a lack of reliable data or market disruption; and (v) difficulty in liquidating assets due to introduction of capital controls or general market disruption. If the

Euro is dissolved entirely, the legal and contractual consequences for holders of Euro-denominated obligations would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Interests.

Financial legislation and regulation may be amended from time to time in a way that is not foreseeable for FLEX and impose additional requirements, which may hinder its Sub-Funds' ability to achieve their investment objectives.

The recent instability in the financial markets has led to a number of unprecedented actions being taken by governments to support certain financial institutions and segments of the financial markets that have experienced volatility or a lack of liquidity. Governments, their regulatory agencies, or self-regulatory organizations may take additional actions that affect the regulation of the assets in which a Sub-Fund invests, or the issuers of such assets, in ways that are unforeseeable.

Legislation and regulation may also change the way in which FLEX itself is regulated. If legislation or government regulations impose any additional requirements or restrictions on the ability of financial institutions to make loans, the ability of FLEX to originate loans or the availability of loans in the secondary market for investment by a Sub-Fund may be adversely affected. In addition, such requirements or restrictions could reduce or eliminate sources of financing for certain borrowers. This would increase the risk of defaults.

There has been considerable commentary and discussion papers among regulators and intergovernmental institutions, including the Financial Stability Board and International Monetary Fund, on "shadow banking," which is a term taken to refer to credit intermediation involving entities and activities outside the regulated banking system. Since FLEX is an entity outside the regulated banking system and certain of its activities could arguably fall within this definition, it may be subject to regulatory developments. FLEX and the Investment Managers could be subject to increased levels of oversight and regulation. This could increase costs, limit operations, and hinder a Sub-Fund's ability to achieve its investment objectives. Regulations could be introduced that render the continued operation of FLEX unviable and lead to its early termination or restructuring.

In addition, investor-related regulation, such as the Solvency II Directive (2009/138/EC) ("**Solvency II**") and other similar national or EU regulation applicable to banks, insurance companies, and pension funds may have an adverse impact on the investors' investment in FLEX. Each prospective investor is urged to consult its advisors prior to making an investment in FLEX and to verify to what extent it can take such regulatory risk exposure.

Regulation and reform of benchmarks and other reference rates may increase borrowing costs and may be detrimental to FLEX and its Limited Partners.

London Interbank Offered Rate ("**LIBOR**") benchmarks were used as the basis for determining the interest rate when borrowing in various currencies in the London unsecured interbank market and were widely used for setting the interest rate on loans, bonds, and derivatives globally. Other comparable "**IBOR**" rates performed a similar function with respect to certain other currencies. In response to various regulatory initiatives aimed at discontinuing the use of LIBOR and other IBORs, financial market participants have largely transitioned the interest rate benchmarks of their financial arrangements from LIBOR and other comparable IBORs to alternative near Risk-Free-Rates ("**RFRs**").

Notwithstanding such transition away from the use of IBORs, Portfolio Funds may have some residual exposure to "LIBOR" and other "IBOR" related benchmarks or to other fall-backs. This could arise because a Portfolio Fund or one of its portfolio companies entered into financing arrangements linked to such benchmarks or where a Portfolio Fund made an investment in a debt-security that is linked to such benchmarks.

Such exposures are expected to reduce and eventually be eliminated over time as the relevant financial arrangement reaches its scheduled maturity or as the relevant financial arrangement is transitioned from an IBOR benchmark to its replacement RFR benchmark.

Any transition from an IBOR to an RFR could adversely impact the Portfolio Fund and therefore, indirectly, FLEX, due to a range of factors, including but not limited to reducing the interest rate earned by the Portfolio Fund as a (direct or indirect) holder of a debt-security linked to an IBOR and which is being transitioned; or causing the Portfolio Fund to bear expenses (directly or indirectly) in respect of such transition.

FLEX and its Portfolio Funds will have exposure to RFRs for new financing arrangements that are denominated in a currency for which an RFR has become the industry standard benchmark. Certain RFRs are relatively new interest rate benchmarks compared to LIBOR and how these rates will perform in stressed market conditions or over significant time periods is not well established.

In addition, manipulation, regulatory scrutiny and/or reform, phase-out, permanent discontinuation, replacement, tremendous volatility, and other change(s) which might have resulted and/or might result in, among others (i) a benchmark rate being artificially lower (or higher) than it otherwise would have been; (ii) changes to the applicable calculation and/or valuation methodology; and/or (iii) market uncertainty as to the current and/or future status of any such benchmark rate. To the extent FLEX has direct or indirect exposure to a benchmark rate impacted in this manner then this could have an adverse effect on FLEX and therefore investors.

FLEX may be required to request information from investors, including information with respect to any beneficial owners of an investor.

FLEX is subject to a number of laws and regulations, including, without limitation, those relating to anti-money laundering, and including FATCA and the Common Reporting Standard. Pursuant to such and similar laws and regulations, FLEX may be required to request information from investors, including information with respect to any beneficial owners of an investor. The terms of the Partnership Agreement and/or FLEX Master's application forms will obligate investors to provide further information to FLEX under certain circumstances and FLEX will be permitted to disclose such information, including information with respect to investors' identities or the identity of beneficial owners of an investor to the extent permitted by law.

In addition, Directive (EU) 2015/849 of the European Parliament and of the Council of May 20, 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (the "**4th AML Directive**") was transposed into Luxembourg law on February 13, 2018. The transposition thereof resulted in changes to the law of November 12, 2004 relating to the fight against money laundering and the financing of terrorism, as amended (the "**2004 Law**"), and to the adoption of separate legislation with respect to the beneficial owners' transparency requirements as more fully described under the 4th AML Directive. The Luxembourg law of January 13, 2019 (the "**2019 Law**"), which has been supplemented by the Grand-ducal Regulation of February 15, 2019 on the registration, payment of administrative fees, and access to information recorded in the RBO (collectively, the "**RBO Rules**"), has created a register of beneficial owners (*Registre des bénéficiaires effectifs*). FLEX is required to (i) collect and hold information on its beneficial owners (within the meaning of the 2004 Law) and (ii) file this information with the RBO.

Additionally, 4th AML Directive has been amended by Directive (EU) 2018/843 of the European Parliament and of the Council of May 30, 2018 ("**AMLD 5**"), which has been transposed by Luxembourg law dated March 25, 2020 further extending the scope of anti-money and anti-terrorism legislation with effect from March 30.

Changes to tax laws based on BEPS may be detrimental to FLEX and result in additional reporting and disclosure obligations for investors and additional taxes for FLEX or its investors.

OECD together with the G20 countries has committed to reduce perceived abusive global tax avoidance, referred to as base erosion and profit shifting ("**BEPS**"). As part of this commitment, an action plan has been developed to address BEPS with the aim of securing tax revenue by realigning taxation with economic activities and value creation by creating a single set of consensus-based international tax rules. As part of the BEPS project, new rules dealing with the operation of double tax treaties, the definition of permanent establishments, interest deductibility and the taxation of hybrid instruments and hybrid entities have already been introduced and will continue to be introduced in relevant tax legislation of participating OECD countries. Depending on if and how these proposals are implemented, they may have a material impact on how returns to investors are taxed. Such implementation may also give rise to additional reporting and disclosure obligations for FLEX and/or investors.

As part of the global OECD BEPS project, Luxembourg has signed (together with more than 100 jurisdictions) the so-called multilateral instrument ("**MLI**") that will transpose anti-BEPS measures into the treaties Luxembourg has concluded. Luxembourg ratified the MLI through the law dated March 7, 2019 and has deposited its instrument of ratification on April 9, 2019 with the OECD. As a result, the MLI entered into force in Luxembourg on August 1, 2019. The MLI notably introduces a "principal purpose test" ("**PPT**") denying tax treaty benefits to companies when obtaining such benefits was "one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in" these benefits, unless granting these benefits under the given circumstances would be "in accordance with the object and purpose of the relevant provisions" of the tax treaty.

Whether a Luxembourg entity relying on tax treaty benefits can be construed as being part of such type of arrangement will predominantly depend on source state views.

Domestic rules dealing with the operation of double tax treaties, the definition of permanent establishments, interest deductibility and the taxation of hybrid instruments and hybrid entities have already been introduced and will continue to be introduced in relevant tax legislation of participating OECD countries. Implementation of BEPS is still ongoing, and depending on whether and how its principles are implemented by participating countries, changes to tax laws based on BEPS may result in additional reporting and disclosure obligations for investors and additional taxes for FLEX or its investors.

The adoption of anti-tax avoidance directives in the EU may lead to additional taxes being imposed on FLEX and obligation to request certain information from investors in FLEX.

In addition to national implementation of BEPS, the EU has adopted the Anti-Tax Avoidance Directive ("**ATAD 1**") that addresses many of the items of the BEPS project, including among others hybrid mismatch rules, interest deduction limitation, controlled foreign companies rules and a general anti-abuse rule (GAAR). Luxembourg implemented the ATAD 1 into its national law as of December 21, 2018 and, as with all other EU Member States, must apply those provisions as of January 1, 2019. On February 21, 2017, the Economic and Financial Affairs Council of the EU reached political agreement on amendments to ATAD 1 to neutralize hybrid mismatch structures involving non-EU countries ("**ATAD 2**"). While ATAD 1 contains rules combatting certain hybrid mismatches between EU Member States, ATAD 2 extends the scope to (i) a variety of other mismatches between EU Member States and (ii) mismatches between EU Member States and third countries. ATAD 2 provisions had to be implemented into domestic law by January 1, 2020. As an exception, implementation of a specific provision targeting so-called reverse hybrids can be postponed by EU Member States until January 1, 2022.

ATAD 2 was transposed into Luxembourg legislation by the law voted by the parliament of Luxembourg on December 20, 2019 (the "**ATAD 2 Law**"). Most of the provisions of the ATAD 2 Law came into force on January 1, 2020.

Furthermore, on December 22, 2021, the EU published the draft Anti-Tax Avoidance Directive 3 ("**ATAD 3**") designed to impose new minimum substance rules to prevent the misuse of shell entities for improper tax purposes. ATAD 3 proposes to introduce reporting requirements for certain EU tax resident companies with mobile and/or passive income (such as interest, dividends and royalty income) that have inadequate economic substance (as prescribed under ATAD 3). If an entity fails to meet these substance requirements, it will be denied benefits under double tax treaties and various EU directives. ATAD 3 must be unanimously agreed by the Member States in the Council of the EU. Once approved, the ATAD 3's provisions then have to be transposed into each EU local legislation. While the ATAD 3's provisions were initially set to come into effect on January 1, 2024, the draft of ATAD 3 released on May 12, 2022, contains a deferral of the implementation of ATAD 3 to January 1, 2025. ATAD 3 is still in draft form and is subject to public consultation. The details of these rules are therefore subject to change.

The effect of BEPS, MLI, ATAD 1, ATAD 2 and ATAD 3 could lead to additional taxes being imposed on FLEX, Intermediate Vehicles or portfolio entities which may adversely affect the value of the Interests held by the Limited Partners. In addition, certain information may be requested from investors to enable FLEX to comply with these requirements. To the extent that the relevant Investment Manager determines in its sole discretion that such additional taxes imposed on FLEX, Intermediate Vehicles or portfolio entities are properly attributable to a Limited Partner or group of Limited Partners (including as a result of a hybrid mismatch because of the tax classification of the entities or instruments in a Limited Partner's local jurisdiction or a Limited Partner's failure to provide information which may avoid the application of the rules described in the foregoing), such taxes may be deemed distributed to or otherwise allocated to such Limited Partner or group of Limited Partners. Such Investment Manager also has the ability to restructure FLEX and/or use alternative investment structures to take into account these rules and mitigate their adverse impact. Prospective investors should consult their own tax advisors regarding all aspects of the implementation of these laws and directives as it affects their particular circumstances.

FLEX is subject to the provisions of FATCA as implemented in Luxembourg.

As described in Subsection 11 "*FATCA*" of Section XII "*Regulatory and Tax Considerations*" of this Prospectus, under FATCA, all entities in a broadly defined class of FFIs must comply with a complicated and expansive reporting regime or be subject to a 30% U.S. withholding tax on certain U.S. payments and non-U.S. entities which are not FFIs must either certify they have no substantial U.S. beneficial ownership or report certain information with respect to their substantial U.S. beneficial ownership or be subject to a 30% U.S. withholding tax on certain U.S. payments. FATCA also contains complex provisions requiring participating FFIs to withhold on certain "foreign passthru payments" made to nonparticipating FFIs and to holders that fail to provide the required information. The definition of a "foreign passthru payment" is still reserved under the current regulations; however, the term generally refers to payments that are from non-U.S. sources but that are "attributable to" certain U.S. payments described herein. Under proposed regulations, on which taxpayers may rely, withholding on these payments is not set to apply before the date that is two (2) years after the date of publication of final regulations defining the term "foreign passthru payment." In general, non-U.S. investment funds such as FLEX Master are considered FFIs. The reporting requirements imposed under FATCA require FFIs to enter into agreements with the IRS to obtain and disclose information about certain investors to the IRS or, if subject to an IGA, register with the IRS and comply with the reporting requirements regime of the IGA and any implementing legislation enacted thereunder. The U.S. and Luxembourg entered into an IGA on March 28, 2014, which was ratified and implemented into Luxembourg law on July 24, 2015. IGAs are generally intended to result in the automatic exchange of tax information through reporting by an FFI to the government or tax authorities of the country in which such FFI is domiciled, followed by the automatic exchange of reported information with the IRS. FLEX Master intends to comply, to the extent reasonably practicable, with the reporting requirements to avoid the imposition of the withholding tax, but if such it does not do so (because, for example, investors fail to provide the required information), certain payments made to it may be subject to a withholding tax, which may result in the value of the Interests to suffer material losses. Any tax caused by a Limited Partner's failure to comply with FATCA will be borne by such Limited Partner. In addition, non-U.S. investment funds, such as FLEX Master and non-U.S. alternative investment vehicles, and underlying entities in which FLEX Master may invest, may be subject to reporting requirements in other jurisdictions under legislation similar to FATCA, such as legislation implementing the MCAA, as described in Subsection 10 "*Automatic Exchange of Financial Account Information*" of Section XII "*Regulatory and Tax Considerations*" of this Prospectus. Potential investors should consult their own tax advisors regarding all aspects of FATCA and CRS as it affects their particular circumstances.

Transactions carried out by FLEX may be reportable under DAC6.

On May 25, 2018, the EU Council adopted a directive (2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) ("**DAC6**") that imposes mandatory disclosure requirements for certain EU cross-border tax arrangements which satisfy certain "hallmarks" provided for in DAC6 and which may have a tax advantage as the main or expected benefit (the "**Reportable Arrangements**"). In the case of a Reportable Arrangement, the information that must be reported includes, *inter alia*, the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement. The reporting obligation in principle rests with persons that design, market, organize, make available for implementation or manage the implementation of the Reportable Arrangement (so-called "intermediaries"). However, in certain cases, the taxpayer itself can be subject to the reporting obligation. The information reported will be automatically exchanged between the tax authorities of all EU Member States.

DAC6 was implemented into Luxembourg law on March 25, 2020 (the "**DAC6 Law**") and became applicable from July 1, 2020. Starting from January 1, 2021, Reportable Arrangements must be reported within 30 days from the earliest of: (i) the day after the Reportable Arrangement is made available for implementation; (ii) the day after the Reportable Arrangement is ready for implementation; or (iii) the day when the first step in the implementation of the Reportable Arrangement has been made.

In light of the broad scope of DAC6 Law, transactions carried out by FLEX may fall within the scope of DAC6 Law and thus be reportable (subject however to the way DAC6 will effectively be implemented into national laws).

Potential investors should consult their own tax advisors regarding all aspects of the implementation of these laws and directives as it affects their particular circumstances.

In determining whether or not to make an investment in FLEX, each prospective investor should consider the tax consequences of such investment. See Section XII "*Regulatory and Tax Considerations*" of this Prospectus. The tax consequences faced by FLEX and the underlying Portfolio Funds with respect to the investments are complex. Positions taken by FLEX as to tax issues may be challenged by the relevant tax authorities. Tax laws, including laws relating to disclosure of investors to tax authorities, are subject to change. Certain tax risks discussed herein should be read carefully by each prospective investor. Prospective investors are urged to consult their own tax advisers with respect to their particular tax situations and the consequences of an investment in FLEX, including potential legislative or administrative changes.

Investors considering an investment in FLEX should take into account U.S. and other taxes that may be incurred by investment structures or vehicles that may be utilized with respect to investments in the U.S. by Portfolio Funds or Portfolio Companies in which a Sub-Fund invests. FLEX, Portfolio Funds, or any structure underlying FLEX or the Portfolio Funds and the investors may be subject to income or other tax in jurisdictions in which underlying vehicles are located and/or investments are made. Moreover, withholding tax or other taxes (e.g., branch profits taxes) may be imposed on earnings of the relevant Sub-Fund from investments in such jurisdictions. In addition, local tax incurred in such jurisdictions by FLEX, Portfolio Funds, or vehicles through which they invest may not be creditable to or deductible by the investors in their respective jurisdictions.

In addition, each prospective investor is advised to consult its own tax advisers with reference to their specific circumstances as to any foreign, U.S. federal, state, and local tax consequences that may apply to an investment in FLEX. Because of timing differences between allocations of gain and income and distributions of cash proceeds, there can be no assurance that investors subject to tax on income or gains will receive distributions sufficient to fully satisfy their tax liabilities related to an investment in FLEX.

In addition, no assurance can be given that FLEX or any structures through which it invests will be tax-efficient for any prospective investor or that returns to any investor will be unaffected by taxation arising in relation to an underlying investment structure. No undertaking is given that amounts distributed or allocated to investors will have specific tax characteristics or that investors will receive specific tax treatment in their own jurisdiction or any other jurisdiction. Additionally, returns to investors may be affected by tax authorities or courts interpreting or applying tax legislation differently to the interpretation and application anticipated by the General Partner and its advisers.

Structures through which a Sub-Fund invest, Portfolio Funds, and/or certain investments made in or by Portfolio Funds may constitute offshore funds for UK tax purposes under Part 8 of the Taxation (International and Other Provisions) Act 2010, which could result in adverse tax consequences for certain U.K.-resident investors.

2. Conflicts of Interests

FLEX, the Investment Managers, Franklin Templeton, Lexington, together with their direct and indirect subsidiaries, may have conflicts of interests with respect to FLEX, or Other Lexington Vehicles generally. Some of these conflicts, whether potential or actual, that have been identified by the Investment Managers, Franklin Templeton and Lexington to date, are described in the following paragraphs and should be carefully evaluated before any decision to make an investment in FLEX is made. As Lexington's business continues to evolve over time, it can be expected that Franklin Templeton, Lexington and their personnel would in the future engage in activities that result in conflicts of interest not addressed below.

If any matter arises that the relevant Investment Manager determines in its good faith judgment may constitute an actual or potential conflict of interest, such Investment Manager has the authority to take such actions as it determines in good faith to be necessary or appropriate to address the conflict and, upon taking such actions, such Investment Manager will be relieved of any liability for such conflict to the fullest extent permitted by law and will be deemed to have satisfied their fiduciary duties related thereto to the fullest extent permitted by law.

There can be no assurance that Franklin Templeton and Lexington will resolve all conflicts of interest in a manner that is favorable to FLEX. The following discussion enumerates certain potential conflicts of interest, which should be carefully evaluated before making an investment in FLEX. Subject to the terms of this Prospectus, the non-affiliated members of the board of directors of FLEX Feeder may review actual or potential conflicts of interests between FLEX, on the one hand, and Franklin Templeton and Lexington and their affiliates, on the other hand.

Allocation of Investment Opportunities with Other Lexington Vehicles and Conflicting Fiduciary Duties to Other Lexington Vehicles.

Franklin Templeton or Lexington may, from time to time, be presented with investment opportunities that fall within the investment objective and strategy of the relevant Sub-Fund and Other Lexington Vehicles, and in such circumstances, Lexington will allocate such opportunities among such Sub-Fund and such Other Lexington Vehicles on a basis that Franklin Templeton or Lexington reasonably determines in good faith to be fair and reasonable taking into account the sourcing of the transaction, the nature of the investment focus of Other Lexington Vehicles and applicable investment limitations and investment periods, the relative amounts of capital available for investment, the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals for FLEX and each such Other Lexington Vehicles, the governing agreements of each of FLEX and such Other Lexington Vehicles, and other considerations deemed relevant by Franklin Templeton or Lexington in good faith. Other Lexington Vehicles (including any managed account (or similar arrangement structured through an entity) formed to invest a majority of its capital alongside a Sub-Fund or Other Lexington Vehicles) will have different economic terms than the relevant Sub-Fund (which could be more or less favorable to Franklin Templeton, Lexington and their affiliates) or no fees or carry, which may incentivize Franklin Templeton, Lexington and their affiliates to allocate investment opportunities (in whole or in part) to or away from the relevant Sub-Fund. Moreover, Franklin Templeton and Lexington have no obligation to allocate investment opportunities to a Sub-Fund that are within the investment objectives of Other Lexington Vehicles (including such funds and accounts that are not yet in existence) the primary objective of which is participating in "Sponsor Solutions" or acquiring interests in certain specified industries, sectors or geographies, and such Other Lexington Vehicle may be allocated such investments. For the avoidance of doubt, notwithstanding the primary objectives of such funds or accounts, such vehicles will likely be established with the purpose of investing a portion of their capital in secondary investments generally, similar to FLEX, and investment opportunities within such a vehicle's objective (even if such opportunities do not consist solely of Portfolio Funds within, for example, the industry for which such vehicle was primarily established) may be allocated, in whole or in part, to such vehicle in lieu of or alongside the applicable Sub-Fund. Franklin Templeton or Lexington may in the future form one or more vehicles with investment objectives of the type described herein. Therefore, a Sub-Fund may not always be allocated any portion of certain investment opportunities that would otherwise have been allocated to such Sub-Fund. In determining compliance with such Sub-Fund's investment limitations, any fees and expenses that are not included in such Sub-Fund's commitment to a Portfolio Fund, as well as any amounts required to be re-invested or are otherwise "recycled" pursuant to the terms of the governing agreement of any Portfolio Fund, shall be disregarded, and Franklin Templeton and Lexington may discount amounts committed to a Portfolio Fund to the extent that Franklin Templeton and Lexington does not believe, in their discretion, such amounts will actually be called by the underlying fund.

There can be no assurances with respect to the amount of any investment opportunity that will be allocated to such Sub-Fund. Franklin Templeton or Lexington will determine the "available capital" of a Sub-Fund and Other Lexington Vehicles in good faith, based on methodologies it deems appropriate, and which are subject to change from time to time, and which may result in such Sub-Fund receiving a greater or lesser portion of Portfolio Funds than would be the case under other methodologies, and such methodologies may be impacted by the use (or lack of use) of a credit facility by such Sub-Fund and Other Lexington Vehicles. Franklin Templeton and Lexington expect to determine "available capital" from time to time based in part on such Sub-Fund's "net commitments" to Portfolio Funds (i.e., the commitments of FLEX to Portfolio Funds, less projected proceeds from Portfolio Funds that Franklin Templeton or Lexington expects at such time to ultimately receive and utilize to cover credit facility obligations or obligations to Portfolio Funds). Franklin Templeton or Lexington may adjust such expectations from time to time, and such expectations may ultimately be incorrect (or such projected proceeds may ultimately never be received, in whole or in part).

As a result of opportunities available in the market and other considerations, Other Lexington Vehicles may primarily make investments that overlap with those targeted by a Sub-Fund, which may result in such Sub-Fund participating in certain investment opportunities to a lesser extent than would otherwise be the case (or not at all). Lexington and its affiliates may consider any transaction or series of related transactions as a whole when allocating investment opportunities between such Sub-Fund and Other Lexington Vehicles, and therefore Portfolio Funds that are otherwise appropriate for such Sub-Fund to invest in may be allocated in whole or in part to Other Lexington Vehicles, or allocation decisions may be based on the individual Portfolio Funds within an investment opportunity (and allocated, for example, among such Sub-Fund and Other Lexington Vehicles on a non-pro rata basis as determined by Franklin Templeton or Lexington in good faith).

In addition, Franklin Templeton and Lexington expect to form investment vehicles for the purpose of facilitating the participation by investors (including Limited Partners, investors in Other Lexington Vehicles and other third parties) in "continuation vehicles" and other transactions within the "general partner led" secondary market, with respect to interests in investment funds held by such investors directly. Franklin Templeton and Lexington may also form "sleeves" within co-investment vehicles to serve the same purpose. Such interests will likely be transferred to such Other Lexington Vehicles for purposes of participating in such transactions, and Franklin Templeton or Lexington, in its capacity as general partner of such vehicles, to the extent it has an economic interest therein (e.g., for tax purposes or as otherwise agreed with applicable investors therein) may thereby indirectly acquire a portion of such interests as a result of such transactions. Such vehicles may invest in actual or proposed Portfolio Funds of a Sub-Fund, and may give rise to conflicts of interest between such vehicles, on the one hand, and such Sub-Fund, on the other. Franklin Templeton and Lexington typically expect such vehicles or accounts to be non-discretionary. Any resolution to such potential conflicts of interest will take into consideration the interests of the relevant clients, the circumstances giving rise to the conflict and applicable laws.

For purposes of investments that Franklin Templeton and Lexington intend to make (or hold, if applicable) at the same time and on the same terms by a Sub-Fund and any Other Lexington Vehicles (including committed co-investment vehicles), Franklin Templeton and Lexington look to the underlying instrument in which an investment is made (for example, the price thereof), and not any leverage that such Sub-Fund or any Other Lexington Vehicles may have applied with respect to such investment at any level. It is likely that such Sub-Fund will seek to use leverage for an investment as to which Other Lexington Vehicles do not seek to do so (e.g., due to the availability of a credit facility (or lack thereof)). As a result of the foregoing, the terms of a Sub-Fund's Portfolio Funds and the investment performance thereof may ultimately be materially different than the same with respect to any Other Lexington Vehicles (including committed co-investment vehicles).

Prospective investors should note that Franklin Templeton and Lexington may from time to time, in consideration of the elements or dynamics of a particular transaction or series of transactions, determine in their sole discretion that it believes it is appropriate to involve one or more consortium partners and in such event may do so notwithstanding the foregoing allocation provisions. Consortium partners may include third parties, members of an investment's or sponsor's management teams, investors in Other Lexington Vehicles, or Limited Partners. The allocation of investment opportunities to consortium partners may result in fewer co-investment opportunities (or reduced allocations) being made available to the Limited Partners.

FLEX is expected to be given the opportunity by Portfolio Fund Managers from time to time in connection with existing Portfolio Investments to "roll-over" its interest(s) to new investment vehicles.

Warehousing, Co-Investments and Syndication.

Prospective investors should note that Franklin Templeton and Lexington reserve the right to offer co-investment opportunities in their sole discretion, are not expected to offer co-investment with respect to all Investments and may allocate any such opportunities in their sole discretion to, *inter alia*, Limited Partners, Other Lexington Vehicles, investors in Other Lexington Vehicles or third parties, including for example, on the basis of the size of investor commitments or relationships with Other Lexington Vehicles, Franklin Templeton or Lexington. Prospective investors should note as well that Lexington expects to form committed co-investment vehicles for certain Limited Partners, investors in managed accounts or others, and certain of such vehicles will likely receive priority in co-investing alongside a Sub-Fund in investment opportunities that Franklin Templeton or Lexington has determined in good faith exceed prudent diversification levels for such Sub-Fund, which will reduce the co-investment opportunities available and allocated to other investors. In addition, for the avoidance of doubt, Franklin Templeton and Lexington may permit co-investors and co-investment vehicles to participate in only a portion of the Portfolio Funds that form part of a single transaction. For example, in certain cases, co-investors and Other Lexington Vehicles may not participate in one or more "stapled" Primary Funds that a Sub-Fund invests in, in connection with its investment in Private Investment Funds in which certain co-investors participate, or in specific categories or types of investment funds that form part of a single transaction in which such Sub-Fund participates. Franklin Templeton and Lexington will offer opportunities to invest in committed co-investment vehicles to investors in its sole discretion. The foregoing also applies to any co-investment commitments (whether discretionary or otherwise) by an Other Lexington Vehicle investor that are made to such investor's Other Lexington Vehicle as a separate "pool" of capital, as opposed to a separate co-investment vehicle. The ability for a Limited Partner to participate in such committed co-investment vehicles will be determined by Franklin Templeton and Lexington in their sole discretion. For the avoidance of doubt, co-invest vehicles investing alongside a Sub-Fund (including committed co-investment vehicles) may from time to time be allocated a majority of any investment opportunity allocated thereto, alongside such Sub-Fund.

In addition, prospective investors should note that Franklin Templeton, Lexington, Other Lexington Vehicles, or affiliates or related parties of the foregoing or other parties (including for the avoidance of doubt any bank warehouse, which may be structured as a securitization, a total return swap, junior and/or "first loss" notes, the price of which will be linked to the value of the underlying assets, or otherwise, which in each case may be guaranteed financed or partially financed by any of the foregoing) could acquire an investment as principal and subsequently sell some or all of it to the relevant Sub-Fund, Other Lexington Vehicles or co-investors in an affiliate or related party transaction. Similarly, FLEX may acquire an investment and subsequently syndicate, or sell some or all of it, to Franklin Templeton, Lexington, Other Lexington Vehicles, co-investors, or affiliates or related parties of the foregoing or other third parties, notwithstanding the availability of capital from the Limited Partners and other investors thereof or applicable credit facilities. The Investment Managers may cause these transfers to be made at cost, or cost plus an interest rate or carrying cost charged from the time of acquisition to the time of transfer, notwithstanding that the fair market value of any such Investments may have declined below or increased above cost from the date of acquisition to the time of such transfer. The Investment Managers may also determine another methodology for pricing these transfers, including fair market value at the time of transfer. It may be possible that a Sub-Fund acquires transferred assets at above fair market value, and/or separately sell assets at below fair market value. The board of directors of FLEX Feeder (or the non-affiliated directors thereof) may, but are not required to, approve the price, terms and conditions of such transfer and may approve or waive any conflicts arising in connection therewith on behalf of the Limited Partners. Also, the Investment Managers may charge fees on these transfers to either or both of the parties to them. The Investment Managers or their affiliates will be permitted to retain any portion of an Investment initially acquired by them with a view to syndication to co-investors or other potential purchasers to the extent such portion has not been syndicated after reasonable efforts to do so. As part of structuring such syndication and warehousing arrangements, the Investment Managers may require FLEX and Other Lexington Vehicles to enter into conditional purchase agreements, where FLEX and/or such Other Lexington Vehicles agree to acquire future warehoused investments: (i) prior to their original acquisition; and (ii) prior to FLEX and such Other Lexington Vehicles having the requisite available capital to acquire such assets, in each case with such sale being conditional upon FLEX and/or such Other Lexington Vehicles (as the case may be) having sufficient available capital in order to acquire the relevant warehoused assets. Conflicts of interest are expected to arise in connection with these potential warehousing arrangements and any related affiliate transactions, including with respect to timing allocations of Investments to such warehousing, structuring, pricing and other terms of the transactions related thereto. For example, an Investment Manager will have a conflict of interest when such Investment Manager receives fees, including an incentive allocation, from an Other Lexington Vehicles acquiring from or transferring to FLEX all or a portion of an investment.

These conflicts related to syndication of Investments and warehousing will not necessarily be resolved in favor of FLEX, and Limited Partners may not be entitled to receive notice or disclosure of the occurrence of these conflicts. By subscribing for Interests, Limited Partners will be deemed to have consented to the syndication of Investments and warehousing to the extent the terms of such transactions are approved by the non-affiliated members of the board of directors of FLEX Feeder.

Spot Pricing.

A conflict exists for Franklin Templeton, Lexington and their affiliates in allocating purchase prices to specific underlying investment funds that are purchased in a single transaction or a series of related transactions, and the methodologies utilized by Franklin Templeton, Lexington and their affiliates to determine such allocations and purchase prices may differ amongst Other Lexington Vehicles and specific underlying investment funds. In certain circumstances, the price allocated to a specific underlying investment fund on FLEX's books and records may differ significantly from the price allocated to such fund in the applicable purchase agreement. In connection therewith, from time to time, Franklin Templeton and Lexington may allocate (in whole or in part) an investment in one or more underlying investment funds that are part of a portfolio of interests to one or more Other Lexington Vehicles instead of the relevant Sub-Fund, or Other Lexington Vehicles (e.g., co-investment vehicles) may participate in some but not all investment funds that form a part of a single transaction, and the portion of the purchase price allocated to such underlying funds may be lower than the portion of the purchase price such underlying fund was allocated in the applicable purchase agreement. The foregoing may result in such Sub-Fund bearing a greater portion of the purchase price with respect to any transaction than would otherwise be the case.

Buying and Selling Investments or Assets from Certain Related Parties.

The Sub-Funds can be expected to purchase Investments or assets, including seasoned Investments and interests in Other Lexington Vehicles, from or sell Investments or assets, including seasoned Investments and interests in Other Lexington Vehicles, to Limited Partners or their respective related parties, including the parties which such Limited Partners or Other Lexington Vehicles, own or have invested in.

It is expected that a Sub-Fund will from time to time make investments in which such Sub-Fund (directly or indirectly) acquires assets owned in whole or part (directly or indirectly) by Other Lexington Vehicles and proceeds indirectly flow from such Sub-Fund to such Other Lexington Vehicles. Other Lexington Vehicles may similarly acquire assets indirectly from such Sub-Fund. For example, a Sub-Fund may invest in a sponsor's "continuation vehicle" which acquires assets from an existing fund of such sponsor, and in which Other Lexington Vehicles invest (or vice versa). A Sub-Fund may also acquire fund interests from a fund-of-funds in which Other Lexington Vehicles invest (or vice versa).

Competition from Other Lexington Vehicles.

Portfolio Funds (or their managers or underlying portfolio companies) in which a Sub-Fund or Other Lexington Vehicles have an interest may compete with such Sub-Fund or its Portfolio Funds for one or more investment opportunities. It is also possible that certain Portfolio Funds (or their managers or underlying portfolio companies) will engage in activities that may have adverse consequences on such Sub-Fund and/or its Portfolio Funds. The foregoing may give rise to conflicts of interest, and there can be no assurance that these matters will be resolved in a manner favorable to the relevant Sub-Fund.

Diverse Limited Partner Group.

The Limited Partners and investors in Other Lexington Vehicles are generally based in a wide variety of jurisdictions and take a wide variety of forms. These investors (including the Limited Partners) may have conflicting investment, tax, and other interests with respect to their investments in FLEX or Other Lexington Vehicles. The conflicting interests of individual investors may relate or arise from, among other things, the nature of investments made by a Sub-Fund or Other Lexington Vehicles, and the structuring or the acquisition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the Investment Managers, Franklin Templeton or Lexington, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another investor, or more beneficial to a Sub-Fund, one or more Other Lexington Vehicles than for the other investment vehicles participating in an investment, especially with respect to investors' individual tax situations. For example, Lexington expects to generally underwrite Portfolio Funds by taking into account, *inter alia*, the financing thereof using the relevant Sub-Fund's credit facility, whereas Other Lexington Vehicles participating in such Portfolio Funds will likely not benefit from the use of similar facilities. In addition, a Sub-Fund may make Investments which may have a negative impact on related investments made by the Limited Partners or investors in Parallel Entities or Other Lexington Vehicles in separate transactions. In selecting and structuring investments appropriate for a Sub-Fund and Other Lexington Vehicles, Franklin Templeton and Lexington will consider the investment and tax objectives of such Sub-Fund and Other Lexington Vehicles and the investors therein (including the Limited Partners) as a whole, and not the investment, tax or other objectives of any Limited Partner individually.

Purchase of Interests by the Investment Managers.

FLEX has the authority to consent to any transfer of all or a portion of a Limited Partner's Interests, including a transfer to the Investment Managers or any of their affiliates. Any such transaction would present a conflict in that, by virtue of its role as such, the Investment Managers would be expected to possess more information and more detailed information regarding FLEX and its investments and the value thereof than the relevant Limited Partner.

There is no guarantee that FLEX will consider (or if it does consider, will consummate) a transfer of all or any portion of Interests from a Limited Partner to the Investment Managers, or that any such transfer will be available to Limited Partners generally. Limited Partners should not expect that any such transfer will be available at any time.

Global Distribution

The global distributor for FLEX is FTIS, an affiliate of FLEX and the Franklin Templeton Group. Any material adverse change to the ability of the Franklin Templeton Group and the Global Distributor to build and maintain a network of financial intermediaries (e.g., licensed securities broker-dealers and other agents) could have a material adverse effect on FLEX's business and the offering. If the Global Distributor is unable to build and maintain a sufficient network with the assistance of the Franklin Templeton Group of participating financial intermediaries to distribute Interests in the offering, a Sub-Fund's ability to raise proceeds through the offering and implement such Sub-Fund's investment strategy may be adversely affected. In addition, the Global Distributor serves and may serve as dealer manager for other issuers. As a result, the Global Distributor may experience conflicts of interests in allocating its time between the offering and such other issuers, which could adversely affect a Sub-Fund's ability to raise proceeds through the offering and implement such Sub-Fund's investment strategy. Further, the participating financial intermediaries retained by the Global Distributor may have numerous competing investment products, some with similar or identical investment strategies and areas of focus as FLEX, which they may elect to emphasize to their retail clients.

Performance Participation Allocation and Other Performance-Based Compensation.

The Performance Participation Allocation (if any is provided in the terms of an applicable Sub-Fund) would create a greater incentive for the Investment Managers to make more speculative Investments on behalf of a Sub-Fund, or to time the purchase or sale of Investments in a manner motivated by the personal interests of Franklin Templeton's or Lexington's personnel, in each case, than if such performance-based compensation did not exist, as the Recipient receives a disproportionate share of profits.

A similar incentive exists at the level of the Portfolio Funds in which a Sub-Fund may invest. The general partner clawback with respect to such Sub-Fund's indirect clawback liability pertaining to Portfolio Funds in which such Sub-Fund may invest in respect of such Sub-Fund's applicable share of carried interest generated by such Portfolio Funds' managers potentially creates other misalignments of interests between such Portfolio Funds' managers, on the one hand, and the investors in the Portfolio Funds, on the other hand, such as an incentive for the Portfolio Funds' managers to make more speculative investments, to defer disposition of an investment that would result in a realized loss (or a return on investment that was less than the preferred return, where applicable under the organizational documents of the relevant Portfolio Fund) and trigger the clawback, or delay the dissolution and liquidation of a Portfolio Fund if doing so would trigger a clawback obligation and/or seek to deploy capital in investments at an accelerated pace. Such Sub-Fund will generally have no control over the decision to dispose of underlying investments made by Portfolio Funds' managers in which it invests, and will be reliant upon such Portfolio Funds' managers to make such decisions in a fair and reasonable manner and on a timely basis.

The amount of the Performance Participation Allocation (if any) will be dependent on the valuation of the non-marketable securities distributed, which will be determined by the Central Administration, under the oversight of the AIFM, and could incentivize the Investment Managers to value the securities higher than if there were no Performance Participation Allocation.

The General Partner and/or the Investment Managers, as applicable, can engage a third party to determine the value of securities distributed in-kind or non-marketable securities and rely upon the third-party opinion of value, but there can be no assurance such an opinion will reflect the value accurately. The Recipient may be entitled to elect to receive its Performance Participation Allocation in the form of an in-kind distribution including if the purpose of such election is to permit Franklin Templeton's or Lexington's personnel to donate such securities to charity (which may include private foundations, funds or other charities associated with any such personnel). The tax benefit derived from charitable giving has the effect of reinforcing and enhancing the incentives otherwise resulting from the existence of the Recipient's Performance Participation Allocation described herein.

In addition, in consideration for their services: (i) the AIFM will be paid an AIFM Fee; and (ii) the Investment Managers will be paid the Management Fee, based on the relevant Sub-Fund's NAV, which will be calculated by the Central Administration, under the oversight of the AIFM and with the support of the Investment Managers (as applicable).

The calculation of the Sub-Fund's NAV includes certain subjective judgments with respect to estimating, for example, the value of such Sub-Fund's portfolio and its accrued expenses, net portfolio income and liabilities (e.g., exclusion of potentially subjective or contingent liabilities that may arise on or subsequent to the sale of an investment), and therefore, such Sub-Fund's NAV may not correspond to realizable value upon a sale of those assets. The Investment Managers may benefit from such Sub-Fund retaining ownership of its assets at times when Limited Partners may be better served by the sale or disposition of such Sub-Fund's assets in order to avoid a reduction in its NAV. If a Sub-Fund's NAV is calculated in a way that is not reflective of its actual NAV, then the purchase price of Interests or the price paid for the redemption of Interests on a given date may not accurately reflect the value of such Sub-Fund's portfolio, and Interests may be worth less than the purchase price or more than the redemption price of such Interests.

As further described in the "*Fees and Expenses*" section of the relevant Sub-Fund Annex, a Performance Participation Allocation and other fees may be payable without taking into account accrued and unpaid taxes of any intermediate entity through which FLEX Aggregator indirectly invests in an Investment or taxes paid by any such intermediate entity during the applicable period. Accordingly, this reduces the Investment Managers' incentive to ensure that such intermediate entities are structured in such a manner as to minimize taxes paid or payable by such intermediate entities.

Stakes in Other Sponsors.

FLEX or Other Lexington Vehicles may have the ability to purchase interests in third-party asset managers (i.e., managers not affiliated with Franklin Templeton or Lexington), and such transactions or ownership stakes could present conflicts of interest relevant to FLEX, including, for example, if such managers currently have, or in the future make investments, Other Lexington Vehicles or if a Sub-Fund or Other Lexington Vehicles were to invest in or alongside a private equity fund managed by such a third-party asset manager. There can be no assurance that such conflicts of interest will not have an adverse impact on FLEX.

Other Fees.

The Investment Managers and their affiliates may be entitled to receive certain other fees. Limited Partners will not receive the benefit of any such other fees. The receipt by the Investment Managers or their affiliates of any such fees will not result in any offset of the Management Fee. For greater certainty, any investment advisory fees received by the Investment Managers or any affiliate thereof from the Limited Partners (or investors in any Other Lexington Vehicles) in connection with a Sub-Fund's purchase of interests in Other Lexington Vehicles (or vice versa), or a fund or account advised by Franklin Templeton or Lexington, through a secondary transaction will not offset the Management Fee. For the avoidance of doubt, compensation for Advisors (defined herein) does not offset the Management Fee.

Senior Advisors and Advisors.

Each of Franklin Templeton and Lexington has engaged senior advisors and advisors (collectively, "**Advisors**") covering key areas of interest. Franklin Templeton's and Lexington's Advisors work in an advisory capacity with Franklin Templeton's and Lexington's professionals to leverage their strong local connections regarding market intelligence and investment-related resources, and from time to time assist Lexington in sourcing investment opportunities. FLEX shall, in Franklin Templeton's and Lexington's discretion, bear its allocable share of the fees, costs, and expenses of such Advisors (including retainer payments). Advisors are not employees of Franklin Templeton, Lexington or FLEX, therefore their compensation is in addition to Management Fees and Performance Participation Allocation paid by FLEX. To the extent any such fees are paid by FLEX, they generally will not be reimbursed. Advisors engaged by Franklin Templeton or Lexington may invest, participate, or engage in (for their own accounts or for the accounts of others), or may possess an interest in, other financial ventures and investment and professional activities of every kind, nature, and description, independently or with others, including but not limited to: management of other investment partnerships; investment in, financing, acquisition, or disposition of securities; investment and management counseling; providing brokerage and investment banking services; or serving as officers, directors, managers, consultants, advisers, or agents of other companies, partners of any partnership, members of any limited liability company or trustees of any trust (and may receive fees, commissions, remuneration or reimbursement of expenses in connection with these activities), whether or not such activities conflict with any interest of FLEX, Franklin Templeton, Lexington, or their respective investors. Advisors may also serve as or be affiliated with placement agents.

Purchase Price Deferrals.

A conflict exists for Franklin Templeton and Lexington in allocating purchase price deferrals to specific underlying investment funds that are purchased in a single transaction or a series of related transactions. In certain circumstances, FLEX and Other Lexington Vehicles and co-investment vehicles may be allocated specific underlying investment funds within the same portfolio but with different payment schedules, and therefore Other Lexington Vehicles and co-investment vehicles may benefit from longer payment schedules than FLEX.

Servicing Fees paid by certain Limited Partners.

Underlying limited partner (or their brokers on their behalf) investing into certain classes of Interests, as specified in the relevant Sub-Fund Annex, may bear a larger amount of fees than other Limited Partners that hold other classes of Interests in such Sub-Fund in connection with the placement, reporting, administrative and/or other services provided by the financial intermediary through which an underlying limited partner was placed in such Sub-Fund and/or the financial intermediary which provides ongoing services to such underlying limited partner. Some or all of the Servicing Fee payable in respect of such Interests may be allocated to the financial intermediary through which an underlying limited partner was placed in such Sub-Fund and/or to the financial intermediary which provides ongoing services to such underlying limited partner, in each case as determined by the Investment Managers in their sole discretion. Any amounts allocated in accordance with the foregoing sentence will compensate such financial intermediary for any placement, reporting, administrative and/or other services provided to an underlying limited partner. The receipt of the Servicing Fee will result in a conflict of interests.

Use of Credit Facilities and Other Borrowing Arrangements.

It can be expected that a Sub-Fund may utilize one or more credit facilities, among other things, to make Investments, to satisfy liabilities of such Sub-Fund or to (directly or indirectly) return proceeds from Investments to Limited Partners. The collateral for such facilities may be, for example, any and all assets of such Sub-Fund (including, without limitation, any Debt and Other Securities) or such Sub-Fund's capital. The interest expense and other costs associated with credit facilities will be expenses borne by FLEX and, accordingly, decrease net returns of such Sub-Fund.

To the extent that such Sub-Fund receives proceeds from Investments, such Sub-Fund may utilize such proceeds to repay its outstanding borrowings, rather than distributing such proceeds to Limited Partners. The Investment Managers may choose to do this either because of requirements under a credit facility or to free up debt capacity that can then be used for additional investments or for other reasons.

Allocation of Personnel.

Personnel of the Investment Managers, Franklin Templeton and Lexington, including such entities' directors and members of Franklin Templeton's or Lexington's investment team, will generally devote only a portion of their time to the provision of management or advisory services to FLEX. Personnel will provide the time necessary for the proper performance of the Investment Managers' duties to FLEX, even though they are involved in other activities independent of FLEX, including the affairs of Other Lexington Vehicles. Personnel of the Investment Managers may work on other projects, including Other Lexington Vehicles, vehicles and/or accounts as provided herein and other vehicles. Conflicts may arise as a result of such other activities. The possibility exists that such entities could engage in transactions that would be suitable for FLEX, but in which FLEX might be unable to invest.

Due to laws governing the disclosure of material non-public information or insider trading, and for other reasons, the fact that some of Franklin Templeton or Lexington's personnel who are involved in the provision of management or advisory services to FLEX are also involved in or have knowledge of investments of Other Lexington Vehicles may prevent FLEX from making some investments or divestments which it might otherwise make. Conflicts may also arise in the allocation of management and personnel resources among Franklin Templeton or Lexington's various activities.

Members of the Franklin Templeton Group and the Lexington Group may, from time to time, hire short-term or long-term personnel whether on a regular basis, for internships, or otherwise, who are connected to or affiliated with a Limited Partner, an Investment or an advisor or service provider. Although reasonable efforts are made to manage and mitigate any conflicts of interests with respect to such hires, some such conflicts may remain.

Selection of Service Providers.

Certain advisors and other service providers, or their affiliates (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms, and certain other advisors and agents), to FLEX, Franklin Templeton, Lexington, underlying funds, or any of their affiliates also provide goods or services to or have business, personal, political, financial, or other relationships with Franklin Templeton, Lexington and their affiliates. From time to time such advisors and service providers are expected to include (i) Franklin Templeton, Lexington or a related person or affiliate of Franklin Templeton or Lexington, (ii) an entity with which Franklin Templeton, Lexington or their affiliates or current or former members of their personnel have a relationship or from which Franklin Templeton, Lexington or their affiliates or their personnel otherwise derive financial or other benefit, including for the avoidance of doubt an entity in which Franklin Templeton, Lexington, an affiliate of Lexington or Franklin Templeton or an individual associated with Franklin Templeton or Lexington has an ownership interest; (iii) certain Limited Partners or investors in Other Lexington Vehicles or their affiliates; (iv) actual or potential sources of investment opportunities; or (v) co-investors or transaction counterparties.

Additionally, certain employees of Franklin Templeton or Lexington may have family members or relatives employed by such advisors and service providers. These relationships may influence Franklin Templeton, Lexington and their affiliates in deciding whether to select or recommend such a service provider to perform services for FLEX (the cost of which will generally be borne directly or indirectly by FLEX). Notwithstanding the foregoing, investment transactions for FLEX that require the use of a service provider will generally be allocated to service providers on the basis of Franklin Templeton's and Lexington's judgment as to best execution, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that Franklin Templeton and Lexington believe to be of benefit to FLEX. In certain circumstances, advisors and service providers, or their affiliates, may charge different rates or have different arrangements for specific types of services provided to Franklin Templeton, Lexington or their affiliates as compared to services provided to FLEX, which may result in more favorable rates or arrangements than those payable by FLEX.

Relationships with Portfolio Funds and Other Companies.

The Investment Managers, Franklin Templeton, Lexington and their associated individuals may have or develop relationships with funds or companies, or managers or representatives of funds or companies, in which a Sub-Fund or one or more Other Lexington Vehicles have or may acquire direct or indirect interests. Such relationships may include:

- serving as a member of the board of directors, advisory committee or similar body of a Portfolio Fund;
- seeking a buyer or equity investor on behalf of an Investment; or
- advising a Portfolio Fund as to appropriate candidates, other than the relevant Sub-Fund, for an acquisition or investment.

Other Transactions and Roles of Associated Individuals.

To the extent permitted by this Prospectus, individuals or vehicles associated with the Investment Managers, Franklin Templeton or Lexington may themselves provide services to, or hold, directly or indirectly, controlling or minority interests in businesses, or in affiliates of businesses, that provide services to, or otherwise transact with, FLEX or Investments. Depending on the circumstances, it is possible that any such transaction may not be subject to the prior approval of the board of directors of FLEX Feeder (or the non-affiliated members thereof), and the vehicle(s) or individual(s) in question may not be liable to account to FLEX for any profits arising from such transaction, provided in each case that such transaction is entered into on arm's length terms.

Valuation Matters.

The fair value of all Portfolio Funds or of property received by a Sub-Fund in exchange for any of its Portfolio Funds will be determined by Lexington Advisors. Accordingly, the carrying value of a Portfolio Fund may not reflect the price at which the Portfolio Fund could be sold in the market, and the difference between carrying value and the ultimate realized proceeds could be material. The valuation of Portfolio Funds can be expected to affect the amount of the Performance Participation Allocation and the amount of Management Fee payable by such Sub-Fund. As a result, from time to time there may be circumstances where Lexington is incentivized to determine valuations that are higher than the actual fair value, as applicable, of Portfolio Funds.

Business Benefits.

Prospective investors should note that Franklin Templeton and Lexington may from time to time engage in transactions with prospective and actual investors (including Limited Partners) that entail business benefits to such investors. Such transactions may be entered into prior to or coincident with an investor's admission to FLEX or during the term of is investment. The nature of such transactions can be diverse and may include benefits relating to FLEX, Other Lexington Vehicles and their respective portfolio investments. For example, Franklin Templeton and Lexington may consider such business benefits when allocating co-investment opportunities.

Additional Potential Conflicts.

The buyers and sellers of Portfolio Funds may be investors in FLEX and/or Other Lexington Vehicles (or affiliates of placement agents, or partial owners of Franklin Templeton and Lexington), and Portfolio Funds may include limited partnership interests in Other Lexington Vehicles (whether as part of a broader portfolio, or as a standalone investment). In addition, a Sub-Fund may invest in Portfolio Funds in which Other Lexington Vehicles (directly or indirectly) have a pre-existing interest (and vice versa). While Franklin Templeton and Lexington will seek to negotiate transactions in good faith and on an arm's length basis, the foregoing matters present inherent conflicts of interest and there can be no assurance that there will not be an adverse impact on such Sub-Fund. For example, there can be no assurance that any Portfolio Fund or asset acquired by a Sub-Fund from an investor in FLEX and/or Other Lexington Vehicles will not be valued or allocated a sale price that is higher than might otherwise have been the case if such asset were acquired from another third party (or lower than might otherwise have been the case if the relevant Sub-Fund is selling to such an investor).

Franklin Templeton and Lexington will not be required to solicit third-party bids or obtain a third-party valuation prior to causing a Sub-Fund or any of its Portfolio Funds to participate in such transactions. In the ordinary course of a Sub-Fund's activities it may engage in transactions with affiliates on terms no less favorable to such Sub-Fund than are generally afforded to unrelated third parties in comparable transactions. The officers, directors, members, managers, and employees of Franklin Templeton, Lexington and their affiliates (on behalf of themselves or through family investment vehicles or similar accounts that they control or as to which they are the primary beneficiary) may trade in securities for their own accounts, which may differ from those purchased or sold for such Sub-Fund, subject to restrictions and reporting requirements as may be required by law or otherwise determined from time to time by Franklin Templeton and Lexington. Franklin Templeton and Lexington personnel may also maintain or make investments in or alongside, or otherwise have exposure to, funds managed by the same sponsor that manages certain assets of Lexington funds, such sponsors themselves and/or the same funds in which Lexington funds are invested. Subject to legal requirements and Lexington's internal policies, such personnel may trade such securities in a manner inconsistent with the Lexington funds (e.g., such personnel may sell interest in funds that the Lexington funds are also invested in at different times and on different terms and/or at different prices than the Lexington funds). These activities could give rise to potential conflicts of interest and there can be no assurance that such activities will not have a material adverse effect on FLEX.

Other present and future activities of Franklin Templeton or Lexington may give rise to additional conflicts of interest. For example, each of Franklin Templeton and Lexington has the authority to enter into other investment management businesses that could present further conflicts of interest. In the event that a conflict of interest arises, Lexington will attempt to resolve such conflict in a fair and equitable manner. There can be no assurance that Lexington will identify or resolve all conflicts of interest in a manner that is favorable to FLEX.

Legal Representation.

Simpson Thacher & Bartlett LLP and Elvinger Hoss Prussen, Luxembourg (collectively, the "**Counsels**" and each a "**Counsel**") are acting as counsel to FLEX, the Investment Managers and certain of their affiliates in connection with the organization of FLEX and the offering of Interests and have represented, and continue to represent, the Investment Managers in connection with the organization of FLEX and a variety of other matters. Such Counsels will not be representing any Limited Partner in connection with the offering of Interests, absent an express agreement to the contrary with such Limited Partner. Each Counsel might also act as counsel to a Portfolio Investment, equity sponsors of a Portfolio Investment, other creditors of a Portfolio Investment, or an agent therefore, a party seeking to acquire some or all of the assets or equity of a Portfolio Investment, or a person engaged in litigation with a Portfolio Investment. Representation by the Counsels of FLEX, the Investment Managers and their affiliates is limited to specific matters as to which they have been consulted by such persons. There could exist other matters that would have a bearing on FLEX, the Investment Managers and/or their affiliates as to which a Counsel has not been consulted. In addition, each Counsel has not investigated or verified the accuracy or completeness of the information set forth in this Prospectus or undertaken to monitor the compliance of the Investment Managers and their affiliates with the investment program, investment strategies, valuation procedures, investment restrictions and other guidelines and terms set forth herein, nor does the Counsels monitor on behalf of or for the benefit of the Limited Partners ongoing compliance with applicable laws. Prospective investors should seek their own legal, tax and financial advice before making an investment in FLEX.

Resolution of Conflicts.

Actions that could be taken by the Investment Managers, Franklin Templeton or Lexington, or their affiliates, to mitigate a conflict include, by way of example and without limitation, (i) if applicable, handling the conflict as described in this Prospectus, (ii) obtaining from the board of directors of FLEX Feeder (or the non-affiliated members thereof) advice, waiver or consent as to the conflict, or acting in accordance with standards or procedures approved by the board of directors of FLEX Feeder to address the conflict, (iii) disposing of the investment or security giving rise to the conflict of interests, (iv) disclosing the conflict to the board of directors of FLEX Feeder, including non-affiliated members thereof, as applicable, or Limited Partners (including, without limitation, in distribution notices, financial statements, letters to Limited Partners or other communications), (v) appointing an independent representative to act or provide consent with respect to the matter giving rise to the conflict of interests, (vi) validating the arm's-length nature of the transaction by referencing participation by unaffiliated third parties, (vii) in the case of conflicts among clients, creating groups of personnel within Franklin Templeton or Lexington separated by information barriers (which can be expected to be temporary and limited purpose in nature), each of which would advise or represent one of the clients that has a conflicting position with other clients, (viii) implementing policies and procedures reasonably designed to mitigate the conflict of interests, or (ix) otherwise handling the conflict as determined appropriate by the Investment Managers, Franklin Templeton or Lexington in their good faith reasonable discretion.

By executing a relevant application form with respect to FLEX, each Limited Partner will be deemed to acknowledge and consent to the existence of all actual, apparent and potential conflicts of interests described herein, acknowledge and consent to any actions, policies and procedures for handling them described herein, acknowledge and consent that these conflicts will not necessarily be resolved in favor of FLEX and/or its Limited Partners, agree that Limited Partners will not be entitled to receive notice or disclosure of the occurrence of these conflicts or have any right to consent to them, and waives any claim against the Investment Managers or their affiliates and releases each of them from any liability arising from the existence of such conflicts of interests. The foregoing is applicable to all conflicts of interests described, implied or alluded to herein.

The foregoing list of risk factors and conflicts does not purport to be a complete enumeration or explanation of the risks and conflicts involved in an investment in FLEX. Prospective investors should read this entire Prospectus and consult with their own advisors before deciding whether to invest in FLEX. In addition, as FLEX's investment program develops and changes over time, an investment in FLEX may be subject to additional and different risk factors and conflicts.

XVII. DIRECTORY

FLEX MASTER

Franklin Lexington Private Markets Fund (Master) SCSp
Société en commandite spéciale
19, rue de Bitbourg
L-1273 Luxembourg
Grand Duchy of Luxembourg
RCS: B290430

GENERAL PARTNER

FLEX Franklin Lexington Private Markets Fund GP S.à r.l.
Société à responsabilité limitée
19, rue de Bitbourg
L-1273 Luxembourg
Grand Duchy of Luxembourg
RCS: B290315

BOARD OF MANAGERS

Grace Carbery
Maria Löwenbrück
Jake Williams
Alastair Woodward

AUDITOR

PricewaterhouseCoopers
Société cooperative
2, Rue Gerhard Mercator
L-2182 Gasperich Luxembourg
RCS: B65477

AIFM

Waystone Management Company (Lux) S.A.
Société anonyme
19, rue de Bitbourg
L-1273 Luxembourg
Grand Duchy of Luxembourg
RCS: B96744

DEPOSITARY

The Bank of New York Mellon SA/NV, acting through its Luxembourg Branch
2–4, rue Eugène Ruppert
L-2453 Luxembourg
Grand Duchy of Luxembourg
RCS: B105087

CENTRAL ADMINISTRATION

The Bank of New York Mellon SA/NV, acting through its Luxembourg Branch
2–4, rue Eugène Ruppert
L-2453 Luxembourg
Grand Duchy of Luxembourg
RCS: B105087

LEGAL ADVISORS

Simpson Thacher & Bartlett LLP
One Ropemaker Street
London EC2Y 9HU

Elvinger Hoss Prussen
société anonyme
2, Place Winston Churchill
L-1340 Luxembourg
Grand Duchy of Luxembourg
RCS: B209469

Inquiries or requests in relation to subscriptions in FLEX Master should be directed to: LUXMB-TA_AIS@bnymellon.com.

For more information on FLEX Master or for any complaint in relation to the operations of FLEX Master, inquiries should be directed to the AIFM and Franklin Templeton: complaintsLUX@waystone.com and taoversightlux@franklintempleton.com.

APPENDIX A
SUB-FUNDS TERMS

The following information under this Appendix A: "*Sub-Funds Terms*" is presented as a summary of each Sub-Fund's key features and terms, and is qualified in its entirety by the terms of the Documents. The terms in each Annex are only applicable to the relevant Sub-Fund and should be read together with the terms set out in the Prospectus and the Documents. In case of conflict between the terms of the Prospectus and any of the Annexes, the terms of the Annex shall prevail.

Unless otherwise defined therein in respect of a Sub-Fund, capitalized terms used under the relevant Annex shall have the meanings ascribed to them under Section XV: "*Definitions*" of this Prospectus.

ANNEX 1
FRANKLIN LEXINGTON PE SECONDARIES FUND (MASTER)

Franklin Lexington PE Secondaries Fund (Master) (“**FLEX Master-I**” and together with FLEX Master-I, the FLEX Aggregator-I and the Parallel Entities (each as defined below), “**FLEX-I**”) is a Sub-Fund of FLEX Master.

I. DESCRIPTION/OVERVIEW OF FLEX-I AND FLEX MASTER-I

1. FLEX-I Overview

FLEX Feeder-I, being a sub-fund of FLEX Feeder, will invest as a feeder fund all or substantially all of its assets into FLEX Master-I. FLEX Master-I will invest all or substantially all of its assets through a subsidiary established as a Luxembourg special limited partnership (*société en commandite spéciale*) for the purpose of directly or indirectly holding the Investments of FLEX-I (the “**FLEX Aggregator-I**”). See Section III: “*Investment Information*” of this Annex for more details on the Investments of FLEX Master-I.

FLEX Master-I cannot assure Limited Partners and prospective investors that it will achieve its investment objectives. Please refer to Section XVI: “*Risk Factors, Potential Conflicts of Interests and Other Considerations*” of the Prospectus and Section X: “*Risk Factors and Other Considerations*” of this Annex for additional details on the risks associated with an investment in FLEX-I.

2. Investment Strategy of FLEX-I

2.1 Investment Objective and Strategy of FLEX-I

FLEX-I’s investment objective is to seek long-term capital appreciation.

In pursuing its investment objective, FLEX-I intends to invest in a portfolio of private equity and other private assets (collectively, “**Private Assets**”). FLEX-I has the flexibility to invest in Private Assets across asset types, including, but not limited to, buyout, growth, venture, credit, mezzanine, infrastructure, energy and other real assets, subject to compliance with its investment strategies and restrictions and applicable law. FLEX-I expects to principally invest in Private Assets by acquiring interests in Private Investment Funds. “**Private Investment Funds**” means global private equity funds and other investment vehicles, the interests in which are acquired by FLEX-I through secondary market purchases or where a majority of the capital that is anticipated to be deployed by FLEX-I in connection with an investment (whether in one or a series of related transactions) is in identified assets.

In addition to its investments in Private Investment Funds, to a lesser extent FLEX-I may seek additional exposure to Private Assets by acquiring interests in (i) investment vehicles (other than Private Investment Funds) acquired by FLEX-I through primary market purchases (the “**Primary Funds**”, and together with Private Investment Funds, the “**Portfolio Funds**”), (ii) investments primarily alongside transaction sponsors in the same class of equity or debt securities or other instruments as such transaction sponsors (including, but not limited to, common stock, preferred stock and warrants) and other investments alongside transaction sponsors (the “**Co-Investments**”) or (iii) other assets similar to (i) and (ii).

2.2 Portfolio allocation targets

Under normal circumstances, FLEX-I invests at least 80% of its net assets (plus the amount of any borrowings for investment purposes) in Private Assets, including, but not limited to, Private Investment Funds, Primary Funds, Co-Investments and Private Markets Debt Investments. This test is applied at the time of investment; later percentage changes caused by a change in the value of FLEX-I’s assets, including as a result in the change in the value of FLEX-I’s investments or due to the issuance or redemption of Interests, will not require FLEX-I to dispose of an investment.

In order to facilitate capital deployment, generate income and as a potential source of liquidity, FLEX-I may also invest, through the FLEX Aggregator-I or any other Intermediate Vehicle, a portion of its assets in a portfolio of Debt and Other Securities. To enhance FLEX-I's liquidity, particularly in times of possible net outflows through the redemption of Interests to Limited Partners, FLEX-I may sell certain of its assets. FLEX-I seeks to hold an amount of Debt and Other Securities and other liquid investments consistent with prudent liquidity management. During normal market conditions, it is generally not expected that FLEX-I will hold more than 20% of its gross assets in Debt and Other Securities for extended periods of time. For temporary defensive purposes, liquidity management or in connection with implementing changes in the asset allocation, FLEX-I may hold a substantially higher amount of Debt and Other Securities.

Franklin Advisers will be responsible for making investment decisions for FLEX-I's investments in Debt and Other Securities. The objective of the Debt and Other Securities portfolio is to maintain a high level of exposure to private assets while facilitating capital deployment, generating income and as a potential source of liquidity. Franklin Advisers will prioritize liquid and low-cost instruments, including the use of cash equitization strategies, to gain exposure to rate, credit and/or equity markets subject to risk considerations. Franklin Advisers intends to actively monitor and manage all sources and uses of Debt and Other Securities to dynamically meet objectives. This process entails continuous cash flow planning and coordination with Lexington Partners regarding current and expected sources and uses of Debt and Other Securities in private asset portfolio.

To manage portfolio liquidity while maintaining exposure to private markets investments, FLEX-I reserves the flexibility to have exposure to privately placed debt securities and other yield-oriented investments, syndicated and other floating rate senior secured loans issued in private placements, partnerships and other business entities, privately placed bank loans, second lien or other subordinated or unsecured floating rate and fixed rate loans or debt, restricted securities, and other securities and instruments issued in transactions ("**Private Markets Debt Investments**"). FLEX-I may invest in Private Markets Debt Investments directly or indirectly through investment vehicles, including, but not limited to, affiliated or unaffiliated mutual funds and exchange traded funds.

FLEX-I may have exposure to companies and funds that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions, including, but not limited to, emerging market countries. FLEX-I defines emerging market countries generally to include every nation in the world except developed countries, that is, the United States, Canada, Japan, Australia, New Zealand and most countries located in Western Europe. FLEX-I may seek to hedge all or a portion of FLEX-I's foreign currency risk. Depending on market conditions and the views of FLEX, FLEX-I may or may not hedge all or a portion of its currency exposures.

Franklin Advisers manages FLEX-I's asset allocation and investment decisions with a view towards managing liquidity and maintaining a high level of investment in Private Assets. FLEX-I's asset allocation and amount of Private Assets may be based, in part, on anticipated future capital calls and distributions from such investments. This may result in FLEX-I making commitments to Private Assets in an aggregate amount that exceeds the total amounts invested by Limited Partners in FLEX-I at the time of such commitment (i.e., to "over-commit"). Franklin Advisers may also take other anticipated cash flows into account, such as those relating to new subscriptions into FLEX-I, the redemption of Interests by Limited Partners and any distributions made to Limited Partners. To forecast portfolio cash flows, Franklin Advisers utilizes quantitative and qualitative factors, including historical private equity data, actual portfolio observations and forecasts provided by FLEX. FLEX-I will maintain Debt and Other Securities in sufficient amounts, in Franklin Advisers' judgment, to satisfy capital calls from Portfolio Funds.

Subject to the limitations set out in Subsection 5: "*Leverage and Borrowing*" of Section III: "*Investment Information*" of this Annex, FLEX-I may establish a credit line to borrow money for a range of purposes, including to provide liquidity for capital calls by Portfolio Funds, to satisfy Redemption Requests, to manage timing issues in connection with the inflows of additional capital and the acquisition of Investments and to otherwise satisfy FLEX-I's obligations. There is no assurance, however, that FLEX-I will be able to enter into a credit line or that it will be able to repay in a timely fashion any borrowings under such credit line, which may result in FLEX-I incurring leverage on its portfolio investments from time to time.

The General Partner (or its delegate) may modify the borrowing policies of FLEX-I, including the purposes for which borrowings may be made, and the length of time that FLEX-I may hold portfolio securities purchased with borrowed money. The rights of any lenders to FLEX-I to receive payments of interest or repayments of principal will be senior to those of the Limited Partners and the terms of any borrowings may contain provisions that limit certain activities of FLEX-I.

While this Prospectus contains generalized discussions about the current expectations of the Investment Manager(s) with respect to the make-up of the portfolio of FLEX-I, many factors may contribute to changes in emphasis in the construction of the portfolio, including changes in market or economic conditions or regulations as they affect various industries and sectors and changes in the political or social situations in particular jurisdictions. The implementation of FLEX-I's investment strategies, portfolio allocations, investment processes and investment techniques may be modified based on market conditions, changes in personnel, or as otherwise deemed appropriate.

The General Partner or its delegate may alter the investment strategies and policies of FLEX Master-I; *provided*, that any material change is communicated to investors, that this Prospectus is updated in accordance with applicable Luxembourg regulatory requirements and that investors are offered the opportunity to redeem their interests prior to such material change taking effect.

II. SUMMARY OF TERMS

Franklin Lexington Private Markets Fund (Master) SCSp – Franklin Lexington PE Secondaries Fund (Master)	
FLEX Master-I:	FLEX Master-I is an open-ended, commingled Sub-Fund of FLEX Master. Information in the Prospectus applies to FLEX Master-I unless otherwise provided in this Annex.
Investment Managers:	(i) Lexington Advisors LLC, a Delaware limited liability company located at 399 Park Avenue, 20th Floor, New York, New York 10022 and registered in Delaware under number 2604786 ("**Lexington Advisors**"), in respect of Private Assets; and (ii) Franklin Advisers, Inc. a California Stock Corporation located at One Franklin Parkway, San Mateo, California 94403 and registered in California under number 1290389 ("**Franklin Advisers**"), in respect of Debt and Other Securities.
Investment Objective and Strategy:	FLEX Master-I's investment objective is to seek long-term capital appreciation. FLEX Master-I aims to achieve its investment objective by acting as a master fund of one or more Feeder Entities. FLEX Master-I will invest all or substantially all of its assets through the FLEX Aggregator-I. In pursuing its investment objective, FLEX-I intends to invest in a portfolio of private equity and other private assets (collectively, "**Private Assets**"). FLEX-I has the flexibility to invest in Private Assets across asset types, including, but not limited to, buyout, growth, venture, credit, mezzanine, infrastructure, energy and other real assets, subject to compliance with its investment strategies and restrictions and applicable law. FLEX-I expects to principally invest in Private Assets by acquiring interests in Private Investment Funds. In addition to its investments in Private Investment Funds, to a lesser extent FLEX-I may seek additional exposure to Private Assets by making commitments to Primary Funds and making Co-Investments or other similar assets. To manage portfolio liquidity while maintaining exposure to private markets investments, FLEX-I reserves the flexibility to have exposure to Private Markets Debt Investments. FLEX-I may invest in Private Markets Debt Investments directly or indirectly through investment vehicles, including, but not limited to, affiliated or unaffiliated mutual funds and exchange traded funds. In order to facilitate capital deployment, generate income and as a potential source of liquidity, FLEX-I intends to invest a portion of its assets in a portfolio of debt and other securities, including cash and cash equivalents, liquid fixed income securities and other credit instruments, derivatives and other investment companies, including money market funds and exchange-traded funds ("**Debt and Other Securities**"). **FLEX Master-I cannot assure Limited Partners and prospective investors that it will achieve its investment objectives and strategy. See Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations*" of the Prospectus and Section X: "*Risk Factors and Other Considerations*" of this Annex.**

Portfolio Allocation Targets:	Under normal market circumstances, FLEX-I intends to invest at least 80% of its net assets (plus the amount of any borrowings for investment purposes) in private equity investments, including Private Markets Debt Investments. During normal market conditions, it is generally not expected that FLEX-I will hold more than 20% of its gross assets in Debt and Other Securities for extended periods of time. These tests are applied at the time of investment in the relevant investment; later percentage changes caused by a change in the value of FLEX-I's assets, including as a result in the change in the value of FLEX-I's investments or due to the issuance or redemption of Interests, will not require FLEX-I to dispose of, or acquire, an investment. For temporary defensive purposes, liquidity management or in connection with implementing changes in the asset allocation, FLEX-I may hold a substantially higher amount of Debt and Other Securities and other liquid investments. Please see Section III: "*Investment Information*" of this Annex for further details.
Investment Restrictions:	In accordance with the diversification requirements of Circular IML 91/75, FLEX Master-I will not at any one time directly or indirectly, through FLEX Aggregator-I, invest and hold more than 20% of its NAV in any single Investment, measured at the time of commitment; *provided*, that such diversification will be assessed on a look-through basis and no remedial action will be required if such restriction is exceeded for any reason other than the acquisition of a new Investment (including the exercise of rights attached to an Investment). This restriction shall not apply to the acquisition of shares or units of collective investment schemes or any other investment vehicles which provide investors with access to a diversified pool of assets. In accordance with the diversification requirements of Circular CSSF 02/80, FLEX Master-I may invest in UCIs under the following conditions: • FLEX Master-I may generally not invest more than 20% of its NAV in units or shares issued by the same target UCI. For the purpose of this 20% restriction limit, each compartment of a target UCI with multiple compartments is to be considered as a distinct target UCI, *provided* that the principle of segregation of the assets and liabilities of the different compartments *vis-à-vis* third parties is ensured; • FLEX Master-I may hold more than 50% of the units or shares of a target UCI (or compartment thereof) *provided* that, FLEX Master-I's investment in the legal entity constituting the target UCI represents less than 50% of the NAV of FLEX Master-I; and • the target UCI does not, in turn, invest in FLEX Master-I. These investment restrictions shall not apply in respect of collective investment schemes or any other investment vehicles which provide investors with access to a diversified pool of assets. See Subsection 2: "*Investment Restrictions*" of Section III: "*Investment Information*" of this Annex for further details.

<table>
<tr><td>Leverage:</td><td>FLEX Master-I will not incur indebtedness, directly or indirectly, that would cause the Leverage Ratio (as defined below) to be in excess of 35%.

See Subsection 5: “Leverage and Borrowing” of Section III: “Investment Information” of this Annex for further details.</td></tr>
<tr><td>Ramp-Up Period</td><td>The above portfolio allocation targets, investment restrictions and leverage limits will not apply during a ramp-up period of up to three (3) years after the Initial Subscription Date (the “Ramp-Up Period”).</td></tr>
<tr><td>Interest Classes:</td><td>FLEX Master-I will issue the Classes of Interests disclosed in Section IV: “Interest Class Information” and in Schedule 1: “Interest Classes of FLEX Master-I” of this Annex.

FLEX Master-I will issue in USD as the Reference Currency, and may issue Classes of Interests in multiple currencies (including, without limitation, EUR, CHF, GBP, HKD, SGD, JPY, AUD and CAD) as the General Partner (or its delegate) may decide from time to time.

The complete list of available Interest Classes will be available online at FLEX Master-I’s website (www.franklintempleton.lu/flexi), as well as at the registered office of FLEX Master-I.

Please refer to Section IV: “Interest Class Information” and to Schedule 1: “Interest Classes of FLEX Master-I” of this Annex for additional details on the Class of Interests offered by FLEX Master-I.</td></tr>
<tr><td>Feeder Entities Interests:</td><td>The following Classes of Interets are open to the following Feeder Entities:

<table><tr><th>Class</th><th>Currency</th><th>Feeder Entity</th><th>Type of Unit</th></tr><tr><td>“Class F Interests”</td><td>USD</td><td>FLEX Feeder-I</td><td>Distributing</td></tr></table></td></tr>
<tr><td>Minimum Subscription:</td><td>The minimum subscription amount (each, a “Minimum Subscription Amount”) for each Class of Interests is set out in Schedule 1: “Interest Classes of FLEX Master-I” of this Annex and online at FLEX Master-I’s website (www.franklintempleton.lu/flexi).

Please refer to Subsection 1.2 of Section V: “Subscriptions, Redemptions and Other Transactions” of this Annex for additional information.</td></tr>
<tr><td>Subscriptions:</td><td>Up to the later of (i) March 31, 2025, or such later date as may be decided by the General Partner in its discretion (the “Initial Subscription Date”); or (ii) the date on which an Interest Class has determined its first NAV, the subscription price for each Class of Interests will be a fixed price as set out online at FLEX Master-I’s website (www.franklintempleton.lu/flexi) plus applicable Subscription Fees (the “Initial Offering Period”).

After the end of the Initial Offering Period, subscriptions for Interests will be accepted on the first Business Day of each month (each, a “Subscription Date”). The Interests subscribed with respect to any Subscription Date will be issued at the NAV per Interest calculated as of the immediately preceding Valuation Date.

Subscription Requests must be received by the Central Administration by 8 p.m. Central European Time at least five (5) Business Days prior to the relevant Valuation Date (unless waived by the General Partner or its delegate) (the “Subscription Cut-off Time”). Notwithstanding the</td></tr>
</table>

	foregoing, subscription requests in respect of Class F Interests and Feeder Class Interests are not subject to the Subscription Cut-off Time. Any Subscription Requests received after the Subscription Cut-off Time relating to a given Subscription Date will be deferred to the next Subscription Date and will be dealt with on the basis of the NAV per Interest calculated with respect to such next Subscription Date. Notwithstanding anything else herein, the General Partner or its delegate may accept, delay acceptance or reject subscriptions in its sole discretion, including choosing to reject or delay acceptance of all subscriptions for a given month, which could result in subscriptions being accepted at a deferred Subscription Date. Subscriptions may be accepted from time to time in the General Partner's or its delegate's sole discretion. Please refer to Subsection 1 of Section V: "*Subscriptions, Redemptions and Other Transactions*" of this Annex for further details.
NAV Calculation and NAV Release Date:	FLEX Master-I's monthly NAV as of the last calendar day of each month (each, a "**Valuation Date**") will generally be available by the 20th Business Day of the following month (the "**NAV Release Date**").
Subscription Fee:	Certain financial intermediaries through which a Limited Partner was placed in FLEX Master-I may charge such Limited Partner upfront Subscription Fees on Interests sold in the offering. No Subscription Fees will be paid with respect to reinvestments of distributions for Interests of Accumulation Interest Class.
Redemptions:	Redemptions are expected to be offered on the first Business Day of each calendar quarter (each, a "**Redemption Date**") at the NAV per Interest calculated as of the immediately preceding Valuation Date. FLEX Master-I expects that settlements of the redemption price will generally be made within 30 Business Days after the NAV Release Date (the "**Settlement Date**"). Redemption Request(s) must be received by the Central Administration by 8 p.m. Central European Time on the first Business Day of the month prior to the relevant Redemption Date (unless waived by the General Partner or its delegate) (the "**Redemption Cut-off Time**"). Notwithstanding the foregoing, Redemption Requests in respect of Class F Interests and Feeder Class Interests are not subject to the Redemption Cut-off Time. Any Redemption Requests received after the Redemption Cut-off Time relating to a given Redemption Date will be deferred to the next Redemption Date and the redeemed Interests at the NAV per Interest calculated with respect to such next Redemption Date. Redemptions of certain Classes of Interests, as set out in Schedule 1: "*Interest Classes of FLEX Master-I*" of this Annex, may be subject to: • an early redemption deduction on the NAV of the relevant Interests being redeemed if the resulting Redemption Date falls within a twelve (12)-month period from the date of the redeeming Limited Partner's subscription for such Interests being accepted (the "**Early Redemption Deduction**"). For the avoidance of doubt, if an investor made multiple purchases of Interests, any Redemption Request will be processed on a first-in/first-out basis for the purpose of applying the Early Redemption Deduction (if any); or • a redemption fee (the "**Redemption Fee**") calculated on the NAV of the relevant Interests being redeemed, as set out in Schedule 1:

	"*Interest Classes of FLEX Master-I*" of this Annex. The Redemption Fee may vary if the Redemption Date occurs after a twelve (12)-month period from the relevant Limited Partner's initial subscription date into FLEX Master-I, as set out in Schedule 1: "*Interest Classes of FLEX Master-I*" of this Annex. Except in respect of Class F Interests and Feeder Class Interests, Redemptions are generally limited to 5% of the NAV per quarter of FLEX Master-I measured using the NAV as of the end of the immediately preceding quarter (but excluding any Early Redemption Deduction and/or Redemption Fee applicable to the redeemed Interests). Please refer to Subsection 2: "*Redemption of Interests*" of Section V: "*Subscriptions, Redemptions and Other Transactions*" of this Annex for additional details.
Management Fee:	The Management Fees payable in respect of all Class of Interests will be up to 1.25% on NAV per annum. The Management Fee will be payable monthly in arrears and based on the NAV of the relevant Interest Class. The Management Fee shall be paid by FLEX Master-I; or alternatively and without duplication, by FLEX Feeder-I, the FLEX Aggregator-I and/or the Parallel Entities. Any Investment Manager may in its sole discretion elect to waive all or any portion of the Management Fee attributable to it. With respect to the Class B Interests, Class C Interests, Class D Interests, Class E Interests and Class K Interests, the Investment Managers have agreed to waive the Management Fee for the first six months following the Initial Subscription Date. The Management Fee will be allocated between the Investment Managers in such proportions as the Investment Managers may agree from time to time and notify FLEX Master-I. Please refer to Subsection 1: "*Management Fee*" of Section VII: "*Fees and Expenses of FLEX-I*" of this Annex for additional details.
AIFM Fee:	Up to a maximum of 0.05% on NAV per annum for all Classes of Interests payable quarterly in arrears. Please refer to Subsection 5: "*AIFM Fee*" of Section VII: "*Fees and Expenses of FLEX-I*" of this Annex for additional details.
Portfolio Funds Fees, Priority Profit Share and Carried Interest at the Level of Portfolio Funds:	FLEX Master-I will be required to (indirectly) bear its proportion of fees, costs, expenses, priority profit share (or the equivalent), and carried interest (or the equivalent) incurred in connection with certain of its Primary Funds Investments. With respect to FLEX Master-I's Private Investment Funds' Investments to Portfolio Funds (including, but not limited to, Private Investment Funds' Investments to Other Lexington Vehicles), FLEX Master-I may pay or otherwise bear carried interest, management fees or other incentive compensation paid to the general partner of such Portfolio Fund. See Subsection 9: "*Carried Interest, Management Fees or Other Incentive Compensation at the Level of Portfolio Funds*" of Section VII: "*Fees and*

	Expenses of FLEX-I" of this Annex for further details regarding the fees indirectly incurred by FLEX at the level of the Portfolio Funds.
Performance Participation Allocation:	The Recipient is allocated a performance participation equal to 12.5% of Total Return, subject to a 5% annual Hurdle Amount and a High Water Mark with a 100% Catch-Up, measured and paid quarterly and accruing monthly (subject to pro-rating for partial periods).
Servicing Fees:	Servicing Fees payable in respect of each Class of Interests will be as follows: **Class of Interests** — **Servicing Fees** Advisory Interests — Up to 0.85% on NAV per annum Institutional Interests — 0.00% on NAV per annum Please refer to Subsection 4: "*Servicing Fee*" of Section VII: "*Fees and Expenses of FLEX-I*" of this Annex for additional details.
Distributions:	Each holder of Accumulation Interest Classes will, *in lieu* of receiving cash distributions with respect to such Interests, have any proceeds from Accumulation Interest Classes generally reinvested in FLEX Master-I unless the General Partner or its delegate determines that a distribution shall be made. FLEX Master-I cannot guarantee that it will make distributions, and any distributions will be made at the discretion of the General Partner or its delegate, which may, for the avoidance of doubt, be exercised differently for each class of Interests; *provided*, that such discretion is exercised reasonably and in the best interests of the Limited Partners in the relevant class and fair treatment of investors of the same Class is ensured in accordance with the AIFM Directive framework.
SFDR:	FLEX-I does not promote environmental or social characteristics for the purposes of Article 8 of the SFDR. FLEX-I does not have sustainable investment or reduction in carbon emissions as its objective for the purposes of Article 9 of the SFDR. For further information with respect to FLEX-I's integration of sustainability risks into its investment decisions and its approach to the consideration of principal adverse impacts, please see Schedule 2: "*Sustainability-related Disclosures*" below.
Tolerance Threshold in case of NAV Calculation Errors:	The tolerance threshold in case of NAV calculation errors applicable to FLEX-I Master under CSSF Circular 02-77, or CSSF Circular 24/856 as from 1 January 2025, is 1%.

III. INVESTMENT INFORMATION

1. Information on FLEX-I's Investments

FLEX-I's investment exposure to the strategies described in Subsection 2: "*Investment Strategy of FLEX-I*" of Section I: "*Description/Overview of FLEX-I and FLEX Master-I*" above is expected to be implemented primarily through Private Investment Funds' Investments and may include to a lesser extent Primary Funds Investments as well as Co-Investments or other similar asset classes. FLEX-I's allocation among these types of investments may vary from time to time, especially during FLEX-I's initial period of investment operations.

FLEX-I is intended to provide Limited Partners with asset allocation and access to investments in Private Assets that are typically only available to large institutional investors. In pursuing FLEX-I's investment objective, FLEX-I will seek to invest in Private Investment Funds, Primary Funds and Co-Investments that represent a broad spectrum of types of private equity and other private asset opportunities (e.g., including, but not limited to, buyout, growth, venture, credit, mezzanine, infrastructure, energy and other real assets). To implement its investment strategy and make Private Investment Funds' Investments, FLEX-I will generally acquire interests in Portfolio Funds and/or Co-Investments (directly or indirectly) and may employ other investment techniques or gain exposure to such Private Investment Funds' Investments, including (without limitation) the use of derivatives, put and call options, securities-related futures contracts, repurchase agreements and reverse repurchase agreement, and/or swaps agreements (including TRS).

FLEX-I expects to invest principally in Private Investment Funds and, to a lesser degree, in Primary Funds and Co-Investments, although the allocation among those types of investments may vary from time to time. Generally, FLEX-I will typically invest in Private Investment Funds after the end of the Private Investment Fund's fundraising period, with existing underlying portfolio companies, whereas typical investments in Primary Funds are in newly established Primary Funds where the underlying portfolio companies are not known as of the time of FLEX Master-I's commitment.

1.1 Private Investment Funds

Lexington Advisors intends to capitalize on its experience, its substantial expertise in secondary market transactions, its proprietary database of information, and its extensive global sourcing networks to seek superior investment returns for FLEX-I. Lexington Advisors' secondary strategy targets the entire spectrum of secondary transactions, from complex, multibillion-dollar portfolio transactions to the purchase of individual fund interests. While FLEX-I is expected to concentrate on acquiring portfolios of interests in Private Investment Funds, Lexington Advisors will also consider a full range of transaction types including GP-led transactions (such as continuation funds, tender offers, strip sales, and spin-outs) and opportunistic deal flow including, without limitation, direct secondary investments, hedge fund private equity assets, institutional equity co-investments, and preferred equity. Lexington Advisors believes that its broad, flexible investment strategy will allow FLEX-I to deploy capital to the segments of the secondary market offering the most attractive risk-adjusted returns.

FLEX-I will focus on acquiring portfolios of interests in Private Investment Funds (the "**Private Investment Funds' Investments**") by capitalizing on Lexington Advisors' substantial expertise in secondary market transactions, its proprietary database of information, and its extensive global sourcing networks to seek to achieve FLEX-I's investment objective. FLEX-I targets the entire spectrum of LP-led secondary transactions, from complex, multibillion-dollar portfolio transactions to the purchase of individual fund interests. Over time, an increasing amount of private investment fund interests have traded in the secondary market. This trend may continue as a well-capitalized secondary market enables the trend towards more active management of private investment fund portfolios by large investors such as public and corporate pension funds, sovereign wealth funds, and endowments, whose portfolios generally rebalance. The factors underlying the trend towards more active management of private investment fund portfolios by these types of investors include:

- Change of Investment Strategy: Institutional investors are regularly reviewing asset allocations. Large pools of secondary capital allow investors to consider the sale of all or a portion of their private investment fund portfolios as a means to reallocate capital.

- Excess Commitments: The pace of commitments to private investment funds over the past several years may cause some institutional investors to consider the sale of all or a portion of their private investment fund portfolios as a means to reallocate capital.

- Large Number of Sponsor Relationships: The time and effort required to monitor a large portfolio of private investment funds can limit an investment staff's ability to pursue new opportunities. The sale of non-core private investment funds allows an institution to focus on a smaller number of long-term sponsor relationships.

- Relative Return Expectations: Investors in private investment funds seek higher returns than those expected from traditional asset classes. If the return expectations of private investment funds change, investors may be interested in reallocating a portion of their portfolio into other asset classes through secondary sales.

- Lower Distribution Activity: As distributions from private investment funds slow due to fewer exit options or limited recapitalization opportunities, investors may look to the secondary market for liquidity.

- General Liquidity Needs: Certain investors respond to the impact of cyclical liquidity swings on fixed working capital requirements by liquidating private investment fund positions.

- New Commitment "Swaps": Certain investors, including certain financial institutions, have shown an interest in selling older private investment fund interests and using the proceeds to participate in new funds formed by the same sponsors.

- Regulatory Changes: Changing regulatory environments and heightened regulatory scrutiny can require investors to scale back their private investment fund holdings.

The emergence of a well-capitalized secondary market has created investment opportunities as sponsors of alternative investment funds seek to design liquidity options for their limited partners. These GP-led transactions may continue to comprise a significant share of transaction volume as sponsors recognize the utility of providing additional liquidity opportunities to limited partners and seek further value creation in mature fund portfolio investments.

- Continuation Funds: A continuation fund typically involves a new multi-asset or single-asset vehicle established for portfolio investment(s) in a legacy fund managed by the same sponsor. These transactions may involve changes to terms through a new limited partnership agreement and allow for buyer input on price and portfolio composition. As the market has developed, a "status quo" or roll-over option has been offered more frequently to existing investors.

- Tender Offers: In a tender offer, a sponsor solicits secondary buyers to submit pricing on one of the sponsor's funds. All of the fund's limited partners may assess the tender offer and decide whether to sell their stake to the prevailing buyer or buyers at the set price and terms. Importantly, limited partners may elect not to sell their stake (the "status quo" option) because term changes to the underlying fund typically do not occur. Sponsors may facilitate a tender offer option for a variety of reasons, including bundling interested sellers into one transaction rather than handling an individual sale process for each seller and allowing limited partners to lock in unrealized returns before underlying portfolio companies are sold. Although the underlying fund is not typically restructured in a tender offer, the buyers may be asked to agree to modest term changes or commit additional capital to another of the sponsor's funds.

- Strip Sales: In a strip sale, a sponsor solicits secondary buyers to submit pricing on a *pro rata* strip of certain underlying portfolio companies in a fund. These partial sales generate earlier distributions to limited partners and can de-risk a portion of the fund's unrealized value while allowing limited partners to still participate in the vast majority of future compounding of value. Through a strip sale, the sponsor is also able to achieve other strategic objectives. For example, the liquidity generated by a strip sale may be equivalent to the liquidity generated by one or more dividend recapitalizations, but without adding further leverage. Proceeds from a strip sale may also be used to fund acquisition or growth opportunities in the underlying portfolio to the extent there is little uncalled capital remaining. Strip sales may help to rebalance the fund if the portfolio is over-weighted in a particular company, industry, or geography. Similar to a tender offer, no term changes typically occur.

- Spin-outs: A sponsor may face fundraising challenges when spinning out from a captive parent if investors are reluctant to back a new fund formed by a manager with a limited track record of independent operations and management of third-party capital. In order to complete a successful spin-out, sponsors have approached Lexington Advisors with the opportunity to purchase legacy investments and provide committed capital to the newly-independent sponsor. Lexington Advisors' substantial experience and syndication capability in spin-outs has positioned numerous captive teams for future success in raising third-party capital as newly-independent sponsors.

Direct secondary investments, hedge fund private equity assets, institutional equity co-investments, and preferred equity transactions represent substantial additional opportunities in the growing secondary market.

Lexington Advisors believes that the potential size and complexity of the secondary market opportunities described above combined with FLEX's extensive global sourcing networks, counterparty transaction experience, and strong sponsor relationships will provide significant investment opportunities for FLEX-I.

1.2 Primary Funds

As part of Lexington Advisors' strategy to generate secondary opportunities, FLEX-I will allocate a portion of its capital to Primary Funds (the "**Primary Funds Investments**" and, together with the Private Investment Funds' Investments, the "**Portfolio Investments**"). Primary Fund commitments can be beneficial in generating returns and in enhancing relationships with leading global sponsors. Lexington Advisors' investment relationships with these sponsors are expected to help FLEX-I source and analyze potential secondary transactions.

1.3 Co-Investments

Lexington Advisors seeks to identify co-investment opportunities that it believes can generate returns for FLEX-I by making equity co-investments in deals alongside leading buyout and growth sponsors, primarily in U.S. and European companies. FLEX-I may also make non-traditional co-investments, such as secondary co-investments, follow-on investments, distressed and restructurings, and mezzanine debt. In structuring co-investments, Lexington Advisors' strategy is to provide FLEX-I with exposure to deals alongside leading private equity sponsors on a diversified basis at reduced fees and carry versus traditional primary fund investing. Specific risks related to Co-Investments are duly taken into account by the conflicts-of-interest policy established by the AIFM in accordance with the framework of the AIFM Directive.

Lexington Advisors believes that it has established a reputation in the private equity market as a reliable and experienced co-investor, which serves as an important source of attractive and differentiated co-investment deal flow. The strength of Lexington Advisors' relationships with existing sponsors has often lead to repeat co-investment opportunities, and its proactive outreach to new sponsors has translated in long-term relationships. Lexington Advisors' co-investment strategy is to leverage the sponsor relationships of Lexington's global platform to generate attractive co-investment opportunities from high-quality sponsors and create a robust deal flow of co-investments. Lexington Advisors has dedicated and experienced co-investment professionals who seek to apply their experience to analyze opportunities and, through a discipline investment committee process, select the most compelling co-investments with a deliberate focus on diversified portfolio construction.

When assessing co-investment opportunities, Lexington Advisors will seek to apply its due diligence process that typically includes both a rigorous evaluation of company specific information as well as an in-depth analysis of the lead transaction sponsor and investment team. For each investment opportunity, its investment team typically will focus on the sponsor quality and track record, the target company's attributes, the industry dynamics, the valuation and capital structure, the investment thesis, ESG considerations and other factors such as portfolio construction or alignment alongside the lead sponsor. Lexington Advisors primarily targets co-investments in companies that it believes have leading market positions in stable industries experiencing attractive secular trends, high levels of recurring revenue with attractive, defensible margins, strong free cash flows and multiple drivers of value. Lexington Advisors will also typically look for senior management with a strong operating track record, relevant industry experience, and aligned financial incentives.

In addition to providing a source of investment opportunities, Lexington's global platform and professional network afford it key information in assessing the value of private equity investments.

1.4 Debt and Other Securities

FLEX-I may also invest, through the FLEX Aggregator-I or any other Intermediate Vehicle, up to 20% of its gross assets in Debt and Other Securities, in order to facilitate capital deployment, generate income and as a potential source of liquidity. Notwithstanding the foregoing, FLEX-I may hold more than 20% of the gross asset value in cash and cash equivalent on a temporary basis pending Investments.

FLEX-I may invest in investment grade and below-investment grade fixed-income securities, including government obligations, corporate bonds, securitized instruments, money market instruments and restricted securities. FLEX-I's liquid fixed-income and other credit investments may include floating rate senior secured loans issued by U.S. and foreign corporations, partnerships and other business entities, including private equity backed companies (i.e., borrowers). Floating rate loans are often at the time of investment below-investment grade securities (commonly known as "junk" or "junk bonds"). FLEX-I considers debt securities to be below investment grade if, at the time of investment, they are rated below the four highest categories by at least one independent credit rating agency or, if unrated, are determined by Franklin Advisers to be of comparable quality.

To manage portfolio liquidity while maintaining exposure to private markets investments, FLEX-I reserves the flexibility to have exposure and to invest in Private Markets Debt Investments directly or indirectly through investment vehicles, including, but not limited to, affiliated or unaffiliated mutual funds and exchange traded funds.

FLEX-I may exceed and otherwise vary materially from these allocation targets, including due to factors such as a large inflow of capital over a short period of time, Franklin Advisers' assessment of the relative attractiveness of opportunities, or an increase in anticipated cash requirements or Redemption Requests and subject to any limitations or requirements relating to applicable law.

2. Investment Restrictions

2.1 20% Diversification Requirement

In accordance with the diversification requirements of Circular IML 91/75, FLEX Master-I will not at any one time directly or indirectly, through FLEX Aggregator-I, invest and hold more than 20% of its NAV in any single Investment as measured at the time of commitment; *provided*, that such diversification will be assessed on a look-through basis and no remedial action will be required if such restriction is exceeded for any reason other than the acquisition of a new Investment (including the exercise of rights attached to an Investment).

2.2 Investments in undertakings for collective investment

In accordance with the diversification requirements of Circular CSSF 02/80, FLEX Master-I may invest in UCIs under the following conditions:

- FLEX Master-I may generally not invest more than 20% of its NAV in units or shares issued by the same target UCI. For the purpose of this 20% restriction limit, each compartment of a target UCI with multiple compartments is to be considered as a distinct target UCI, *provided* that the principle of segregation of the assets and liabilities of the different compartments *vis-à-vis* third parties is ensured;

- FLEX Master-I may hold more than 50% of the units or shares of a target UCI (or compartment thereof) *provided* that, FLEX Master-I's investment in the legal entity constituting the target UCI represents less than 50% of the NAV of FLEX Master-I; and

- the target UCI does not, in turn, invest in FLEX Master-I.

The General Partner and the Investment Managers will make sure that the portfolio of target UCIs presents appropriate liquidity features to enable FLEX Master-I to meet its obligation to redeem its Interests.

2.3 Investments in Collective Investment Schemes and Additional Investment Restrictions

The investment restrictions described in Subsections 2.1 and 2.2 above shall not apply in respect of collective investment schemes or any other investment vehicles which provide investors access to a diversified pool of assets.

The General Partner or its delegate may also impose additional investment restrictions in its discretion based on the underlying investors in FLEX-I.

3. Structure of Investments

FLEX Master-I aims to achieve its investment objective by investing, as a master fund, all or substantially all of its assets through the FLEX Aggregator-I.

4. Parallel Entities

If it considers it appropriate for any legal, tax, regulatory, accounting compliance, structuring or other considerations of FLEX Master-I or of certain current or prospective Limited Partners, the General Partner or its delegate, or any of its affiliates may, in its sole discretion, establish one or more parallel vehicles to invest alongside FLEX Master-I (as determined in the General Partner's or its delegate's discretion, the "**Parallel Vehicles**"), which may not have investment objectives and/or strategies that are identical to the investment objectives and strategies of FLEX Master-I and/or Feeder Entities to invest through FLEX Master-I (such feeder vehicle being, collectively, with Parallel Vehicles and FLEX Aggregator Parallel Vehicles, "**Parallel Entities**"). The costs and expenses associated with the organization and operation of any Parallel Entity may be apportioned to, and borne solely by, the investors participating in such Parallel Entity or be allocated among FLEX Master-I, the FLEX Aggregator-I and any Parallel Entities as determined by the General Partner or its delegate in its reasonable discretion. Investors should note that, as a result of the legal, tax, regulatory, accounting, compliance, structuring or other considerations mentioned above, the terms of such Parallel Entities may differ substantially from the terms of FLEX Master-I. In particular, such differences may cause Parallel Entities to subscribe at, or have their Interests (and/or units as applicable) redeemed at, a different NAV per limited partnership interest in the FLEX Aggregator-I than FLEX Master-I.

If it considers it appropriate for any legal, tax, regulatory, accounting, compliance, structuring or other considerations, the General Partner or its delegate or any of its affiliates may, in its sole discretion, establish and introduce one or more intermediate entities through which FLEX Master-I and/or any Parallel Entities shall invest in the FLEX Aggregator-I.

5. Leverage and Borrowing

FLEX Master-I may directly or indirectly utilize leverage, incur indebtedness and provide other credit support for any purpose, including to fund all or a portion of the capital necessary for an Investment or to enhance returns. FLEX Master-I will not incur indebtedness, directly or indirectly, that would cause the Leverage Ratio to be in excess of 35% (the "**Leverage Limit**") subject to the below; *provided*, that no remedial action will be required if the Leverage Limit is exceeded for any reason other than the incurrence of an increase in indebtedness (including the exercise of rights attached to an Investment).

"**Leverage Ratio**" means, on any date of incurrence of any such indebtedness, the quotient obtained by dividing (i) Aggregate Net Leverage by (ii) Total Assets (each term as defined below).

"**Aggregate Net Leverage**" means (i) the aggregate amount of recourse indebtedness for borrowed money (e.g., bank debt) of FLEX Master-I minus (ii) cash and cash equivalents of FLEX Master-I minus, without duplication, (iii) cash used in connection with funding a deposit in advance of the closing of an investment and working capital advances.

For the avoidance of doubt, such restrictions on borrowing will not apply to (i) any borrowings applied at the investment level; (ii) guarantees given other than in connection with financial indebtedness (guarantees related to foreign exchange contracts shall not be deemed to be in connection with financial indebtedness); (iii) deferred consideration, instalment loans, seller financings or other arrangements with a seller or its affiliates with respect to the payment of the purchase price of an investment in connection with the acquisition of such Investment; or (iv) any liabilities of FLEX Master-I created by unrealized losses on currency hedging contracts.

"**Total Assets**" means the month-end values of investments (including Debt and Other Securities), in addition to the value of any other assets (such as cash on hand).

The Leverage Limit may be exceeded on a temporary basis to satisfy short-term liquidity needs, refinance existing borrowings or for other obligations. For the avoidance of doubt, the Leverage Limit does not apply to indebtedness at the Investment level, guarantees of indebtedness, or other related liabilities that are not recourse indebtedness for borrowed money of FLEX Master-I.

Please also refer to Section XVI: "*Risk Factors, Potential Conflicts of Interests and Other Considerations—FLEX may be subject to leverage risk*" of the Prospectus.

6. Hedging

FLEX Master-I may, but is not obligated to, engage in hedging transactions for the purpose of efficient portfolio management or for hedging purposes. The General Partner or its delegate may review the hedging policy of FLEX Master-I from time to time depending on movements and projected movements of the relevant currencies and interest rates and the availability of cost-effective hedging instruments for FLEX Master-I at the relevant time.

7. AIFM Directive Leverage

The AIFM has established a maximum level of leverage for FLEX Master-I, applying both the gross and commitment calculation methods described in the AIFM Rules, relative to the NAV of FLEX Master-I of 500% and 450%, respectively. Compliance with the maximum level of leverage will be determined on a quarterly basis. If this limit were ever exceeded after leverage has been incurred by FLEX Master-I, the General Partner or its delegate will make commercially reasonable efforts to bring FLEX Master-I's exposure back into compliance with the maximum level of leverage, but such an event will not constitute a breach of an investment restriction adopted by FLEX Master-I or a "trade error" for any purpose. The AIFM may increase FLEX Master-I's maximum leverage exposure from time to time. If the AIFM increases such maximum level of exposure, FLEX Master-I will provide notice in writing to Limited Partners.

8. Ramp-Up Period

The portfolio allocation targets, the investment restrictions and the Leverage Limit set out above will not apply during the Ramp-Up Period.

9. Reference Currency

The Reference Currency of FLEX Master-I is U.S. dollars (USD). The General Partner or its delegate may decide, at any time, to create additional Interest Classes whose Reference Currency may differ from the existing Classes of Interests. The complete list of available Interest Classes, including the currency thereof, will be available online at FLEX Master-I's website (www.franklintempleton.lu/flexi) as well as at the registered office of FLEX Master-I.

NAV of each Class of Interests is reported to Limited Partners and returns are calculated and reported in the Reference Currency of such Class of Interests. Gains or losses regarding Investments made using a different currency than the Reference Currency of a given Class of Interests may include currency fluctuations relative to such Interest Class's Reference Currency. Subscription payments and distributions shall be made in the Reference Currency, the currency of the relevant Class or as in indicated in the complete list of available Interest Classes online at FLEX Master-I's website (www.franklintempleton.lu/flexi).

IV. INTEREST CLASS INFORMATION

1. Interest Classes of FLEX Master-I

FLEX Master-I will issue Classes of Interests in USD as the Reference Currency, and may issue Classes of Interests in multiple currencies (including, without limitation, EUR, CHF, GBP, HKD, SGD, JPY, AUD and CAD) as the General Partner or its delegate may decide from time to time. The complete list of available Interest Classes will be available online at online at FLEX Master-I's website (www.franklintempleton.lu/flexi), as well as at the registered office of FLEX Master-I.

As of the date of this Prospectus, Class A_A Interests, Class $A_{A\text{-}ITA}$ Interests, Class B_A Interests, Class C_A Interests, Class D_A Interests, Class E_A Interests, Class I_A Interests, Class J_A Interests, Class K_A Interests and Class Z_A Interests are Accumulation Interests, and Class A_D Interests, Class $A_{D\text{-}ITA}$ Interests, Class B_D Interests, Class C_D Interests, Class D_D Interests, Class E_D Interests, Class I_D Interests, Class J_D Interests and Class K_D Interests are Distribution Interests.

The Class A_A Interests, Class A_D Interests (the "**Class A Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master-I's website, are available to all eligible investors that meet the Minimum Subscription Amount.

The Class $A_{A\text{-}ITA}$ Interests, Class $A_{D\text{-}ITA}$ Interests (the "**Class A-Italy Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master-I's website, will be available to some financial intermediaries as determined by the Investment Managers in their sole discretion.

The Class B_A Interests, Class B_D Interests (together with the Class B_A Interests, the "**Class B Interests**"), Class D_A Interests, Class D_D Interests (together with the Class D_A Interests, the "**Class D Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master-I's website, are generally available to investors who either (i) subscribed to FLEX Master-I by the Initial Subscription Date or (ii) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date. After the Initial Subscription Date, the Investment Manager may accept subscriptions for such Class B Interests and Class D Interests, in its sole discretion, subject to the relevant Minimum Subscription Amount.

The Class C_A Interests, Class C_D Interests (together with the Class C_A Interests s, the "**Class C Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master's website, are generally available to financial intermediaries, as specifically approved by the Board of Managers or its delegate in its sole discretion, who either (i) subscribed to FLEX Master-I by the Initial Subscription Date or (ii) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date. After the Initial Subscription Date, the Investment Manager may accept subscriptions for such Class C Interests, in its sole discretion, subject to the relevant Minimum Subscription Amount.

The Class E_A Interests, Class E_D Interests (the "**Class E Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master-I's website, are generally available to investors who (i) have account-based fee arrangements, known as advisory/wrap accounts, discretionary managed accounts, or comparable fee arrangements with their financial intermediary and (ii) either (x) subscribed to FLEX Master-I by the Initial Subscription Date or (y) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date. After the Initial Subscription Date, the Investment Manager may accept subscriptions for such Class E Interests, in its sole discretion, subject to the relevant Minimum Subscription Amount and other applicable requirements. Class E Interests may also be available to investors in markets with legal prohibition on payments of shareholder servicing and similar fees, and other categories of investors as determined by the Board of Managers or its delegate in its sole discretion.

The Class I_A Interests, Class I_D Interests (the "**Class I Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master-I's website, are generally available to investors who have account-based fee arrangements, known as advisory/wrap accounts, discretionary managed accounts, or comparable fee arrangements with their financial intermediary. Class I Interests may also be available to investors in markets with legal prohibition on payments of shareholder servicing and similar fees, and other categories of investors as determined by the Board of Managers or its delegate in its sole discretion.

The Class J_A Interests, Class J_D Interests (the "**Class J Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master-I's website, are generally available to certain feeder vehicles, jurisdiction specific vehicles, distribution platforms, investors who have entered into a discretionary portfolio management mandate with their financial intermediary and other categories of investors, in each case as specifically determined by the General Partner or its delegate in its sole discretion.

The Class K_A Interests, Class K_D Interests (the "**Class K Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master-I's website, are generally available to certain feeder vehicles, jurisdiction specific vehicles, distribution platforms, investors who have entered into a discretionary portfolio management mandate with their financial intermediary and other categories of investors, in each case as specifically determined by the General Partner or its delegate in its sole discretion, who either (i) subscribed to FLEX Master-I by the Initial Subscription Date or (ii) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date. After the Initial Subscription Date, the Investment Manager may accept subscriptions for such Class K Interests, in its sole discretion, subject to the relevant Minimum Subscription Amount and other applicable requirements.

The Class Z_A Interests (the "**Class Z Interests**") and any future applicable Classes of Interests, as indicated on FLEX Master-I's website, are generally available to (i) employees of the Franklin Templeton Group as well as (ii) affiliates of the Franklin Templeton Group and other accounts managed by the Franklin Templeton Group and its affiliates, as approved by the General Partner or its delegate.

Class A Interests, Class A-Italy Interests, Class B Interests, Class C Interests, Class D Interests and any future applicable Classes of Interests (collectively, the "**Advisory Classes**") are available to investors for which a Servicing Fee (or equivalent thereof) will be charged. The Class E Interests, the Class I Interests, the Class J Interests, the Class K Interests, the Class Z Interests and any future applicable Classes of Interests (collectively, the "**Institutional Classes**") will not be subject to any Servicing Fees.

Limited Partners that subscribe for Distribution Interest Classes will receive in cash any distributions that FLEX Master-I pays in respect of such Interests ("**Distribution Interests**"). In contrast, Limited Partners that subscribe for Interests of Accumulation Interest Class will, *in lieu* of receiving cash distributions, have any such amounts reinvested in such Class by way of capitalizing such amounts into the NAV of the then-existing Interests of such Class ("**Accumulation Interests**"). In each case, distributions (whether in cash to the Distribution Interest Class Limited Partners or reflected in the NAV of the Interests held by the Accumulation Interest Class Limited Partners) are made at the discretion of the General Partner or its delegate and are subject to reasonable reserves for the payment of a *pro rata* portion of Operating Expenses and other obligations of FLEX Master-I attributable to such Interests (including Servicing Fees), and subject to allocating any required tax withholdings (or taxes paid or withheld with respect to such distributions from any Other Lexington Vehicles). If a Limited Partner does not indicate on its application form whether it is subscribing for Accumulation Interest Class or Distribution Interest Class, the Limited Partner's subscription will be for the Accumulation Interest Class of the relevant Class.

Notwithstanding the above, FLEX Master-I shall have full discretion to allocate the subscription of any Limited Partner to any Class in order to reflect, *inter alia*, the subscription by Limited Partners through a Parallel Entity.

Except as otherwise described herein, the terms of each Class of Interests are identical. Interests are issued in respect of a particular Class in FLEX Master-I. The General Partner or its delegate has the authority to, at any time, create and issue new Classes or types of Interests within FLEX Master-I at its discretion, with Interests having different rights, benefits, powers or duties and terms, including with respect to fees, distributions and liquidity. One or more Limited Partners may agree to subscribe to the Interests, and FLEX Master-I may admit one or more Limited Partners, with additional restrictions regarding such Interests on a case-by-case basis.

Please also refer to Subsections 1: "*Management Fee*"; 2: "*Performance Participation Allocation*"; 4: "*Subscription Fees*"; 5: "*Servicing* Fee"; and 3: "*AIFM Fee*" of Section VI: "*Fees and Expenses of FLEX Master-I*" and to Schedule 1: "*Interest Classes of FLEX Master-I*" of this Annex for additional details on the Class of Interests offered by FLEX Master-I.

FLEX Master-I will issue Class F Interests and Feeder Class Interests (as defined below), which are administrative classes of Interests reserved for FLEX Feeder-I and other Feeder Entities only. FLEX Feeder-I will invest substantially all of its assets into Class F Interests or Feeder Class Interests as may be decided by the General Partner in its discretion. Class F Interests and Feeder Class Interests subscribed for by FLEX Feeder-I and Feeder Entities will receive in cash any distributions that FLEX Master-I pays in respect of such Class F Interests and/or

Feeder Class Interests, respectively. Distributions are made in the discretion of the General Partner or its delegate and are subject to any reserves and other obligations of FLEX Master-I attributable to such Class F Interests or Feeder Class Interests, and subject to allocating any required tax withholdings (or taxes paid or withheld with respect to such distributions).

For the avoidance of doubt, the General Partner or its delegate has the authority, at any time and at its discretion, to establish new Sub-Funds with Class F Interests or with a new class of Interests with similar characteristics to the Class F Interests in the existing Sub-Funds and reserved to FLEX Feeder-I and/or a Feeder Entity (the "**Feeder Class Interests**") or with different rights, benefits, powers or duties and terms, including without limitation with respect to fees, distributions and liquidity. Class F Interests and Feeder Class Interests may receive services and bear fees in connection therewith. Fees and expenses borne by Class F Interests and Feeder Class Interests will not be duplicated at the level of the relevant Feeder Entity.

2. Hedged Interest Classes

Individual Classes may be denominated in other currencies than the Reference Currency. FLEX Master-I may hedge Classes of Interests which are denominated in any other currency than the Reference Currency of FLEX Master-I (the "**Interest Class Hedging Strategy**" and each such Class of Interests being a "**Hedged Interest Class**"); however, depending on the prevailing circumstances, FLEX Master-I may or may not hedge certain Classes, either partially or fully, and has no obligation to hedge any Class at all. In relation to currency hedging undertaken, if any, in the interest of a Hedged Interest Class, note that various Classes of Interests do not constitute separate portfolios of assets and liabilities. Accordingly, while gains and losses on the hedging transactions undertaken with, and the expenses of, the hedging program will be allocated to the Hedged Interest Classes only, FLEX Master-I, as a whole (including the non-Hedged Interest Classes), may be liable for obligations in connection with currency hedges in favor of a specific Class of Interests and FLEX Master-I may also be liable for similar obligations in connection with currency hedges with respect to FLEX Master-I or a Parallel Entity. Additionally, any financing facilities or guarantees utilized in connection with the hedging program may be entered into by FLEX Master-I, FLEX Feeder-I or the FLEX Aggregator-I (in respect of FLEX Master-I or a Parallel Entity) and may provide for security against the (direct or indirect) assets of FLEX Master-I as a whole (and not any specific Class).

Any Interest Class Hedging Strategy will be supervised by the relevant Investment Manager with assistance from affiliates of the Investment Manager and administered by The Bank of New York Mellon, having its principal place of business at 240 Greenwich St, 3rd Floor East, New York, New York 10286 USA (the "**Currency Administrator**").

The Investment Manager retains complete discretion as to the manner in which any Interest Class Hedging Strategy is implemented and this may mean, for example, that only a portion of the overall NAV of a Class is hedged or that a Class is only hedged for a limited period of time (including, for example, because of difficulties in securing hedging on terms (including as to price) that the Investment Manager or Currency Administrator considers reasonable at the relevant time). Even where the Investment Manager intends to maintain the Interest Class Hedging Strategy in relation to the NAV of a Hedged Interest Class in full, circumstances may arise due to a range of potential factors (such as prevailing market conditions or the actual subscriptions or redemptions that arise in respect of a Hedged Interest Class) that prevent this from being implemented. There is no guarantee that attempts to hedge currency risk will be successful and no Interest Class Hedging Strategy can eliminate currency risk entirely. Should the Interest Class Hedging Strategy be incomplete or unsuccessful, the value of that Hedged Interest Class's assets and income can remain vulnerable to fluctuations in currency exchange rate movements.

If and for as long as the Interest Class Hedging Strategy is maintained in respect of a Hedged Interest Class, investors should be aware that this may substantially limit investors of the relevant Hedged Interest Class from benefiting from any potential increase in value of the Hedged Interest Class expressed in the Reference Currency, if the currency in which such Hedged Interest Class is denominated falls against the Reference Currency. Additionally, investors of the Hedged Interest Class may be exposed to fluctuations in the NAV per Interest reflecting the gains/losses on and the associated transactions costs of the relevant financial instruments used to implement the Interest Class Hedging Strategy. Further, investors should be aware that the Interest Class Hedging Strategy may act as a drag or boost to performance as a result of the interest rate differential (being the difference in interest rates between two similar interest-bearing currencies) between the Hedged Interest Class currency and the Reference Currency. Where there is a positive interest rate differential between the Hedged Interest Class currency over the Reference Currency an increase in relative performance of the Hedged Interest Class over the Reference Currency may be observed. The opposite may be true and it should be noted that if the interest rate of the reference currency of the Hedged Interest Class is lower than the interest rate of the base currency of FLEX Master-I, the interest rate carry is likely to be negative and a decrease in relative performance of the Hedged Interest Class may be observed.

An up-to-date list of the Classes that are the subject of the Interest Class Hedging Strategy is available upon request. For the avoidance of doubt, even if an Interest Class Hedging Strategy is maintained in respect of a Class, the NAV of the Class will be calculated and published, and subscriptions and redemptions are to be paid, in the currency of the Class.

V. SUBSCRIPTIONS, REDEMPTIONS AND OTHER TRANSACTIONS

1. Subscriptions in FLEX Master-I

1.1 Subscription Process

Interests in FLEX Master-I will be offered primarily through distributors or other financial intermediaries, which generally have client net worth thresholds and other requirements. Accordingly, FLEX Master-I is intended primarily for investors with such distributor or other financial intermediary relationships. Investors should consult with their distributor or other financial intermediary to discuss potential eligibility and suitability to invest in FLEX Master-I and such distributor or other financial intermediary will provide appropriate investment advice on the suitability of the investment and the verification of such investor's satisfaction of the relevant eligibility requirements. Interests may also be offered to sophisticated and other professional investors that meet eligibility requirements for participating in FLEX Master-I at the General Partner's or its delegate's discretion.

Each potential Limited Partner desiring to subscribe for Interests is required to execute an application form and make certain representations and warranties to FLEX Master-I including (without limitation) a representation to the effect that it: (1) (a) is not a U.S. person (as defined in Regulation S under the Securities Act) or (b) is a Permitted U.S. Person (unless waived by the General Partner or its delegate) and (2) is purchasing such investment (x) in an offshore transaction in accordance with Regulation S under the Securities Act or (y) in a transaction otherwise exempt from registration under the Securities Act, including in reliance on Regulation D. Each potential Limited Partner must also satisfy the eligible Limited Partner qualifications as set forth in the subscription document.

1.2 Minimum Subscription Amount and Minimum Subsequent Subscription Amount

The initial Minimum Subscription Amount and minimum subsequent subscription amounts (the "**Minimum Subsequent Subscription Amount**") by each Limited Partner in FLEX Master-I are set out set out in Schedule 1: "*Interest Classes of FLEX Master-I*" of this Annex and online at FLEX Master-I's website (www.franklintempleton.lu/flexi).

The initial Minimum Subscription Amounts are subject, in each case, to such higher initial subscription amounts as required for a Limited Partner's eligibility under applicable law, as provided in the application forms. Certain sub-distributors, countries and/or Classes may have higher minimums. Notwithstanding anything else herein, the General Partner or its delegate may accept, delay acceptance or reject subscriptions in its sole discretion, including choosing to reject or delay acceptance of all subscriptions for a given month, which could result in subscriptions being accepted on a day other than the first calendar day of the month. The Minimum Subsequent Subscription Amount may be waived in the General Partner's or its delegate's sole discretion. Subscriptions may be accepted from time to time in the General Partner's or its delegate's sole discretion.

Limited Partners may subscribe to FLEX Master-I directly or via financial intermediaries or omnibus accounts. For the avoidance of doubt, investments made by a financial intermediary on behalf of underlying clients will not be aggregated in order to determine the investor's eligibility for a specific Class or the application of the minimum initial subscription or holding.

1.3 Issuance of Interests

Subscriptions to purchase Interests of any Class may be made on an ongoing basis, but Limited Partners may only subscribe for Interests on a Subscription Date, except during the Initial Offering Period where Interests may be issued on any day as determined by the General Partner in its discretion. The General Partner may, if it deems appropriate, close FLEX Master-I to new subscriptions. The General Partner may, in its sole discretion, issue within FLEX Master-I one or more Classes of Interests in series, as of different Subscription Dates or other defined time periods.

A prospective investor other than FLEX Feeder-I and other Feeder Entities (if any), that wishes to subscribe for Interests in FLEX Master-I, must generally notify FLEX Master-I of its intention to subscribe for Interests (the "**Subscription Request**") by the Subscription Cut-off Time (unless waived by FLEX Master-I). Any Subscription

Request received after the Subscription Cut-off Time relating to a given Subscription Date will be deferred to the next Subscription Date and will be dealt with on the basis of the NAV per Interest calculated with respect to such next Subscription Date, unless such late Subscription Request is withdrawn or revoked before the Subscription Cut-off Time of such next Subscription Date (subject to the General Partner's or its delegate's discretion to accept after such time).

To be accepted, a Subscription Request must be made with a completed and executed application form in good order, including (a) satisfying any additional requirements imposed by the subscriber's distributor or other financial intermediary, (b) satisfying the know your client (KYC), terrorist financing and anti-money laundering checks carried out by FLEX Master-I or its agent, and (c) any tax forms associated with a subscription (to the extent not already forming part of the application form). Subscriptions, redemptions and conversions of Interests should be made for investment purposes only.

FLEX Master-I shall not permit short-term (market-timing) or other excessive trading practices, which may disrupt FLEX Master-I's portfolio management strategies and harm its performance. To minimize harm to FLEX Master-I and the Limited Partners, the General Partner or its delegate has the right to reject any purchase or conversion order from any subscriber who is engaging in excessive trading or has a history of excessive trading or if a subscriber's trading, in the opinion of the General Partner or its delegate, has been or may be disruptive to FLEX Master-I. FLEX Master-I, the Investment Managers, the General Partner (or its delegate) and the AIFM will not be liable for any loss resulting from rejected orders.

On a Subscription Date, the purchase price per Interest of each Class is equal to the NAV per Interest for such Class as of the immediately preceding Valuation Date. In connection with a purchase of Interests, Limited Partners may also be required to pay Subscription Fees (as defined below) to their distributor or other financial intermediary.

The full subscription purchase price amounts (whether in cash or in kind, as applicable) must be received no later than two (2) Business Days after the Subscription Cut-off Time. No interest will be paid on any payments received prior to this deadline. Limited Partners should note that incomplete subscription applications and subscription applications which are not settled by the relevant funding due date may be cancelled by FLEX Master-I and any costs of cancellation passed on to the Limited Partner.

FLEX Master-I's monthly NAV as of the Valuation Date will generally be available by the NAV Release Date. Prospective Limited Partners will therefore not know the NAV per Interest of their investment until after the investment has been accepted. Prospective Limited Partners are required to subscribe for a USD (or the relevant Interest Class's Reference Currency) amount, as applicable, and the number of Interests that such subscriber receives will subsequently be determined based on the NAV per Interest as of the time such investment was accepted by FLEX Master-I.

Until the end of the Initial Offering Period, the subscription price for Interests will be a fixed price, as set out on FLEX Master-I's website (www.franklintempleton.lu/flexi), plus applicable Subscription Fees. It is expected that the first NAV of each Interest Class will be calculated as of the end of the first month after FLEX Master-I has accepted third-party investors into such Interest Class.

After the end of the Initial Offering Period, Interests of a Class of a Sub-Fund will be issued at a subscription price based on the relevant NAV per Interest determined as of the immediately preceding Valuation Date.

Fractions of Interests to two (2) decimal places will be issued. The timing of Subscription Dates, Valuation Dates and deadlines for subscribing may be modified from time to time by the General Partner or its delegate in its sole discretion.

1.4 Issuance of Class F Interests and Feeder Class Interests

Subscriptions to purchase Class F Interests and Feeder Class Interests may be made by FLEX Feeder-I and/or Feeder Entities on an ongoing basis, but accepted subscriptions of Class F Interests and Feeder Class Interests will be effective as of the Subscription Date. The purchase price per Class F Interests or Feeder Class Interests is equal to the NAV per Class F Interests or Feeder Class Interests as of the last calendar day of the immediately preceding month.

Until FLEX Master-I has determined its first NAV, which is expected to be as of the end of the first full month after FLEX Master-I has accepted third-party investors, the subscription price for Class F Interests will be USD 25.00.

Fractions of Class F Interests and Feeder Class Interests to two (2) decimal places will be issued.

1.5 Subscription Requests – Worked Example

For example, if a prospective Limited Partner wishes to subscribe for Interests of FLEX Master-I as of the Valuation Date of September 30, 2025, a valid and complete Subscription Request must be received before the Subscription Cut-Off Time, that is 8 p.m. Central European Time on September 22, 2025. The offering price will equal the NAV per Interest of the applicable Class as of the Valuation Date of September 30, 2025, plus applicable Subscription Fees.

Subscription Request	**Subscription Price**	**Valuation Date**	**Subscription Date**	**NAV Release Date**
Subscription Requests must be submitted by 8 p.m. CET at least 5 Business Days prior to the Valuation Date.	*The subscription purchase price must be received no later than 2 Business Days after the Subscription Cut-off Time.*	*The subscription price per Interest will be calculated as of the immediately preceding Valuation Date.*	*Interests will be issued as of the first Business Day of each month.*	*The NAV per Interes of each Valuation Date will generally be available by the 20th Business Day of the month.*
September 22, 2025	**September 24, 2025**	**September 30, 2025**	**October 1, 2025**	**October 29, 2025**

2. Redemption of Interests

2.1 Redemption Requests

Any Limited Partner, other than FLEX Feeder-I and other Feeder Entities (if any), may request to have some or all of its Interests redeemed by FLEX Master-I (a "**Redemption Request**") as of each Redemption Date by submitting a redemption application to FLEX Master-I that the Limited Partner requests a certain number of its Interests be redeemed (or, alternatively, requests a specific cash amount representing a number of Interests that will be determined at the NAV Release Date be redeemed) by FLEX Master-I in the form made available by FLEX Master-I by the Redemption Cut-off Time; *provided*, that late Redemption Requests may be accepted in the General Partner's or its delegate's sole discretion.

Any Redemption Request must be received by the Central Administration by the Redemption Cut-off Time. Any Redemption Requests received after the Redemption Cut-off Time relating to a given Redemption Date will be deferred to the next Redemption Date and the redeemed Interests at the NAV per Interest calculated with respect to such next Redemption Date.

Once a Redemption Request has been submitted, the Limited Partner may withdraw or revoke the Redemption Request with the General Partner's or its delegate's consent until the Redemption Cut-off Time (subject to the General Partner's or its delegate's discretion to accept after such time). The Redemption Request must indicate the number and Class of Interests to be redeemed (including, as applicable, with respect to Limited Partners acting as financial intermediaries on behalf of underlying investors or the relevant Series of Interests to be redeemed).

Amounts distributed in connection with a redemption will be based upon the NAV per Interest of the applicable Class of Interests being redeemed as of the immediately preceding Valuation Date. FLEX Master-I expects that settlements of the redemption price will generally be made within 30 Business Days after the NAV Release Date (the "**Settlement Date**"). Limited Partners whose Redemption Requests are accepted will cease to be Limited Partners in respect of the redeemed Interests as of such Redemption Date and will therefore cease to be entitled to the rights of a Limited Partner in respect of the redeemed Interests as of such date, including the right to receive distributions, and will not be entitled to interest on redemption payments due.

Each Redemption Request will be made at the then-current NAV per Interest of the applicable Class of Interests. **Limited Partners will not know the NAV per Interest, and therefore the amount of their redemption, until the NAV Release Date. Because investors must submit Redemption Requests by the Redemption Cut-off Time, they also will not know the NAV per Interest for the preceding month at the time their Redemption Request is submitted.**

2.2 Redemption Requests – Worked Example

For example, if a Limited Partner wishes to redeem Interests as of the Valuation Date of September 30, 2025, a valid and complete Redemption Request must be received before the Redemption Cut-Off Time, that is 8 p.m. CET on September 2, 2025. The redemption price will be based upon the NAV as of September 30, 2025. Subject to the Redemption Limitations set out below, such redeeming Limited Partner will generally receive settlement of the redemption price by December 15, 2025.

Redemption Request	**Valuation Date**	**Redemption Date**	**NAV Release Date**	**Settlement Date**
Redemption Requests must be submitted by 8 p.m. CET on the first Business Day of the month prior to the relevant Redemption Date.	*The redemption price per Interest will be calculated as of the immediately preceding Valuation Date.*	*Interests will be redeemed as of the first Business Day of each quarter.*	*The NAV per Interest of each Redemption Date will generally be available by the 20th Business Day of the following month.*	*Settlements of the redemption price will generally be made within 30 Business Days after the NAV Release Date.*
September 2, 2025	**September 30, 2025**	**October 1, 2025**	**October 29, 2025**	**December 15, 2025**

2.3 Redemption Limitation

Redemptions are generally limited to 5% of the NAV per quarter of FLEX Master-I (measured using the NAV as of the end of the immediately preceding quarter, but excluding any Early Redemption Deduction and/or Redemption Fee applicable to the redeemed Interests), except as otherwise provided therein (the "**Redemption Limitation**"). Notwithstanding the previous sentence, the General Partner or its delegate in its sole discretion may waive Redemption Limitation either partially (by determining a higher percentage) or in its entirety, based on the General Partner's analysis of available liquidity. No interest will be paid to Limited Partners on redemption proceeds paid after the Settlement Date.

For the avoidance of doubt, any redemption made for the purpose of upstreaming cash to (a) settle a properly incurred liability of FLEX Feeder-I, FLEX Master-I and/or the FLEX Aggregator-I or to (b) declare a distribution of dividend at the level of FLEX Feeder-I, FLEX Master-I and/or the FLEX Aggregator-I will not be taken into account for the purpose of calculating the Redemption Limitation.

In exceptional circumstances and not on a systematic basis, FLEX Master-I may make exceptions to, modify or suspend, in whole or in part, the redemption program if, in the General Partner's or its delegate's reasonable judgment, it deems such action to be in FLEX-I's best interest and the best interest of FLEX-I's investors as a whole, such as when redemptions of Interests would place an undue burden on FLEX-I's liquidity, adversely affect FLEX-I's operations, risk having an adverse impact on FLEX-I that would outweigh the benefit of redemptions of Interests or as a result of legal or regulatory changes and/or in case of suspension of the NAV as further described in Section V of the Prospectus: "*Calculation of NAV*."

Material modifications, including any amendment to the Redemption Limitation on redemptions and suspensions of the redemption program, will be promptly disclosed to Limited Partners on FLEX-I's website. If the redemption program is suspended, the General Partner or its delegate will be required to evaluate on a quarterly basis whether the continued suspension of the redemption program is in FLEX-I's best interest and the best interest of FLEX-I's investors.

In the event that, pursuant to the Redemption Limitation described above, not all of the Interests submitted for redemption during a given quarter are to be accepted for redemption by FLEX Master-I, Interests submitted for redemption during such quarter will be redeemed on a *pro rata* basis. Unsatisfied Redemption Requests will be automatically resubmitted for the next available Redemption Date *unless* such Redemption Request is withdrawn or revoked by the relevant Limited Partner before the relevant Redemption Date in the manner described above.

Interests acquired by the Investment Managers (or the Recipient as applicable) as payment of the Management Fee and/or Performance Participation Allocation will not be taken into account for the purpose of the NAV calculation for the Redemption Limitation and will not be subject to the Redemption Limitation.

2.4 Early Redemption Deduction and Redemption Fee

Redemptions may be subject to (i) an Early Redemption Deduction on the NAV of the Interests being redeemed, as set out in Schedule 1: "*Interest Classes of FLEX Master-I*" of this Annex, if the resulting Redemption Date falls within a twelve (12)-month period from the date of the redeeming Limited Partner's subscription for such Interests or (ii) a Redemption Fee calculated on the NAV of the relevant Interests being redeemed, as set out in Schedule 1: "*Interest Classes of FLEX Master-I*" of this Annex. The Redemption Fee may vary if the Redemption Date occurs after a twelve (12)-month period from the relevant Limited Partner's initial subscription date into FLEX Master-I, as set out in Schedule 1: "*Interest Classes of FLEX Master-I*" of this Annex.

Unless otherwise agreed with the General Partner or its delegate, any Redemption Request will be processed on a first-in/first-out basis for the purpose of the Early Redemption Deduction.

The Early Redemption Deduction and/or Redemption Fee will inure indirectly to the benefit of FLEX-I (and, indirectly, FLEX Master-I and all other vehicles invested in the FLEX Aggregator-I, including their respective investors). FLEX Master-I may, from time to time, waive the Early Redemption Deduction and/or Redemption Fee in its discretion, including, without limitation, in the case of redemptions resulting from death, qualifying disability, divorce, or where operational, administrative and/or system limitations prohibit the Early Redemption Deduction and/or Redemption Fee from being properly applied.

Any redemption made for the purpose of upstreaming cash to (a) settle a properly incurred liability of FLEX Master-I, FLEX Master-I or the FLEX Aggregator-I and/or to (b) declare a distribution of dividend at the level of FLEX Master-I, FLEX Master-I or the FLEX Aggregator-I will not be subject to an Early Redemption Deduction and/or Redemption Fee.

All questions as to the applicability of the Early Redemption Deduction and/or Redemption Fee to specific facts and the validity, form and eligibility (including time of receipt of required documents) of a qualification for an exemption from the Early Redemption Deduction and/or Redemption Fee will be determined by the General Partner or its delegate, in its sole discretion, and its determination shall be final and binding.

Interests acquired by the Investment Managers (or the Recipient, as applicable) as payment of the Management Fee and/or the Performance Participation Allocation may be redeemed at each Investment Manager's (or the Recipient's, as applicable) request and will not be subject to an Early Redemption Deduction and/or Redemption Fee.

2.5 Redemption Requests and Minimum Subscription Amount

If as a result of a redemption, conversion or transfer, the value of a Limited Partner's holding (or, in the event of a Limited Partner investing in FLEX Master-I as a financial intermediary on behalf of an underlying investor, the value of such underlying investor's holding) in a given Interest Class would become less than the Minimum Subscription Amount of such Class of Interests, FLEX Master-I may decide, in its sole discretion, that the redeeming Limited Partner (or redeeming underlying investor, as applicable) shall be deemed to have requested the conversion of such Interests into Interests of a Class of Interests with a lower Minimum Subscription Amount and, if the redeeming Limited Partner (or redeeming underlying investor, as applicable) was holding Interests of the Class with the lowest Minimum Subscription Amount, FLEX Master-I may decide, in its sole discretion, that the redeeming Limited Partner (or redeeming underlying investor, as applicable) shall be deemed to have requested the redemption of all of its Interests.

Before any such compulsory redemption, Limited Partners concerned will receive one month's prior notice to increase their holding above the applicable Minimum Subscription Amount at the applicable NAV per Interest.

Each Limited Partner investing in FLEX Master-I as a financial intermediary on behalf of one or more underlying investor(s) will notify FLEX Master-I each time one of its underlying investors falls below the relevant Minimum Subscription Amount.

2.6 Compulsory Redemption with Regard to Prohibited Persons

If the General Partner discovers at any time that any owner or beneficial owner of the Interests is a Prohibited Person (as defined below), either alone or in conjunction with any other person, whether directly or indirectly, the General Partner or its delegate may at its discretion and without liability compulsorily redeem (in whole or in part) the Interests in accordance with the Partnership Agreement, and, upon redemption, the Prohibited Person will cease to be the owner of those Interests. Any such redemption may take priority over any requested redemptions made by other investors (which may be delayed as a result). For the avoidance of doubt, in the case of a Limited Partner holding Interests which can be allocated to several beneficial owners, such compulsory redemption may only be applied to the part of the portion of such Interests allocable to the beneficial owner qualifying as a Prohibited Person.

In addition, in the case of a Prohibited Person where (i) the holding by such Limited Partner in a particular Class has fallen below the minimum investment and holding requirement for that Class, (ii) a Limited Partner does not meet or ceases to meet investor eligibility criteria and conditions set out in this Annex, or (iii) Limited Partners are not otherwise entitled to acquire or possess these Interests, the General Partner or its delegate is also entitled to convert the Interests of the Prohibited Person; *provided*, that, after such conversion, the Limited Partner no longer qualifies as a Prohibited Person.

The General Partner or its delegate may require any Limited Partner to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Interests is or will be a Prohibited Person.

Further, Limited Partners shall have the obligation to immediately inform FLEX Master-I to the extent the ultimate beneficial owner of the Interests held by such Limited Partners becomes or will become a Prohibited Person.

For the avoidance of doubt, Interests redeemed under this Subsection 2.6: "*Compulsory Redemption with Regard to Prohibited Persons*" may be subject to the Early Redemption Deduction and/or Redemption Fee.

For the purpose of this Subsection 2.6, "**Prohibited Person**" shall mean any person, firm, partnership or corporate body not eligible as an investor for a Class of Interests, or if in the sole opinion of the General Partner (or its delegate) the holding of Interests may be detrimental to the interests of the existing Limited Partners, FLEX Master-I or the Investment Managers if it may result in a breach of any law or regulation, whether in Luxembourg or abroad, or if as a result thereof any such parties may become exposed to regulatory, tax, economic or reputational damages, obligations, disadvantages, fines or penalties that it would not have otherwise incurred.

3. Redemption of Class F Interests

Subject to the limitations set out in "—*Redemption of Interests*" above, FLEX Feeder-I may request to have some or all of its Class F Interests or Feeder Class Interests redeemed by FLEX Master-I as of a Redemption Date by submitting a Redemption Request. Amounts distributed in connection with a redemption will be based upon the NAV per Class F Interest or Feeder Class Interest as of the last calendar day of the applicable month. Early redemptions of Class F Interests and Feeder Class Interests subject to an Early Redemption Deduction and/or a Redemption Fee, in accordance with the rules set out in "—*Early Redemption Deduction and Redemption Fee*" above, will not have such deduction duplicated at the level of FLEX Feeder-I.

4. Conversions Between Interests

Conversions of Interests between Classes in FLEX Master-I are allowed. The General Partner or its delegate may suspend conversions in respect of Interests during any period that the determination of the NAV of the relevant Class is suspended in accordance with the rules set out in the Partnership Agreement and this Annex.

4.1 Conversion at the Request of Limited Partners

A Limited Partner may request the conversion of all or part of its Interests of a Class on any Subscription Date (including, but not limited to, where the aggregate NAV of the Interests held by one Limited Partner (or indirectly held by an underlying investor through a financial intermediary Limited Partner) reaches the Minimum Subscription Amount of another Interest Class); *provided*, that the Limited Partner fulfils the eligibility criteria of the relevant Class into which the conversion is requested and subject to the written consent of the Limited Partner's broker, distributor or other financial intermediary, if applicable, and the General Partner or its delegate. Any conversion request which, when executed, would cause the Limited Partner's investment to fall below the applicable Minimum Subscription Amount will be considered as a request for a full conversion for that Limited Partner's Interests in that particular Class.

4.2 Conversion Procedure

Written conversion orders should be sent to the Central Administration at least 15 Business Days before the relevant Valuation Date (the "**Conversion Cut-off Time**").

All conversion orders must contain the following information:

- the Valuation Date in respect of which the conversion request is made;
- the full name(s) in which the Interests to be converted are registered;
- the Class and its ISIN code from which Interests are to be converted and the Class and its ISIN code to which Interests will be converted; and
- either the monetary amount or the number of Interests to be converted.

If accepted, conversion orders received by the Central Administration before the relevant Valuation Date in respect of which the conversion order is made will be dealt with on such Valuation Date on the basis of the NAV of the relevant Classes prevailing on that Valuation Date.

Any conversion orders received after the Conversion Cut-off Time for a Valuation Date will be processed on the next Valuation Date on the basis of the NAV of the relevant Classes prevailing on such Valuation Date.

The rate at which all or part of the Interests of one Class (the "**Initial Class**") are converted into another Class (the "**New Class**") is determined in accordance with the following formula:

$$A = \frac{B \times C \times D}{E}$$

where:

A is the number of Interests to be allocated in the New Class;

B is the number of Interests of the Initial Class to be converted;

C is the NAV per Interest of the Initial Class determined on the relevant Valuation Date;

D is the currency conversion factor, which is the relevant currency rate as at the respective Valuation Date, or where the Interests of the New Class are denominated in the same currency of the Initial Class, D = 1; and

E is the NAV per Interests of the New Class determined on the relevant Valuation Date.

Following such conversion of Interests, the Central Administration will inform the respective Limited Partner of the number of Interests of the New Class obtained by conversion and the price thereof.

4.3 Conversion by Decision of the General Partner

The General Partner or its delegate may in its own discretion at any time convert Interests from one Class into another Class of Interests where (i) the holding by such Limited Partner in a particular Class has fallen below the minimum investment and holding requirement for that Class as set out in this Annex, (ii) a Limited Partner does not meet or ceases to meet investor eligibility criteria and conditions set out in this Annex, (iii) Limited Partners are not otherwise entitled to acquire or possess these Interests, or (iv) the General Partner or its delegate determines that such conversion is necessary or advisable and not inequitable to Limited Partners.

The procedure set out above will apply accordingly.

5. Transfers

Limited Partners may transfer part or all of their Interests upon prior consent from the General Partner or its delegate, in their sole discretion, which shall be provided within thirty (30) calendar days from its notification. The absence of a favorable response within thirty (30) calendar days shall be considered as a refusal to such transfer.

Any transferee must provide FLEX Master-I with a duly completed application form, any required AML/KYC documents and any additional information or documentation as requested by the General Partner or its delegate in connection with the transfer and by the transferee's broker, distributor or other financial intermediary, as applicable.

VI. VALUATION PROCEDURES

Private Market Investments

Investments in Portfolio Funds are generally valued based on the latest NAV reported by the manager or general partner of a Portfolio Fund (each such manager or general partner being, a "**Portfolio Fund Manager**"). Similarly, many Co-Investments are generally valued based on the valuation information provided by the lead or sponsoring private investors.

It is anticipated that valuation information with respect to Portfolio Funds or Co-Investments (together, the "**Private Market Investments**") from Portfolio Fund Managers or from lead or sponsoring private investors will generally not be available until 60 days or more after each quarter-end, especially pending receipt of audited financial information. Therefore, the most recently provided valuation information about these Private Market Investments for purposes of calculating FLEX-I's monthly NAV may be adjusted by the Central Administration, under the oversight of the AIFM, pursuant to the Valuation Procedures, to estimate the fair value, on a monthly basis, of the interests in such Private Market Investments, as described below.

In making a fair valuation determination of these Private Market Investments, the AIFM (with the assistance of the Investment Managers, as applicable) will consider the most recent reported value by the relevant Portfolio Fund Managers or lead or sponsoring private investors as well as any other factors of which it has knowledge and that it believes may be relevant, which may include one or more of the following: (i) the type of investment, including the types of investments held by the relevant Portfolio Fund, and whether there may be known factors not reflected in the valuations supplied by the Portfolio Fund Managers or lead or sponsoring private investors, such as material changes in the business or operations of the issuer, including the discontinuance of operations or an important component of operations or the commencement of insolvency or reorganization proceedings of a portfolio company owned by FLEX-I, or any market for its securities; (ii) any relevant operational or non-investment issues that may affect the Private Market Investments; (iii) the value of publicly traded securities, if any, held by a Portfolio Fund; (iv) the valuation of the same investments held by different Portfolio Funds, different private investors or third parties independent of the Investment Managers; and (v) any other information, factor or set of factors that may affect the valuation of FLEX-I's investment in the Private Market Investments. Other adjustments may occur from time to time. In addition, the AIFM (with the assistance of the Investment Managers) will conduct a due diligence review of the valuation methodology used by each Portfolio Fund or lead or sponsoring private equity investors, as applicable. The AIFM will monitor the continuing appropriateness of the valuation methodology being used for FLEX-I's investments.

Limited Partners and prospective investors should be aware that there can be no assurance that the valuation of interests in Private Market Investments, as determined under the procedures described above, will in all cases be accurate to the extent that FLEX-I, the AIFM and the Investment Managers do not generally have access to all necessary financial and other information relating to such Private Market Investments to determine independently the NAV of FLEX-I's interests in those Private Market Investments. The results of the AIFM's fair valuation of Private Market Investments whose market value is not readily ascertainable will be based upon the AIFM's assessment of the fair value of such Private Market Investments and their issuers based upon inputs of the relevant Investment Managers and, therefore, are the result of the AIFM's interpretation. The Central Administration will calculate the NAV of these Private Market Investments based on the AIFM's assessment of such fair value.

Private Market Investments valued at fair value by the AIFM will be subject to a new valuation determination upon the next monthly valuation of FLEX-I. The AIFM will periodically review its valuation determinations with the Auditor and respond to any inquiries by such Auditor regarding the AIFM's valuation methodologies with the assistance of the relevant Investment Managers.

Publicly Traded Securities

In circumstances where FLEX Aggregator-I (or any other Intermediate Vehicle) holds publicly traded securities for which market quotations are readily available, such securities will be valued at the last reported sales price or official closing price on the primary market or exchange on which they trade. Fixed income securities are valued at the mean between the last quoted bid and asked prices provided by an independent pricing service that are based on transactions in corporate obligations, quotations from corporate bond dealers, market transactions in comparable securities and various other relationships between securities. Short-term investments are valued at amortized cost when the security has 60 days or less to maturity. Shares in or interests of open-end investment companies or funds, including money market funds, are valued at their respective NAVs.

Private Assets and Other Fair Value Considerations

On a monthly basis, for investments in Private Assets for which no market quotations are available (other than interests in Private Market Investments, as described above) and for which independent appraisals of current value can readily be obtained, valuations will be based on such appraisals. Otherwise, valuation of investments in Private Assets (other than interests in Private Market Investments, as described above) will remain at cost, except that original cost valuation will be adjusted based on a determination of such investment's fair value.

In instances where there is reason to believe that the valuation of a security or other investment valued pursuant to the procedures described above does not represent the current value of such security or investment, or when a security or investment cannot be valued pursuant to the procedures described above, the fair value of the investment will be determined by the AIFM (with the assistance of the Investment Managers, as applicable) taking into account various factors, as relevant, as provided for in these Valuation Procedures, which may include: (i) market clearing transaction activity; (ii) pending sales and potential exit transactions, including (a) any sales price in a letter of intent, offer letter or term sheet, (b) the company's total enterprise price or (c) information from an investment bank during an initial public offering; (iii) market comparable valuations accounting for the (a) relevance of earnings metrics, (b) maintainability of performance, (c) reliability of financial information or (d) quality of market-based data; (iv) discounted cash flow analysis ("DCF"), (v) liquidation analysis (cost approach) or (vi) any other information, factor or set of factors that may affect the valuation of FLEX-I's investment as determined by the AIFM (with the assistance of the Investment Managers, as applicable). The AIFM may also utilize independent third party valuations if such valuations are deemed reliable.

Limited Partners and prospective investors should be aware that fair value represents a good faith approximation of the value of an asset or liability. The fair value of one or more assets or liabilities may not, in retrospect, be the price at which those assets or liabilities could have been sold during the period in which the particular fair values were used in determining FLEX-I's NAV. As a result, FLEX-I's issuance (including through dividend to holders of Distribution Interests) or redemption of Interests at NAV at a time when it owns investments that are valued at fair value may have the effect of diluting or increasing the economic interest of subscribing, existing or redeeming Limited Partners. Please refer to Section XVI of the Prospectus: "*Risk Factors — Determination of the NAV is subject to certain limitations*".

VII. FEES AND EXPENSES OF FLEX-I

1. Management Fee

In consideration for their services, the Investment Managers (or such other combination of persons as the Investment Managers may designate) will be entitled to payment of a Management Fee of up to 1.25% on NAV, in aggregate, per annum for all Interest Classes. The Management Fee will be payable monthly in arrears and based on the NAV of the relevant Interest Class.

The Management Fees will be calculated before giving effect to any accruals for the Management Fee for that month, the AIFM Fee for that month, the Servicing Fee for that month, the Performance Participation Allocation, redemptions for that month, any distributions and any impact to NAV solely caused by currency fluctuations as it relates to Interest Class hedging activities for non-USD Classes, non-USD classes of limited partner interest(s) of the FLEX Aggregator-I and/or non-USD classes of shares or units of Parallel Entities (where applicable). The Management Fee may be paid by FLEX Master-I, or alternatively and without duplication, by FLEX Feeder-I, the FLEX Aggregator-I, the Parallel Entities and/or any Intermediate Vehicle on behalf of FLEX Master-I. The Management Fee will be allocated between the Investment Managers in such proportions as the Investment Managers may agree from time to time and notify FLEX Master-I.

Each Investment Manager may elect to receive the Management Fee in cash, Interests, shares of FLEX Feeder-I, interests of the FLEX Aggregator-I and/or shares or units of Parallel Entities (where applicable). If the Management Fee is paid in Interests, shares of FLEX Feeder-I, interests of the FLEX Aggregator-I and/or shares or units of Parallel Entities (where applicable), such Interests, shares and/or units may be redeemed at each Investment Manager's request and will not, in the case of Interests, be subject to either the Redemption Limitation, the Early Redemption Deduction, the Redemption Fee or any other limitations on redemption described above in Section V: "*Subscriptions, Redemptions and Other Transactions—Redemption of Interests*" and "*— Early Redemption Deduction and Redemption Fee*" of this Annex.

Each Investment Manager may separately elect for the Management Fee attributable to it to be paid (in whole or in part) to an affiliate of such Investment Manager in satisfaction of Management Fee amounts owed to such Investment Manager in connection with services provided by such affiliate to FLEX-I and/or any Intermediate Vehicle.

Any Investment Manager may in its sole discretion elect to waive all or any portion of the Management Fee attributable to it. With respect to the Class B Interests, Class C Interests, Class D Interests, Class E Interests and Class K Interests, the Investment Managers have agreed to waive the Management Fee for the first six months following the Initial Subscription Date.

For the avoidance of doubt, in the event the Management Fee is paid by the FLEX Aggregator-I, the Parallel Entities and/or any Intermediate Vehicle, such payment shall be made on behalf of FLEX Master-I in consideration of the services provided by the Investment Managers to FLEX Master-I. For the avoidance of doubt, where a management fee is calculated and paid by a Parallel Entity on the basis of such entity's own NAV (whether or not such management fee is calculated and paid on the same basis as the Management Fee), such fees will be charged without duplication, and the NAV of such Parallel Entity will be disregarded for the purposes of the calculation and payment of the Management Fee to be paid by other FLEX-I vehicles.

2. Performance Participation Allocation

The special limited partner of FLEX Aggregator-I or, alternatively, any other entity or vehicle affiliated with the Lexington Group designated by the general partner of FLEX Aggregator-I (the "**Recipient**") is allocated a performance participation (the "**Performance Participation Allocation**") equal to 12.5% of Total Return subject to a 5% annual Hurdle Amount and a High Water Mark with 100% Catch-Up (each as defined below). Such allocation will be measured and allocated or paid quarterly and accrue monthly (subject to pro-rating for partial periods) payable either in cash or in Interests, shares of FLEX Feeder-I, limited partnership interests of the FLEX Aggregator-I and/or shares, or limited partnership interests or units of Parallel Entities (where applicable). Specifically, the Recipient is allocated a Performance Participation Allocation in an amount equal to:

- First, if the Total Return for the applicable period exceeds the sum of the Hurdle Amount for that period and the Loss Carryforward Amount (any such excess, "**Excess Profits**"), 100% of such Excess Profits until the total amount allocated to the Recipient equals 12.5% of the sum of (x) the Hurdle Amount for that period and (y) any amount allocated to the Recipient pursuant to this clause (any such amount, the "**Catch-Up**"); and

- Second, to the extent there are remaining Excess Profits, 12.5% of such remaining Excess Profits.

The Recipient will also be allocated a Performance Participation Allocation with respect to all FLEX Aggregator-I limited partnership interests that are redeemed (or that would have been redeemed if the FLEX Aggregator-I limited partnership interests are used in order to fund the redemption of Interests) in connection with redemptions of Interests in an amount calculated as described above with the relevant period being the portion of the Reference Period for which such limited partnership interest was outstanding, and proceeds for any such limited partnership interest redemption will be reduced by the amount of any such Performance Participation Allocation.

The ESMA Guidelines ESMA34-39-992 on performance fees in UCITS and certain types of AIFs do not apply to FLEX Master-I as it follows a private equity strategy as described in this Annex.

The Recipient may elect to receive the Performance Participation Allocation in cash, Interests, shares of FLEX Feeder-I, limited partnership interests of FLEX Aggregator-I and/or shares, limited partnership interests or units of Parallel Entities (where applicable). If the Performance Participation Allocation is paid in Interests, shares of FLEX Feeder-I, limited partnership interests of FLEX Aggregator-I and/or shares, limited partnership interests or units of Parallel Entities (where applicable), such Interests, shares, limited partnership interests or units may be redeemed at the Recipient's request and will be subject to the limitations in Section V "*Subscriptions, Redemptions and Other Transactions*" of this Prospectus, though, for the avoidance of doubt, will not be subject to the Early Redemption Deduction and/or Redemption Fee.

"**Total Return**" for any period since the end of the prior Reference Period shall equal the sum of:

(i) all distributions accrued or paid (without duplication) on limited partnership interests of FLEX Aggregator-I outstanding at the end of such period since the beginning of the then-current Reference Period; *plus*

(ii) the change in aggregate NAV of such FLEX Aggregator-I limited partnership interests since the beginning of the Reference Period before giving effect to (x) changes resulting solely from the proceeds of issuances of FLEX Aggregator-I limited partnership interests (including in connection with the issuance of Interests), (y) any allocation/accrual to the Performance Participation Allocation and (z) any applicable Servicing Fee expenses (including any payments made to FLEX Master-I for payment of such expenses); *minus*

(iii) all Operating Expenses of FLEX Master-I, FLEX Feeder-I and the Parallel Vehicles but excluding applicable expenses for the Servicing Fee or similar fees in Parallel Vehicles.

For the avoidance of doubt, the calculation of Total Return will be made in the Reference Currency and will include any appreciation or depreciation in the NAV of FLEX Aggregator-I limited partnership interests issued during the then-current Reference Period, treat any withholding tax on distributions paid by or received by FLEX Aggregator-I as part of the distributions accrued or paid on limited partnership interests of FLEX Aggregator-I, exclude the proceeds from the initial issuance of such limited partnership interests and any impact to Total Return solely caused by currency fluctuations and/or currency hedging activities and costs for non-USD Interest Classes, non-USD classes of shares of FLEX Feeder-I or FLEX Aggregator-I and/or non-USD classes of shares or limited partnership interests of any Parallel Entities and exclude any taxes (whether paid, payable, accrued or otherwise in the relevant Reference Period) of any intermediate entity through which FLEX Master-I indirectly invests in a Portfolio Company, as determined in the good faith judgment of the Investment Manager.

"**Hurdle Amount**" for any period during a Reference Period means that amount that results in a 5% annualized internal rate of return on the NAV of limited partnership interests of FLEX Aggregator-I outstanding at the beginning of the then-current Reference Period and all FLEX Aggregator-I limited partnership interests issued since the beginning of the then-current Reference Period, calculated in accordance with recognized industry practices and taking into account:

(i) the timing and amount of all distributions accrued or paid (without duplication) on all such limited partnership interests minus all Operating Expenses of FLEX Master-I, FLEX Feeder-I and Parallel Vehicles but excluding applicable expenses for the Servicing Fee or similar fees in Parallel Vehicles; and

(ii) all issuances of FLEX Aggregator-I limited partnership interests over the period.

The ending NAV of limited partnership interests of FLEX Aggregator-I used in calculating the internal rate of return will be calculated before giving effect to any allocation/accrual to the Performance Participation Allocation and applicable expenses for the Servicing Fee or similar fees in Parallel Vehicles. For the avoidance of doubt, the calculation of the Hurdle Amount for any period will be made in the Reference Currency and will exclude any FLEX Aggregator-I limited partnership interests redeemed during such period, which limited partnership interests will be subject to the Performance Participation Allocation upon redemption as described above and any impact to the Hurdle Amount solely caused by currency fluctuations and/or currency hedging activities and costs for non-USD classes.

Except as described in "*Loss Carryforward Amount*" below, any amount by which Total Return falls below the Hurdle Amount will not be carried forward to subsequent periods.

The Recipient will not be obligated to return any portion of the Performance Participation Allocation paid due to the subsequent performance of FLEX-I.

"**Loss Carryforward Amount**" shall initially equal zero and shall cumulatively increase by the absolute value of any negative annual Total Return and decrease by any positive annual Total Return; *provided*, that the Loss Carryforward Amount shall at no time be less than zero; and *provided further*, that the calculation of the Loss Carryforward Amount will exclude the Total Return related to any FLEX Aggregator-I limited partnership interests redeemed during the applicable Reference Period, which limited partnership interests will be subject to the Performance Participation Allocation upon redemption as described above. The effect of the Loss Carryforward Amount is that the recoupment of past annual Total Return losses will offset the positive annual Total Return for purposes of the calculation of the Performance Participation Allocation. This is referred to as a "**High Water Mark**".

Management Fees and the Performance Participation Allocations are calculated in U.S. dollars and therefore Limited Partners holding Interests with a functional currency other than U.S. dollars are exposed to fluctuations of the U.S. dollars foreign exchange rate and/or hedging costs, which may lead to higher Management Fees and Performance Participation Allocations being borne by such Limited Partners compared to Limited Partners holding Interests with U.S. dollars as functional currency.

"**Reference Period**" means the applicable year beginning on April 1st and ending March 31st of the next succeeding year; *provided*, that the initial Reference Period for FLEX Master-I shall be the period from the Initial Subscription Date to March 31, 2026.

If there are any FLEX Aggregator Parallel Vehicles, the Performance Participation Allocation, Total Return, Hurdle Amount and Loss Carryforward Amount will be measured using FLEX Aggregator-I and such FLEX Aggregator Parallel Vehicles on a combined basis.

3. Subscription Fees

Certain distributors or other financial intermediaries through which a Limited Partner was placed in FLEX Master-I may charge such Subscription Fees on Interests sold in the offering that are paid by the Limited Partner outside of its investment in FLEX Master-I and not reflected in FLEX Master-I's NAV. In certain circumstances, the Subscription Fees may be paid to FLEX and reallocated, in whole or in part, to the distributor or other financial intermediary that placed the Limited Partner into FLEX Master-I. No Subscription Fees will be paid with respect to reinvestments of distributions for Interests of Accumulation Interest Class.

4. Servicing Fee

Each Class of Interests will bear a Servicing Fee equal to the amount set out in the table below (on an annualized basis):

Class of Interests	**Servicing Fees**
Advisory Interests	Up to 0.85% on NAV per annum
Institutional Interests	0.00% on NAV per annum

FLEX Master-I may issue Interest Classes with different level of Servicing Fees, as the General Partner or its delegate may decide from time to time. The complete list of available Interest Classes will be available online at online at FLEX Master-I's website (www.franklintempleton.lu/flexi), as well as at the registered office of FLEX Master-I.

For the avoidance of doubt, the Servicing Fees will be charged by FLEX Master-I (and, in such case, Limited Partners will not be billed separately for payment of the fees) or the relevant financial intermediary. The Servicing Fee will be calculated on the NAV of the relevant Class of Interests before giving effect to accruals for the Servicing Fee or distributions payable on such Class of Interests.

The Servicing Fee is allocated to the financial intermediary through which an underlying investor was placed in FLEX Master-I and/or the financial intermediary which provides ongoing services to such underlying investor in each case as determined by the Investment Managers in their sole discretion. Any amounts allocated in accordance with the foregoing sentence will compensate such representative for any placement, reporting, administrative and/or other services provided to an underlying investor by such representative. The receipt of the Servicing Fee will result in a conflict of interest for the relevant financial intermediary involved in placing a Limited Partner or underlying investor into any Sub-Fund.

5. AIFM Fee

In consideration for its services, the AIFM will be entitled to payment of an AIFM Fee up to a maximum of 0.05% per annum for all Classes of Interests of FLEX Master-I, payable quarterly and may be paid by FLEX Master-I, or alternatively and without duplication, by FLEX Master-I or the FLEX Aggregator-I.

The AIFM Fee will be invoiced and calculated in accordance with the AIFM Agreement. For each relevant month, the AIFM Fee will be calculated before giving effect to any accruals for the Management Fee for that month, the AIFM Fee for that month, the Servicing Fee for that month, the Performance Participation Allocation, redemptions for that month, any distributions and any impact to NAV solely caused by currency fluctuations as it relates to Interest Class hedging activities for non-USD Classes, non-USD classes of limited partner interest of the FLEX Aggregator-I and/or non-USD classes of shares or units of Parallel Entities (where applicable). The AIFM Fee may be paid by FLEX Feeder-I, FLEX Master-I, the FLEX Aggregator-I, the Parallel Entities and/or any Intermediate Vehicle on behalf of FLEX Master-I.

The AIFM Fee will be separate from and additional to the Management Fee and any Operating Expenses. For the avoidance of doubt, in the event the AIFM Fee is paid by the FLEX Aggregator-I, such payment shall be made on behalf of FLEX Master-I in consideration of the services provided by the AIFM to FLEX Master-I.

The AIFM may be entitled to receive additional fees for additional services provided in respect of FLEX Master-I, as agreed from time to time, to the extent such additional fees are duly disclosed in this Annex.

6. Organizational and Offering Expenses

The Organizational and Offering Expenses may be apportioned to, and borne solely by, FLEX Master-I or allocated to each Sub-Fund as determined by each Investment Manager in its reasonable discretion.

Each Investment Manager will determine what Organizational and Offering Expenses are attributable to FLEX Master-I, the FLEX Aggregator-I or any of their respective Parallel Entities or Feeder Entities, in its sole discretion.

7. Liabilities

With respect to each Class of Interests, the Central Administration Agent will include the value (as prescribed under Luxembourg GAAP) of such Class's *pro rata* portion of FLEX Master-I's liabilities as part of the Class's monthly NAV calculation. These liabilities are expected to include the fees payable to the Investment Managers, the AIFM, any accrued Performance Participation Allocation, accounts payable, accrued Operating Expenses, any portfolio-level credit facilities, other borrowings and other liabilities.

For purposes of calculating FLEX Master-I's NAV, the Organizational and Offering Expenses and/or Operating Expenses paid by the Investment Managers through the Effective Date, pursuant to Subsection 6: "*Organizational and Offering Expenses*" of Section VII: "*Fees and Expenses of FLEX-I*" of the Prospectus and Subsection 8.2: "*Initial Operating Expenses Support*" of this Section VII: "*Fees and Expenses of FLEX-I*," as applicable, are not recognized as expenses or as a component of equity and reflected in FLEX Master-I's NAV until FLEX Master-I amortizes such Organizational and Offering Expenses or reimburses each Investment Manager for such Operating Expenses.

For purposes of calculating a monthly NAV, the Servicing Fee for each applicable Class of Interests will be calculated by multiplying the accrued monthly Servicing Fee rate (1/12th of the total annual Servicing Fee rate for each applicable Class of Interests) by the aggregate NAV of such Class of Interests for that month, after adjustment for any net portfolio income or loss, unrealized/realized gains or losses on assets and liabilities, Management Fee expense and Performance Participation Allocation accrual.

8. Operating Expenses

8.1 Operating Expenses of FLEX Master-I

The Operating Expenses may be apportioned to, and borne solely by, FLEX Master-I or allocated to each Sub-Fund as determined by the General Partner (or its delegate) in its reasonable discretion.

The General Partner (or its delegate) will determine what Operating Expenses are attributable to FLEX Master-I, the FLEX Aggregator-I or any of their respective Parallel Entities or Feeder Entities, in its reasonable discretion.

With respect to FLEX Master-I's capital commitment(s) to Other Lexington Vehicles only, FLEX Master-I will not pay or otherwise bear carried interest, management fees or other incentive compensation paid to the general partner of such Other Lexington Vehicles except in limited circumstances, in which case such carried interest, management fees or other incentive compensation paid will be rebated Dollar-for-Dollar to FLEX Master-I. For the avoidance of doubt, FLEX Master-I will pay all other fund and investment-related fees and expenses with respect to its capital commitment(s) to any Other Lexington Vehicles (if applicable). FLEX Master-I will also indirectly bear other expenses of such Other Lexington Vehicles, including all investment-related expenses and expenses paid to affiliates of the Investment Managers, administrative expenses and other expenses as applicable to such Other Lexington Vehicles (to the extent applicable).

8.2 Initial Operating Expenses Support

Each Investment Manager may at its discretion advance all or portion of the Operating Expenses to be borne by FLEX Master-I, FLEX Master-I, the proportion of expenses of the FLEX Aggregator-I borne by FLEX Master-I or FLEX Master-I, and the appropriately apportioned expenses relating to Portfolio Companies, Portfolio Funds and Parallel Entities, in each case as determined pursuant to the terms of this Prospectus (collectively, "**Initial Operating Expenses Support**") through the Effective Date. FLEX Master-I, FLEX Feeder-I and the FLEX Aggregator-I (as applicable and as determined by the Investment Managers in their sole discretion) will reimburse the Investment Managers for all such advanced expenses in equal instalments over the 60 months following the Effective Date or on such earlier date as determined by the Investment Managers.

9. Carried Interest, Management Fees or Other Incentive Compensation at the Level of Portfolio Funds

9.1 Primary Funds Investments

With respect to FLEX Master-I's Primary Funds Investments to Other Lexington Vehicles only, FLEX Master-I will not pay or otherwise bear carried interest, management fees or other incentive compensation paid to the general partner of such Other Lexington Vehicles except in limited circumstances, in which case such carried interest, management fees or other incentive compensation paid will be rebated Dollar-for-Dollar to FLEX Master-I. For the avoidance of doubt, FLEX Master-I will pay all other fund and investment-related fees and expenses with respect to its Primary Funds Investments to any Other Lexington Vehicles (if applicable). FLEX Master-I will also indirectly bear other expenses of such Other Lexington Vehicles, including all investment-related expenses and expenses paid to affiliates of the Investment Managers, administrative expenses and other expenses as applicable to such Other Lexington Vehicles (to the extent applicable).

With respect to FLEX Master-I's Primary Funds Investments to Portfolio Funds that are not Other Lexington Vehicles, FLEX Master-I may pay or otherwise bear carried interest, management fees or other incentive compensation paid to the general partner of such Portfolio Funds.

9.2 Private Investment Funds' Investments

With respect to FLEX Master-I's Private Investment Funds' Investments to Portfolio Funds (including, but not limited to, Primary Funds Investments to Other Lexington Vehicles), FLEX Master-I may pay or otherwise bear carried interest, management fees or other incentive compensation paid to the general partner of such Portfolio Fund. For the avoidance of doubt, FLEX Master-I will pay all other fund and investment-related fees and expenses with respect to its Private Investment Funds' Investments to any Portfolio Fund (if applicable). FLEX Master-I will also indirectly bear other expenses of such Portfolio Fund, including all investment-related expenses and expenses paid to affiliates of the Investment Managers, administrative expenses and other expenses as applicable to such Portfolio Fund (to the extent applicable).

10. Fees arising at multiple levels

To the extent the Management Fee and/or Performance Participation Allocation may apply at the level of FLEX Master-I, the FLEX Aggregator-I and/or any other intermediary vehicle or Parallel Entity, Limited Partners will only be charged such Management Fee and/or Performance Participation Allocation by the Investment Managers once.

VIII. DISTRIBUTIONS

With respect to the Distribution Interest Classes, FLEX Master-I intends to declare distributions after the end of the Ramp-Up Period or at any earlier date determined by the General Partner or its delegate. Such distributions to relevant Limited Partners may be declared and made from time to time at a frequency determined by the General Partner or its delegate.

Any distributions FLEX Master-I makes are at the discretion of the General Partner or its delegate, considering factors such as earnings, cash flow, capital needs, taxes and general financial condition and the requirements of applicable law. As a result, FLEX Master-I's distribution rates and payment frequency may vary from time to time. There is no assurance FLEX Master-I will pay distributions in any particular amount, if at all. Any declaration of distributions to Limited Partners will be made in accordance with the 2010 Law.

Limited Partners of record as of the record date will be eligible for distributions declared. The per Interest amount of distributions on each Class of Interests may differ because of different Class-specific Servicing Fees that may be deducted from the gross distributions for each Class. Specifically, distributions on Advisory Interests would be lower than on Institutional Interests because FLEX Master-I is required to pay ongoing additional fees with respect to the Advisory Interests compared to the Institutional Interests, as further described in Section VII: "*Fees and Expenses of FLEX-I*."

Limited Partners holding Interests with a Reference Currency other than USD (i.e., the Sub-Fund's Reference Currency) are exposed to fluctuations of the USD (or such other currency as applicable) foreign exchange rate and/or hedging costs, which may lead to variations on the amount to be distributed.

IX. MANAGEMENT AND ADMINISTRATION OF FLEX MASTER-I

1. The Investment Managers

The AIFM has delegated the portfolio management functions of FLEX-I to Lexington Advisors and Franklin Advisers pursuant to the terms of the Investment Management Agreements.

Each Investment Manager is an affiliate of the Franklin Templeton Group. Lexington Advisors will be acting as co-investment manager and responsible for making investment decisions for FLEX-I's investments in Private Assets, and Franklin Advisers will be responsible for making investment decisions for FLEX-I's investments in Debt and Other Securities and Private Markets Debt Investments, in each case within the scope of the duties and responsibilities allocated to them pursuant to the Investment Management Agreements. Franklin Advisers will decide on the allocation of assets between the Private Asset portion and the Debt and Other Securities portion of the portfolio of FLEX-I.

In consideration for their services, each Investment Manager will be entitled to receive a portion of the Management Fee payable by FLEX Master-I. The Management Fee may be paid by FLEX Master-I, the FLEX Aggregator-I, the Parallel Entities and/or any Intermediate Vehicle on behalf of FLEX Master-I.

All significant Investments in Private Assets made by FLEX-I are first reviewed by the investment committee of Lexington Advisors.

2. Non-Exclusivity

The functions and duties which the Investment Managers and/or any of its affiliates undertake on behalf of FLEX Master-I will not be exclusive and they perform similar functions and duties for themselves and for others and, without limitation, act as manager, investment manager and general partner (or equivalent) in respect of other funds, accounts or other products.

X. RISK FACTORS AND OTHER CONSIDERATIONS

Most of the following risk factors apply both to FLEX Master-I and to any relevant Other Lexington Vehicles in which FLEX Master-I has invested (directly or indirectly). Therefore, potential Limited Partners should assume references to FLEX Master-I herein include references to Other Lexington Vehicles or Portfolio Funds as well, to the extent FLEX Master-I is invested in such Other Lexington Vehicles or Portfolio Funds, unless the context indicates otherwise.

Risks related to investments in FLEX Master-I.

FLEX Master-I's investment strategy is broad and may involve risks that are not described in the Prospectus and this Annex.

The Investment Managers are expected to implement on behalf of FLEX Master-I whatever strategies or discretionary approaches within such broad mandate the Investment Managers believe from time to time may be best suited to prevailing market conditions. There can be no assurance that the Investment Managers will be successful in applying any strategy or discretionary approach to FLEX Master-I's trading or investment activities. The investment strategies of these entities may involve risks that are not described in the Prospectus and this Annex. Such risks could prove substantial and therefore investments in FLEX Master-I are suitable only for investors that are able to bear the potential loss of their entire investment.

FLEX Master-I's reserves may not be adequate, which may impact its participation in certain Investments.

FLEX Master-I may establish holdbacks or reserves, including for estimated accrued expenses, Management Fee, pending or anticipated liabilities, Investments, claims and contingencies relating to FLEX Master-I. Estimating the appropriate amount of such reserves is difficult and inadequate or excessive reserves could impair the investment returns to Limited Partners. If FLEX Master-I's reserves are inadequate and other cash is unavailable, FLEX Master-I may be unable to take advantage of attractive investment opportunities or protect its existing Investments (e.g., participate in follow-on investments, which could cause FLEX-I's interest to be diluted, or otherwise provide a Portfolio Fund with necessary capital to preserve the value of FLEX-I's existing investment). Further, the allocation of investment opportunities among FLEX Master-I and Other Lexington Vehicles may depend, in part, on their respective reserves at the time of allocating the opportunity, possibly resulting in different investment allocations if any such reserves are inadequate or excessive.

FLEX Master-I's inability to find suitable Investments may delay deployment of capital and may be dilutive of FLEX's overall investment returns and financial condition.

In light of the nature FLEX Master-I's continuous offering in relation to FLEX Master-I's investment strategy and the need to be able to deploy potentially large amounts of capital quickly to capitalize on potential investment opportunities, if FLEX Master-I has difficulty identifying and purchasing suitable investments on attractive terms, there could be a delay between the time it receives net proceeds from the sale of Interests in this offering or any private offering and the time FLEX Master-I invests the net proceeds. FLEX Master-I may also from time to time hold cash pending deployment into Investments, which cash may at times be significant, particularly at times when FLEX Master-I is receiving high amounts of offering proceeds and/or times when there are few attractive investment opportunities. Such cash may be held in an account for the benefit of Limited Partners that may be invested in money market accounts or other similar temporary investments, each of which are subject to Management Fee.

In the event FLEX Master-I is unable to find suitable Investments such cash may be maintained for longer periods which would be dilutive to overall investment returns. This could cause a substantial delay in the time it takes for Limited Partners' investment to realize its full potential return and could adversely affect FLEX Master-I's ability to pay regular distributions of cash flow from operations to Limited Partners. It is not anticipated that the temporary investment of such cash into money market accounts or other similar temporary investments pending deployment into Investments will generate significant interest, and Limited Partners should understand that such low interest payments on the temporarily invested cash may adversely affect overall returns. In the event FLEX Master-I fails to timely invest the net proceeds of sales of Interests or does not deploy sufficient capital to meet its targeted leverage, FLEX Master-I's results of operations and financial condition may be adversely affected.

FLEX Master-I has a limited track record and may not generate sufficient income to make distributions to its Limited Partners at any time in the future.

FLEX Master-I has not established a minimum distribution payment level, and FLEX Master-I's ability to make distributions to its Limited Partners may be adversely affected by a number of factors, including the risk factors described in the Prospectus and this Annex. FLEX Master-I has a limited track record and may not generate sufficient income to make distributions to its Limited Partners. FLEX Master-I's General Partner or its delegate will make determinations regarding distributions based upon, among other factors, FLEX Master-I's financial performance, debt service obligations, debt covenants, tax requirements and capital expenditure requirements. Among the factors that could impair FLEX Master-I's ability to make distributions to its Limited Partners are:

- FLEX Master-I's inability to invest the proceeds from sales of Interests on a timely basis;
- FLEX Master-I's inability to realize attractive risk-adjusted returns on FLEX Master-I's Investments;
- high levels of expenses or reduced revenues that reduce FLEX Master-I's cash flow or non-cash earnings; and
- defaults in FLEX Master-I's investment portfolio or decreases in the value of FLEX Master-I's Investments.

As a result, FLEX Master-I may not be able to make distributions to its Limited Partners at any time in the future, and the level of any distributions FLEX Master-I does make to Limited Partners may not increase or even be maintained over time, any of which could materially and adversely affect the value of Limited Partners' investment in FLEX Master-I.

FLEX Master-I may not generate sufficient cash flow from operations to fully fund distributions to Limited Partners, particularly during the early stages of FLEX Master-I's operations. Therefore, FLEX Master-I may fund distributions to FLEX Master-I's Limited Partners from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds (including from sales from Interests or interests of FLEX Aggregator-I). The extent to which FLEX Master-I pays distributions from sources other than cash flow from operations will depend on various factors, including the level of participation in FLEX Master-I's Accumulation Interest Class, the extent to which the Recipient elects to receive its Performance Participation Allocation (if any) in Interests or interests of the FLEX Aggregator-I and the Recipient elects to receive distributions on its Performance Participation Allocation (if any) in Interests, how quickly FLEX Master-I invests the proceeds from this and any future offering and the performance of FLEX Master-I's Investments. Funding distributions from the sales of assets, borrowings, return of capital or proceeds of the offering will result in FLEX Master-I having less funds available to acquire Investments. As a result, the return Limited Partners realize on their respective investment may be reduced. Doing so may also negatively impact FLEX Master-I's ability to generate cash flows. Likewise, funding distributions from the sale of additional securities will dilute Limited Partners' interest in FLEX Master-I on a percentage basis and may impact the value of Limited Partners' investment in FLEX Master-I especially if FLEX Master-I sells these securities at prices less than the price Limited Partners paid for their respective Interests. FLEX Master-I may be required to continue to fund FLEX Master-I's regular distributions from a combination of some of these sources if FLEX Master-I's Investments fail to perform, if expenses are greater than FLEX Master-I's revenues or due to numerous other factors. FLEX Master-I has not established a limit on the amount of its distributions that may be paid from any of these sources.

To the extent FLEX Master-I borrows funds to pay distributions, it would incur borrowing costs and these borrowings would require a future repayment. The use of these sources for distributions and the ultimate repayment of any liabilities incurred could adversely impact FLEX Master-I's ability to pay distributions in future periods, decrease FLEX Master-I's NAV, decrease the amount of cash FLEX Master-I has available for operations and new investments and adversely impact the value of the Limited Partners' investment in FLEX Master-I.

FLEX Master-I may also defer operating expenses or pay expenses (including the fees of the Investment Managers or distributions to the Recipients) with Interests in order to preserve cash flow for the payment of distributions. The ultimate repayment of these deferred expenses could adversely affect FLEX Master-I's operations and reduce the future return on Limited Partners' investment in FLEX Master-I. FLEX Master-I may redeem Interests from the Investment Managers or the Recipients shortly after issuing such Interests or such shares as compensation. The payment of expenses in Interests or with interests of FLEX Aggregator-I will dilute Limited Partners' ownership interest in FLEX Master-I's portfolio of assets. There is no guarantee any of FLEX Master-I's operating expenses will be deferred and the Investment Managers and Recipients are under no obligation to receive future fees or distributions in Interests, interests of FLEX Aggregator-I and may elect to receive such amounts in cash.

FLEX is actively managed and subject to management risk.

FLEX Master-I is subject to management risk because it is an actively managed investment portfolio. FLEX Master-I's ability to achieve its investment objective and strategy depends upon the Investment Managers' skills in determining FLEX-I's allocation of its assets and in selecting the best mix of investments. See "*Management and Administration of FLEX Master-I*" herein. There is a risk that the Investment Managers' evaluations and assumptions regarding asset classes or investments may be incorrect in view of actual market conditions. The Investment Managers each will apply investment techniques and risk analyses in making investment decisions for FLEX Master-I, but there can be no guarantee that these will produce the desired results. FLEX Master-I may be subject to a relatively high level of management risk because FLEX Master-I invests in Private Assets, which are highly specialized instruments that require investment techniques and risk analyses different from those associated with investing in public equities and bonds. FLEX Master-I's allocation of its investments across Portfolio Funds, Co-Investments and other portfolio investments representing various strategies, geographic regions, asset classes and sectors may vary significantly over time based on the Investment Managers' analysis and judgment. As a result, the particular risks most relevant to an investment in FLEX Master-I, as well as the overall risk profile of FLEX Master-I's portfolio, may vary over time. It is possible that FLEX Master-I will focus on an investment that performs poorly or underperforms other investments under various market conditions.

Limited Partners will have no rights or powers to take part in the management of FLEX Master-I or make investment decisions.

The General Partner will have exclusive responsibility for FLEX Master-I's activities, and, other than as set forth herein and in the Partnership Agreement, Limited Partners will not be able to make investments or any other decisions concerning the management of FLEX Master-I. Limited Partners have no rights or powers to take part in the management of FLEX Master-I or make investment decisions and will not generally receive the amount of any portfolio entity's financial information that is generally available to the Investment Managers. The Investment Managers will generally have sole and absolute discretion in structuring, negotiating and purchasing, financing and eventually divesting Investments on behalf of FLEX Master-I (subject to specified exceptions). Accordingly, no person should purchase an Interest unless such person is willing to entrust all aspects of the management of FLEX Master-I to the Investment Managers.

Investments in FLEX Master-I will have limited liquidity and Redemption Requests may be subject to the Redemption Limitation, the Early Redemption Deduction and/or Redemption Fee.

There is no current public trading market for the Interests, and the Investment Managers do not expect that such a market will ever develop. Therefore, redemption of Interests by FLEX Master-I will likely be the only way for Limited Partners to dispose of their Interests.

Subject to limited exceptions, where a Redemption Date falls within the first twelve (12) months of the redeeming Limited Partner's Subscription Date, Interests of certain Classes, as set out in Schedule 1: "*Interest Classes of FLEX Feeder-I*" of this Annex, will be redeemed at 98% of the applicable NAV as of the Redemption Date due to the application of a 2% Early Redemption Deduction. In addition, certain Classes of Interests, as set out in Schedule 1: "*Interest Classes of FLEX Master-I*" of this Annex, may be subject to a Redemption Fee of 2% if the redeeming Limited Partner's Redemption Date falls within a period of twelve (12) months from the redeeming Limited Partner's initial subscription or a Redemption Fee of 0.5% if the redeeming Limited Partner's Redemption Date falls after such twelve (12) months period.

As a result, redeeming Limited Partners may receive less than the price they paid for their respective Interests where these are redeemed by FLEX Master-I pursuant to FLEX Master-I's redemption program. See Subsection 2.4 "*Early Redemption Deduction and Redemption Fee*" of Section V "*Subscriptions, Redemptions and Other Transactions*" of this Annex.

Redemptions are generally limited to 5% of the NAV of FLEX Master-I (measured using the NAV as of the end of the immediately preceding quarter but excluding any Early Redemption Deduction and/or Redemption Fee applicable to the redeemed Interests), except in the event of exceptional circumstances described herein.

In exceptional circumstances and not on a systematic basis, FLEX Master-I may make exceptions to, modify or suspend, in whole or in part, the redemption program if in the General Partner's or its delegate's reasonable judgment it deems such action to be in FLEX Master-I's best interest and the best interest of FLEX Master-I's investors, such as when redemptions of Interests would place an undue burden on FLEX Master-I's liquidity, adversely affect FLEX Master-I's operations, risk having an adverse impact on FLEX Master-I that would outweigh the benefit of redemptions of Interests or as a result of legal or regulatory changes. Material modifications, including any amendment to the Redemption Limitation on redemption and suspensions of the redemption program will be promptly disclosed to Limited Partners on FLEX Master-I's website. If the redemption program is suspended, the Investment Managers will be required to evaluate on a regular basis whether the continued suspension of the redemption program is in FLEX Master-I's best interest and the best interest of FLEX Master-I's investors.

In the event that, pursuant to the limitation herein, not all of the Interests submitted for redemption during a given month are to be accepted for redemption by FLEX Master-I, Interests submitted for redemption during such month will be redeemed on a *pro rata* basis. Unsatisfied Redemption Requests will be not be automatically resubmitted for the next Redemption Date and will be dealt with in the manner described herein in Sub-Section 2 "*Redemption of Interests*" of Section V "*Subscriptions, Redemptions and Other Transactions*" of this Annex. Settlements of any redemptions will generally be made within 30 Business Days after the NAV Release Date. As a result redeeming Limited Partners will experience significant delays in realizing liquidity even when their respective redemption is accepted.

Redemption Requests in the context of domestic or global economic events may impact FLEX Master-I's cash flow, results of operations and financial condition.

Economic events affecting domestic and global economies could cause Limited Partners to seek to sell their Interests to FLEX Master-I pursuant to FLEX Master-I's redemption program at a time when such events are adversely affecting the performance of FLEX Master-I's assets. Even if FLEX Master-I decides to satisfy all resulting Redemption Requests, FLEX Master-I's cash flow could be materially adversely affected. In addition, if FLEX Master-I determines to sell assets to satisfy Redemption Requests, it may not be able to realize the return on such assets that it may have been able to achieve had it sold at a more favorable time, and FLEX Master-I's results of operations and financial condition, including, without limitation, breadth of its portfolio by type and location, could be materially adversely affected.

Risks specific to investing in Private Investment Funds.

The market for Secondary Investments is highly competitive and involves a high degree of uncertainty.

The activity of identifying and completing attractive secondary private investments ("**Secondary Investments**") is highly competitive and involves a high degree of uncertainty. FLEX Master-I will be competing for Secondary Investments with other Secondary Investment vehicles, as well as financial institutions and other investors. Over the past several years, an increasing number of Secondary Investment funds and other capital pools targeted at the Secondary Investment sector have been formed, and additional capital will likely be directed at this sector in the future. Other investment funds and other institutions currently in existence or organized in the future may adopt FLEX Master-I's strategy wholly or in part and compete with FLEX Master-I. Some of these funds and institutions may have greater access to investment opportunities in Secondary Investments and greater ability to complete investments than FLEX Master-I, or may have different return criteria than FLEX Master-I, any of which could afford them a competitive advantage.

While the Secondary Investments market as a whole is widely expected to grow, competition from other market participants will limit the number, and possibly the range, of investment opportunities available to FLEX Master-I. In addition, increasing competition may have unfavorable implications for the pricing and other terms of potential investments. Although the Investment Managers have been successful in sourcing suitable investments in the past, FLEX Master-I may be unable to find a sufficient number of attractive opportunities to implement its investment strategy or achieve its investment objectives.

In connection with direct investments that FLEX Master-I may seek to make in private companies, pre-emptive rights in such companies may create competition from existing investors with respect to investments in such companies. Separately, the existence or launch of Other Lexington Vehicles with overlapping investment criteria may limit FLEX Master-I's access to investment opportunities falling within its strategy.

Market conditions may impact the availability of opportunities in Secondary Investments to investment funds such as FLEX Master-I.

The supply, and consequently the pricing, of Secondary Investments is dependent on a number of factors, including the rate at which funds pursuing such investments (including FLEX Master-I) are able to deploy capital, the performance and value of investments held by other investment funds and the ability of such investment funds to realize, recapitalize or refinance their own investments in order to return capital to their investors. Higher valuations and increased liquidity and return of capital in the private investments market may result in fewer attractive investment opportunities being available for FLEX Master-I. Regulatory changes affecting large financial institutions and other potential sellers of investments in the secondary market have been another important aspect of overall conditions in this market, and the future pace and direction of such changes may adversely impact the availability of opportunities to investment funds such as FLEX Master-I.

There is no established market for Secondary Investments.

There is not an established market for Secondary Investments and although there has been an increasing volume of sales of Secondary Investments, no liquid market is expected to develop for Secondary Investments. Moreover, the market for Secondary Investments has been evolving and is likely to continue to evolve. FLEX Master-I expects to acquire investments in private funds, portfolio companies or other assets on an opportunistic basis primarily from existing investors in such funds and companies (and not primarily from the issuers of such interests). There can be no assurance that FLEX Master-I will be able to identify sufficient Secondary Investment opportunities or that it will be able to acquire sufficient Secondary Investments on attractive terms. Equally, there can be no assurance that FLEX Master-I will be able to realize any Investments at a price that reflects what the Investment Managers believe to be their market value.

FLEX Master-I has a broad investment mandate.

The investment strategy of FLEX Master-I is opportunistic in nature and covers a broad range of instruments, asset classes, industry sectors and geographic regions and investments alongside a broad range of private equity firms and other sponsors. Moreover, the types of investment structures utilized by, and securities invested in, by Private Investment Funds continue to evolve and include, for example, investments in special purpose acquisition companies (whether in an IPO or thereafter, through a "PIPE" investment or otherwise). Investors must rely upon the ability of the Investment Managers and other members of the Franklin Templeton Group and Lexington Group to identify, structure and implement investments consistent with FLEX Master-I's overall investment objectives and policies at such times as they determine.

Except as set forth in this Prospectus or the Partnership Agreement, there are no material limitations on the instruments, asset classes, industry sectors and geographic regions in which FLEX Master-I may invest, the specific investment objectives that may be pursued, or the specific investment strategies that may be employed, by underlying managers or on behalf of FLEX Master-I. Subject to the foregoing, FLEX Master-I may, indirectly through the Portfolio Funds, make investments in various types of instruments, including partnership interests and preferred and common stock, and across asset classes. The Investments in each of these instruments, asset classes, industry sectors and geographic regions, and investments with various private equity firms and other sponsors, involve particular risks. The Investment Managers and other members of the Franklin Templeton Group and Lexington Group are investors in secondary markets generally, rather than specialists in any particular instrument, asset class, industry sector or geographic region.

FLEX Master-I may have limited opportunities to invest in Private Investment Funds.

FLEX Master-I may invest in Private Investment Funds by acquiring the interests in the Private Investment Funds from existing investors in such Private Investment Funds (and not from the Private Investment Funds itself). In such instances, as FLEX Master-I will not be acquiring such interests directly from the Private Investment Fund, it is generally not expected that FLEX Master-I will have the opportunity to negotiate the terms of the interests being acquired, other than the purchase price, or other special rights or privileges. There can be no assurance as to the number of opportunities to invest in Private Investment Funds that will be presented to FLEX Master-I.

At times, FLEX Master-I may have the opportunity to acquire a portfolio of Private Investment Funds interests from a seller, on an "all or nothing" basis. In some such cases, certain of the Private Investment Fund interests may be less attractive than others, and certain of the companies or the sponsors of such investment funds may be more familiar to FLEX Master-I than others or may be more experienced or highly regarded than others. In such cases, it may not be possible for FLEX Master-I to carve out from such purchases those Private Investment Funds which the relevant Investment Manager considers to be less attractive, for commercial, tax, legal or other reasons. It may also be more difficult for such Investment Manager to accurately value investments being sold on a pooled basis.

Acquiring Secondary Investments may expose FLEX Master-I to the contingent liabilities associated therewith.

When FLEX Master-I acquires an interest in a Private Investment Fund, FLEX Master-I may acquire contingent liabilities of the seller of such interest. More specifically, where the seller has received distributions from the Private Investment Fund and, subsequently, that Private Investment Fund recalls one or more of these distributions, FLEX Master-I (as the purchaser of the interest to which such distributions are attributable and not the seller) may be obligated to pay the monies equivalent to such distribution to the Private Investment Fund. While FLEX Master-I may, in turn, make a claim against the seller for any such monies so paid, there can be no assurances that FLEX Master-I would prevail on such claim.

The use of joint ventures and similar arrangement may limit the degree of control that FLEX-I can exercise with respect to certain Investments.

FLEX-I may invest with other investors through the use of joint ventures and similar arrangements. Such arrangements may involve FLEX-I taking on greater risk with an expected greater return or reducing its risk with a corresponding reduction in the expected rate of return. In addition, such arrangements expose FLEX-I to the risk that a third-party co-venturer may (1) have financial difficulties, resulting in a negative impact on the Investment in question, (2) have economic or business interests or goals that are inconsistent with those of FLEX-I or (3) be in a position to take (or block) action in a manner contrary to FLEX-I's investment objectives. More generally, the use of joint ventures and similar arrangement may limit the degree of control that FLEX-I can exercise with respect to certain Investments.

FLEX Master-I will have limited opportunity to control the day-to-day operation of its Portfolio Funds and other secondaries transactions.

As a limited partner in underlying investment funds, FLEX Master-I will have limited opportunity to control the day-to-day operation, including investment and disposition decisions, of such underlying investment fund or to protect its position in such investment fund (other than collectively with other investors who may or may not elect to exercise the protection rights afforded to investors as a whole). The Portfolio Fund Manager(s) of underlying investment funds will generally have sole and absolute discretion in structuring, negotiating and purchasing, financing, monitoring and eventually divesting investments made by such underlying investment funds. Neither FLEX Master-I nor the Investment Managers or any other member of the Franklin Templeton Group and Lexington Group will typically be represented on the board of directors of, or otherwise exercise any control over, the management of any portfolio company of any underlying investment fund, and the success of any such company will depend on the ability and success of the company's management, in addition to general economic and market factors.

As an investor in underlying investment funds on a secondary basis, while the Investment Managers and other members of the Franklin Templeton Group and Lexington Group will undertake due diligence as to the approach taken by such investment funds as to portfolio and risk management, conflicts of interests, environmental, social and corporate governance issues and other relevant matters, FLEX Master-I will generally not be in a position to change such approach. Similarly, while the Investment Managers and other members of the Franklin Templeton Group and Lexington Group will typically ascertain what, if any, transaction fees or directors', advisory, consulting, monitoring, banking or other similar types of fees underlying general partners receive from their portfolio companies, as well as the extent to which such fees are offset against management fees earned by underlying managers, FLEX Master-I will not be in a position to negotiate the level of any such offset and further will not be responsible for determining whether managers are correctly calculating such fees or fee offsets. Rather, it will be the responsibility of the managers and their service providers (including their administrators and auditors) to verify these calculations.

In direct secondaries transactions where FLEX Master-I will participate in the purchase of underlying portfolio companies, the continued financing, monitoring and eventual divestment of such portfolio companies will be dependent upon the underlying general partners of the investment fund undertaking such direct secondaries transaction. Accordingly, FLEX Master-I will be dependent upon such general partners of such investment fund with respect to the selection, management and ultimate realization of related Secondary Investments. In addition, the investment manager associated with a direct secondaries portfolio may have a limited track record and experience in managing and divesting such direct secondaries portfolio and the ability to conduct due diligence on the likely investment performance of such investment manager may be more limited than in traditional secondaries investments.

FLEX Master-I will depend on third-party investment managers.

The roles of the Investment Managers and members of the Lexington Group in respect of Secondary Investments will typically be limited to monitoring their performance, as opposed to actively managing assets, operating underlying companies, or ensuring that Secondary Investments are exited at appropriate times and on acceptable terms. It will primarily be the responsibility of (1) the investment professionals working for managers of underlying investment funds and (2) the management teams of underlying portfolio companies to operate such funds and companies on a day-to-day basis. While FLEX Master-I generally intends to invest in Secondary Investments with strong management teams, there can be no assurance that the management teams of such funds or companies in place at the time of an investment by FLEX Master-I will continue to operate such funds or companies successfully or that such management teams will continue to be involved with management up to the time FLEX Master-I divests from such Secondary Investments. In the event that all or part of a management team ceases to be involved with management of a Secondary Investment, FLEX Master-I may not have any rights or remedies in order to mitigate the effects of such cessation and may not be able to exercise any rights or remedies without the support of other investors in the affected Secondary Investment, which may or may not be forthcoming.

Lack of coordination among investment decisions of Portfolio Funds may adversely affect FLEX-I's Investments.

Investment and other decisions of underlying investment funds are made by such funds' managers independently of each other and in the interests of each such fund. Consequently, at any particular time, one investment fund may be taking a position that is contrary to the position taken by another investment fund, or that may adversely affect another investment fund. For example, one investment fund may be purchasing interests in an asset that at the same time is being sold by another underlying investment fund. As a result, the investment and related activities of underlying funds could cause FLEX Master-I to incur indirectly certain transaction costs without accomplishing any net investment result.

Secondary Investments are unquoted and generally illiquid, and there can be no guarantee that an exit can be found for any Secondary Investment, which could have a material adverse effect on FLEX Master-I.

Secondary Investments will typically consist of positions in existing investment funds and direct or indirect shareholdings in, and debt securities of, unquoted companies. Such Secondary Investments can involve a greater risk than investments in quoted companies, and the marketability of interests in investment funds and unquoted companies is restricted. Generally speaking, potential exit routes include a sale to other investors, a buyout by the management team, a sale to a third party or an initial public offering on a capital market. However, there can be no guarantee that an exit can be found for any Secondary Investment.

A Portfolio Investment may, among other things, terminate FLEX Master-I's interest in that Portfolio Investment and cause FLEX Master-I to forfeit some or all of its interest therein if FLEX Master-I fails to satisfy any capital call by that Portfolio Investment or if the Portfolio Fund Manager of that Portfolio Investment determines that the continued participation of FLEX Master-I in such Portfolio Investment would have a material adverse effect on such Portfolio Investment or its assets. FLEX Master-I will have little or no control in the remedies a Portfolio Investment exercises against FLEX Master-I, which could have a material adverse effect on FLEX Master-I. Any such termination could cause losses to FLEX Master-I.

Multiple levels of fees and expenses may result in greater expense than if Limited Partners were able to invest directly in FLEX Master-I's Portfolio Investments.

Both FLEX Master-I and Secondary Investments that are themselves investment funds or other managed vehicles impose or incur performance-based allocations or fees, management fees and other expenses. In addition, the structures through which FLEX Master-I makes Secondary Investments may be complex to manage and administer and may require separate administrators, consultants, senior advisers and other service providers to be appointed. Any costs associated with such structures will typically be borne by FLEX Master-I and are likely to be significant. In each case, this will result in greater expense than if Limited Partners were able to invest directly in those investment funds or the underlying portfolio companies or other assets.

Unmet capital calls of underlying investment funds may require FLEX Master-I's to satisfy any shortfall and make additional capital contributions.

Certain Secondary Investments that are themselves investment funds will have capital contribution obligations over an extended period of time. Any failure by one or more investors in any such underlying fund to meet a capital call could have adverse consequences for such underlying fund. In the event that FLEX Master-I fails to meet a capital call, the underlying fund may, among other things, terminate FLEX Master-I's interest in such underlying fund or in one or more investments by such fund, causing losses to FLEX Master-I.

In the event that another investor fails to meet a capital call of an underlying fund, the underlying fund may be permitted to require the investors in the underlying fund (including FLEX Master-I) to contribute additional capital to satisfy the shortfall, which would require FLEX Master-I to make additional capital contributions. The underlying fund may be unable to raise sufficient capital to consummate the proposed investment or the underlying fund may be unable to contribute capital to existing investments necessary to ensure their ongoing financial stability. If multiple investors fail to meet capital calls from a particular underlying fund, the underlying fund could default on its obligations, which could result in the termination of the underlying fund, causing a lower return, or potentially a loss, on FLEX Master-I's investments.

Investing in investment funds is subject to comprehensive regulatory, tax and other limitations.

FLEX Master-I will invest, among others, in existing investment funds that have been organized and structured in a way designed to meet the requirements of their original investors. This may mean that, pursuant to the organizational documents of such funds, or due to regulatory, tax or ERISA limitations, an investment by FLEX Master-I in a particular investment fund is not allowed or is subject to limitations or restrictions. As a result, (1) FLEX Master-I may be prevented from purchasing interests in certain investment funds, or (2) a purchase by FLEX Master-I may need to be structured in a particular way to address administrative, regulatory, tax or ERISA limitations applicable to underlying investment funds.

FLEX Master-I generally will not be able to change the structures or influence the activities of underlying investment funds, which may result in investments in existing investment funds being inefficient from a tax or regulatory perspective. In particular, an investment in an underlying investment fund may be less tax efficient for certain Limited Partners than it would have been if those Limited Partners had invested directly in the underlying investment fund through a vehicle organized for investors of the same type as those Limited Partners.

FLEX-I's classification under SFDR may affect its pool of investors.

FLEX-I does not promote environmental or social characteristics and does not have as its objective sustainable investment or reduction in carbon emissions, within the meaning of the SFDR. The investments underlying FLEX-I do not take into account the EU criteria for environmentally sustainable economic activities. There is a risk that FLEX-I's SFDR classification will affect the pool of investors the FLEX-I will be able to target. Further information on FLEX-I's approach to sustainability risks and principal adverse impacts on sustainability factors can be found in Schedule 2 to Annex 1.

SCHEDULE 1
INTEREST CLASSES OF FLEX MASTER-I

Class	Currency(ies)	Type of Interest: Accumulating/ Distributing Advisory/ Institutional	Targeted Investors	Minimum Subscription Amount Minimum Subsequent Subscription Amount	Early Redemption Deduction/Redemption Fee	Management Fee (on NAV p.a.)	Servicing Fee (on NAV p.a.)	AIFM Fee
A	CHF EUR HKD SGD USD	Accumulating Advisory Distributing Advisory	Eligible investors meeting the Minimum Subscription Amount	Minimum Subscription Amount: USD 25,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Early Redemption Deduction: 2.00%	Up to 1.25%	0.85%	Up to 0.05%
A_{ITA}	EUR	Accumulating Advisory Distributing Advisory	Eligible investors meeting the Minimum Subscription Amount	Minimum Subscription Amount: USD 25,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Early Redemption Deduction: 2.00%	Up to 1.25%	0.85%	Up to 0.05%
B	CHF EUR HKD SGD USD	Accumulating Advisory Distributing Advisory	Eligible investors meeting the Minimum Subscription Amount who either: (i) subscribed to FLEX Feeder-I by the Initial Subscription Date; or (ii) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date	Minimum Subscription Amount: USD 25,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Early Redemption Deduction: 2.00%	Up to 1.25%	0.85%	Up to 0.05%
C	CHF EUR GBP HKD SGD USD	Accumulating Advisory Distributing Advisory	Certain financial intermediaries, as specifically approved by the Board of Managers or its delegate in its sole discretion, meeting the Minimum Subscription Amount who either: (i) subscribed to FLEX Master-I by the Initial Subscription Date; or (ii) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date	Minimum Subscription Amount: USD 25,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Early Redemption Deduction: 2.00%	Up to 1.25%	0.50%	Up to 0.05%
D	CHF EUR GBP	Accumulating Advisory Distributing	Eligible investors meeting the Minimum Subscription Amount who either: (i) subscribed to FLEX Master-I by the Initial Subscription Date; or (ii) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date	Minimum Subscription Amount: USD 10,000,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Early Redemption Deduction: 2.00%	Up to 1.25%	0.25%	Up to 0.05%

Class	Currency(ies)	Type of Interest: Accumulating/ Distributing Advisory/ Institutional	Targeted Investors	Minimum Subscription Amount Minimum Subsequent Subscription Amount	Early Redemption Deduction/Redemption Fee	Management Fee (on NAV p.a.)	Servicing Fee (on NAV p.a.)	AIFM Fee
	HKD SGD USD	Advisory						
E	AUD CAD CHF EUR GBP HKD JPY SGD USD	Accumulating Institutional Distributing Institutional	Eligible investors meeting the Minimum Subscription Amount requirement who (i) have account-based fee arrangements, known as advisory/wrap accounts, discretionary managed accounts, or comparable fee arrangements with their financial intermediary and investors located in markets with legal prohibition on payments of limited partner servicing and similar fees, and other categories of investors as determined by the General Partner or its delegate in its sole discretion; and (ii) either (x) subscribed to FLEX Master-I by the Initial Subscription Date or (y) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date	Minimum Subscription Amount: USD 25,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Early Redemption Deduction: 2.00%	Up to 1.25%	0.00%	Up to 0.05%
I	AUD CAD CHF EUR GBP HKD JPY SGD USD	Accumulating Institutional Distributing Institutional	Eligible investors who have account-based fee arrangements, known as advisory/wrap accounts, discretionary managed accounts, or comparable fee arrangements with their financial intermediary and investors located in markets with legal prohibition on payments of limited partner servicing and similar fees, and other categories of investors as determined by the General Partner or its delegate in its sole discretion	Minimum Subscription Amount: USD 25,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Early Redemption Deduction: 2.00%	Up to 1.25%	0.00%	Up to 0.05%
J	AUD CAD CHF EUR GBP	Accumulating Institutional Distributing Institutional	Certain feeder vehicles, jurisdiction specific vehicles, distribution platforms, investors who have entered into a relevant discretionary portfolio management mandate with their financial intermediary and other categories of investors, in each case as specifically determined by the General Partner or its delegate in its sole discretion	Minimum Subscription Amount: USD 30,000,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	N/A	Up to 1.25%	0.00%	Up to 0.05%

Class	Currency(ies)	Type of Interest: Accumulating/ Distributing Advisory/ Institutional	Targeted Investors	Minimum Subscription Amount Minimum Subsequent Subscription Amount	Early Redemption Deduction/Redemption Fee	Management Fee (on NAV p.a.)	Servicing Fee (on NAV p.a.)	AIFM Fee
	HKD JPY SGD USD							
K	AUD CAD CHF EUR GBP HKD JPY SGD USD	Accumulating Institutional Distributing Institutional	Certain feeder vehicles, jurisdiction specific vehicles, distribution platforms, investors who have entered into a relevant discretionary portfolio management mandate with their financial intermediary and other categories of investors, in each case as specifically determined by the General Partner or its delegate in its sole discretion, who either: (i) subscribed to FLEX Master-I by the Initial Subscription Date; or (ii) are an affiliate of an investor who subscribed to FLEX Master-I by the Initial Subscription Date	Minimum Subscription Amount: USD 30,000,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	N/A	Up to 1.25%	0.00%	Up to 0.05%
L	USD	Accumulating Advisory Distributing Advisory	Certain feeder vehicles, jurisdiction specific vehicles, distribution platforms, investors who have entered into a discretionary portfolio management mandate with their financial intermediary and other categories of investors, in each case as specifically determined by the Board of Managers or its delegate in its sole discretion	Minimum Subscription Amount: USD 10,000,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Redemption Fee: - 2.00% if the relevant Redemption Date falls within a period of twelve (12) months from the Limited Partner's initial subscription date; and - 0.50% thereafter.	Up to 1.25%	0.00%	Up to 0.05%
M	USD	Accumulating Institutional Distributing Institutional	Certain feeder vehicles, jurisdiction specific vehicles, distribution platforms, investors who have entered into a discretionary portfolio management mandate with their financial intermediary and other categories of investors, in each case as specifically determined by the Board of Managers or its delegate in its sole discretion	Minimum Subscription Amount: USD 10,000,000 (or the equivalent in the Reference Currency) Minimum Subsequent Subscription Amount: USD 10,000 (or the equivalent in the Reference Currency)	Redemption Fee: - 2.00% if the relevant Redemption Date falls within a period of twelve (12) months from the Limited Partner's initial subscription date; and	Up to 1.25%	0.85%	Up to 0.05%

Class	Currency(ies)	Type of Interest: Accumulating/ Distributing Advisory/ Institutional	Targeted Investors	Minimum Subscription Amount Minimum Subsequent Subscription Amount	Early Redemption Deduction/Redemption Fee	Management Fee (on NAV p.a.)	Servicing Fee (on NAV p.a.)	AIFM Fee
					- 0.50% thereafter.			
Z	AUD CAD CHF EUR GBP HKD JPY SGD USD	Accumulating Institutional	(i) Employees of the Franklin Templeton Group as well as (ii) affiliates of the Franklin Templeton Group and other accounts managed by the Franklin Templeton Group and its affiliates, as approved by the General Partner or its delegate.	Minimum Subscription Amount: nil Minimum Subsequent Subscription Amount: nil	N/A	0.00%	0.00%	Up to 0.05%

SCHEDULE 2
SUSTAINABILITY-RELATED DISCLOSURES

The following disclosures are made in accordance with applicable requirements of the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ("**SFDR**") and the EU Taxonomy Regulation (EU) 2020/852 (the "**Taxonomy Regulation**").

As detailed in Section VIII: "*Management and Administration of FLEX Master*" and Section IX of Annex 1: "*Management and Administration of FLEX Master-I*", the AIFM has appointed one or more Investment Manager(s) as delegates to perform portfolio management functions with respect to FLEX-I. The disclosures set out below relate to the approach taken by the relevant Investment Manager(s) in their capacity as delegates of the AIFM with respect to the integration of sustainability risks and the consideration of adverse impacts of investment decisions on sustainability factors for the purposes of SFDR.

SFDR Classification

FLEX-I does not promote environmental or social characteristics for the purposes of Article 8 of the SFDR. FLEX-I does not have sustainable investment or reduction in carbon emissions as its objective for the purposes of Article 9 of the SFDR.

SFDR – Article 6(1)(a) – Integration of Sustainability Risks

Sustainability risks, as defined under the SFDR, are environmental, social and governance ("**ESG**") events or conditions whose occurrence could have an actual or potential material negative impact on the value of an investment.

Sustainability risks include environmental risks such as potential physical risks resulting from climate change (i.e. physical risks), for example the tail risk of significant damage due to increasing erratic and potentially catastrophic weather phenomena such as droughts, wildfires, flooding and heavy precipitations, heat/cold waves, landslides or storms. As the frequency of extreme weather events increases, the potential exposure to these events of the underlying portfolio companies increases too.

Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, product quality and safety, selling practices, etc.) may also translate into sustainability risks that could negatively impact the value of the investments made by FLEX-I.

The Investment Managers consider a variety of factors when making investment decisions on behalf of FLEX I and recognize that the consideration of sustainability risks are valid parts of the investment analysis and decision-making processes. As part of the Investment Manager(s)' investment due diligence process, the Investment Manager(s) request information regarding ESG factors from many of the sponsors with which FLEX-I invests and record ESG responses. Once an investment is made by FLEX-I, the Investment Manager(s)' conduct a periodic survey of sponsors inquiring about their ESG policies and approach. The Investment Manager(s)' aim to create awareness among a highly diversified portfolio of sponsors regarding ESG best practices and to provide assurances to investors about ESG adoption within the investment strategy.

SFDR – Article 6(1)(b) – Assessment of Sustainability Risks likely impact on returns

The identification and assessments of sustainability risks will take place on an investment-by-investment basis, in accordance with relevant considerations by the AIFM and the Investment Manager(s) having regard to FLEX-I's investment policy and objectives. The Investment Manager(s) will follow these procedures to identify and mitigate sustainability risks, and although there can be no guarantee that the Investment Manager(s) will successfully identify and mitigate all material risks, it is not anticipated that sustainability risks will have a material negative impact on FLEX-I's returns.

SFDR – Article 7(2) – Consideration of Principal Adverse Impacts (PAIs)

The AIFM and the Investment Manager(s), do not currently consider the adverse impacts of investment decisions on sustainability factors within the meaning of Article 7(2) of SFDR in relation to FLEX-I, as FLEX-I does not have a specific focus on promoting ESG-related characteristics. In light of FLEX-I's principal strategies of investing with and alongside other private equity sponsors, the relevant Investment Manager is not in a position to obtain and measure all the data required by the SFDR to report to investors.

Taxonomy Regulation – Article 7 EU criteria for environmentally sustainable economic activities

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

APPENDIX B
CERTAIN SECURITIES LAW LEGENDS

FOR ALL NON-U.S. INVESTORS GENERALLY: IT IS THE RESPONSIBILITY OF ANY PERSONS WISHING TO SUBSCRIBE FOR INTERESTS TO INFORM THEMSELVES OF AND TO OBSERVE ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTIONS. PROSPECTIVE INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSAL OF INTERESTS, AND ANY FOREIGN EXCHANGE RESTRICTIONS THAT MAY BE RELEVANT THERETO.

FOR ALL EEA MEMBER STATE RESIDENTS ONLY: IN RELATION TO EACH MEMBER STATE OF THE EEA (EACH, A "**MEMBER STATE**") WHICH HAS IMPLEMENTED THE ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE (DIRECTIVE (2011/61/EU)) (THE "**AIFM DIRECTIVE**") (AND FOR WHICH TRANSITIONAL ARRANGEMENTS ARE NOT AVAILABLE), THIS PROSPECTUS MAY ONLY BE DISTRIBUTED AND INTERESTS IN FLEX MASTER MAY ONLY BE OFFERED OR PLACED IN A MEMBER STATE TO THE EXTENT THAT: (1) FLEX MASTER IS PERMITTED TO BE MARKETED TO PROFESSIONAL INVESTORS IN THE RELEVANT MEMBER STATE IN ACCORDANCE WITH AIFM DIRECTIVE (AS IMPLEMENTED INTO THE LOCAL LAW/REGULATION OF THE RELEVANT MEMBER STATE), AS WELL AS TO NON-PROFESSIONAL INVESTORS ABOVE THE THRESHOLDS AND/OR AT THE CONDITIONS IN ACCORDANCE TO WHICH THEY ARE ADMITTED TO INVEST IN RESERVED AIFS IN EACH RELEVANT MEMBER STATE, INCLUDING ITALIAN RETAIL INVESTORS UNDER ARTICLE 14, PARAGRAPH 2, OF THE MINISTERIAL DECREE NO. 30 OF 2015, AS AMENDED BY THE MINISTERIAL DECREE NO. 19 OF 2022; OR (2) THIS PROSPECTUS MAY OTHERWISE BE LAWFULLY DISTRIBUTED AND THE INTERESTS MAY OTHERWISE BE LAWFULLY OFFERED OR PLACED IN THAT MEMBER STATE (INCLUDING AT THE EXCLUSIVE INITIATIVE OF THE INVESTOR).

FOR SWISS RESIDENTS ONLY: FLEX MASTER IS NOT APPROVED BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA ("**FINMA**") FOR OFFERING TO NON-QUALIFIED INVESTORS IN SWITZERLAND PURSUANT TO ART 120(1) AND (2) OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES OF 23 JUNE 2006, AS AMENDED ("**CISA**"). ACCORDINGLY PURSUANT TO ART. 120(4) CISA AND, SUBJECT TO THE FOLLOWING PARAGRAPH, INTERESTS MAY ONLY BE OFFERED OR ADVERTISED AND THIS PROSPECTUS AND ANY OTHER OFFERING MATERIAL OR DOCUMENT RELATING TO FLEX MASTER AND/OR THE INTERESTS MAY ONLY BE DISTRIBUTED OR OTHERWISE MADE AVAILABLE IN SWITZERLAND TO QUALIFIED INVESTORS AS DEFINED BY ARTICLE 10(3) AND (3TER) OF CISA, AS AMENDED ("**QUALIFIED INVESTOR(S)"**). INVESTORS IN FLEX MASTER DO NOT BENEFIT FROM THE SPECIFIC INVESTOR PROTECTION PROVIDED BY CISA AND THE SUPERVISION BY THE FINMA IN CONNECTION WITH THE APPROVAL FOR OFFERING.

THIS PROSPECTUS AND/OR ANY OTHER OFFERING MATERIALS RELATING TO THE INTERESTS MAY NOT BE PROVIDED TO HIGH NET WORTH INDIVIDUALS OR THEIR INVESTMENT STRUCTURE WITHIN THE MEANING OF ARTICLE 5(1) OF THE SWISS FEDERAL ACT ON FINANCIAL SERVICES OF 15 JUNE 2018 ("FINSA") (I.E. PRIVATE CLIENTS WHO HAVE OPTED TO BE TREATED AS PROFESSIONAL CLIENTS) EXCEPT IF PROVIDED BY A PERSON IN COMPLIANCE WITH THE REQUIREMENT TO BE AFFILIATED WITH A MEDIATION OFFICE WITHIN THE MEANING OF THE FINSA AND PROVIDED THAT, TO THE EXTENT THAT SUCH PERSON IS NOT AFFILIATED WITH A MEDIATION OFFICE WITHIN THE MEANING OF THE FINSA, IT DOES NOT RESULT IN SUCH PERSON BEING CONSIDERED AS PROVIDING A FINANCIAL SERVICE PURSUANT TO THE FINSA TO SUCH HIGH NET WORTH INDIVIDUALS.

THIS PROSPECTUS AND ANY ACCOMPANYING SUPPLEMENT, IF ANY, DOES NOT CONSTITUTE AN ISSUE PROSPECTUS WITHIN THE MEANING OF, AND HAS BEEN PREPARED WITHOUT REGARD TO THE DISCLOSURE STANDARDS FOR ISSUE PROSPECTUSES UNDER, THE FINSA OR THE DISCLOSURE STANDARDS FOR LISTING PROSPECTUSES UNDER THE LISTING RULES OF ANY STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND.

SWISS REPRESENTATIVE:
FRANKLIN TEMPLETON SWITZERLAND LTD.

STOCKERSTRASSE 38
CH-8002 ZÜRICH
SWITZERLAND

SWISS PAYING AGENT:
NPB NEUE PRIVAT BANK AG
LIMMATQUAI 1 AM BELLEVUE
P.O.BOX
CH-8024 ZURICH
SWITZERLAND

RETROCESSIONS: FLEX MASTER AND ITS AGENTS MAY PAY RETROCESSIONS AS REMUNERATION FOR DISTRIBUTION ACTIVITY IN OR FROM SWITZERLAND, IN RESPECT OF INTERESTS IN FLEX MASTER. THIS REMUNERATION MAY BE PAID FOR MARKETING, PLACEMENT OR INTRODUCTION SERVICES TO DISTRIBUTORS AND SALES PARTNERS.

RETROCESSIONS ARE NOT DEEMED TO BE REBATES EVEN IF THEY ARE ULTIMATELY PASSED ON, IN FULL OR IN PART, TO THE INVESTORS.

INFORMATION ON THE RECEIPT OF RETROCESSIONS IS GOVERNED BY THE RELEVANT PROVISIONS IN FINSA.

REBATES: NONE OF FLEX FEEDER, FLEX MASTER, THE AIFM, THE GENERAL PARTNER OF FLEX MASTER, THE GLOBAL DISTRIBUTOR OR ANY OF THEIR RESPECTIVE AGENTS SHALL PAY ANY REBATES TO REDUCE THE FEES OR COSTS INCURRED BY LIMITED PARTNERS IN FLEX MASTER AND CHARGED TO FLEX MASTER.

PLACE OF PERFORMANCE AND JURISDICTION: THE PLACE OF PERFORMANCE FOR UNITS OF THE FOREIGN COLLECTIVE INVESTMENT SCHEMES OFFERED IN SWITZERLAND IS THE REGISTERED OFFICE OF THE REPRESENTATIVE. THE PLACE OF JURISDICTION IS THE REGISTERED OFFICE OF THE REPRESENTATIVE OR THE REGISTERED OFFICE OR PLACE OF RESIDENCE OF THE INVESTOR.

LOCATION WHERE THE RELEVANT DOCUMENTATION CAN BE OBTAINED: THIS PROSPECTUS MAY BE OBTAINED FREE OF CHARGE FROM THE SWISS REPRESENTATIVE.

FOR UNITED KINGDOM RESIDENTS ONLY: FLEX MASTER IS AN UNREGULATED COLLECTIVE INVESTMENT SCHEME AS DEFINED IN THE FINANCIAL SERVICES AND MARKETS ACT 2000 OF THE UNITED KINGDOM ("**FSMA 2000**"). FLEX MASTER HAS NOT BEEN AUTHORIZED, OR OTHERWISE RECOGNIZED OR APPROVED, BY THE UK FINANCIAL CONDUCT AUTHORITY ("**FCA**") AND, AS AN UNREGULATED SCHEME, IT ACCORDINGLY CANNOT BE PROMOTED IN THE UNITED KINGDOM ("**UK**") TO THE GENERAL PUBLIC.

IN THE UK, THE CONTENTS OF THIS PROSPECTUS HAVE NOT BEEN APPROVED BY AN AUTHORIZED PERSON WITHIN THE MEANING OF SECTION 21 OF FSMA 2000. APPROVAL IS REQUIRED UNLESS AN EXEMPTION APPLIES UNDER SECTION 21 OF FSMA 2000. RELIANCE ON THIS PROSPECTUS FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL THE PROPERTY OR OTHER ASSETS INVESTED. THIS PROSPECTUS WILL ONLY BE COMMUNICATED TO PERSONS TO WHOM A FINANCIAL PROMOTION CAN BE MADE LAWFULLY BY AN UNAUTHORIZED PERSON (WITHOUT PRIOR APPROVAL OF AN AUTHORIZED PERSON) PURSUANT TO THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (AS AMENDED) (THE "**FPO**") AND THEN, IF MADE BY AN AUTHORIZED PERSON, ONLY WHERE IT CAN ALSO BE MADE UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (PROMOTION OF COLLECTIVE INVESTMENT SCHEMES) (EXEMPTIONS) ORDER 2001 (AS AMENDED) (THE "**PCISO**"). IT WILL THEREFORE ONLY BE COMMUNICATED TO: (I) PERSONS BELIEVED ON REASONABLE GROUNDS TO FALL WITHIN ONE OF THE CATEGORIES OF "INVESTMENT PROFESSIONALS" AS DEFINED IN ARTICLE 19(5) OF THE FPO AND ARTICLE 14 OF PCISO; (II) PERSONS BELIEVED ON REASONABLE GROUNDS TO BE "HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC" WITHIN THE MEANING OF ARTICLE 49 OF THE FPO AND ARTICLE 22 OF PCISO; (III) PERSONS

WHO ARE "CERTIFIED SOPHISTICATED INVESTORS" AS DESCRIBED IN ARTICLE 50 OF THE FPO AND ARTICLE 23 OF PCISO, NAMELY PERSONS WHO HOLD A CURRENT CERTIFICATE AND WHO HAVE SIGNED A STATEMENT IN THE FORM PRESCRIBED BY THE PROMOTION ORDER NOT MORE THAN TWELVE MONTHS PRIOR TO THE DATE OF THIS PROSPECTUS; (IV) PERSONS TO WHOM THIS PROSPECTUS MAY OTHERWISE LAWFULLY BE PROVIDED IN ACCORDANCE WITH FSMA 2000, AND THE FPO (AS AMENDED); AND (V) IF COMMUNICATED BY A FIRM AUTHORIZED BY THE FCA, TO PERSONS WHO FALL WITHIN THE EXEMPTIONS SET OUT IN RULE 4.12B.7 (5) OF THE FCA'S CONDUCT OF BUSINESS SOURCEBOOK. ANY PERSON WHO IS IN ANY DOUBT ABOUT THE INVESTMENT TO WHICH THIS PROSPECTUS RELATES SHOULD CONSULT AN AUTHORIZED PERSON SPECIALIZED IN ADVISING ON INVESTMENTS OF THE KIND IN QUESTION. TRANSMISSION OF THIS PROSPECTUS TO ANY OTHER PERSON IN THE UK IS UNAUTHORIZED AND MAY CONTRAVENE FSMA 2000.

TO THE EXTENT THIS PROSPECTUS IS COMMUNICATED BY A FIRM AUTHORIZED BY THE FCA IN RELIANCE ON ANY EXEMPTION SET OUT IN RULE 4.12B.7 (5) OF THE FCA'S CONDUCT OF BUSINESS SOURCEBOOK, THE FOLLOWING DISCLOSURE IS RELEVANT.

DON'T INVEST UNLESS YOU'RE PREPARED TO LOSE ALL THE MONEY YOU INVEST. THIS IS A HIGH-RISK INVESTMENT AND YOU ARE UNLIKELY TO BE PROTECTED IF SOMETHING GOES WRONG.

DUE TO THE POTENTIAL FOR LOSSES, THE FCA CONSIDERS THIS INVESTMENT TO BE VERY COMPLEX AND HIGH RISK.

WHAT ARE THE KEY RISKS?

1. YOU COULD LOSE ALL THE MONEY YOU INVEST

- IF THE BUSINESS OFFERING THIS INVESTMENT FAILS, THERE IS A HIGH RISK THAT YOU WILL LOSE ALL YOUR MONEY. BUSINESSES LIKE THIS OFTEN FAIL AS THEY USUALLY USE RISKY INVESTMENT STRATEGIES.

- ADVERTISED RATES OF RETURN AREN'T GUARANTEED. THIS IS NOT A SAVINGS ACCOUNT. IF THE ISSUER DOESN'T PAY YOU BACK AS AGREED, YOU COULD EARN LESS MONEY THAN EXPECTED OR NOTHING AT ALL. A HIGHER ADVERTISED RATE OF RETURN MEANS A HIGHER RISK OF LOSING YOUR MONEY. IF IT LOOKS TOO GOOD TO BE TRUE, IT PROBABLY IS.

- THESE INVESTMENTS ARE VERY OCCASIONALLY HELD IN AN INNOVATIVE FINANCE ISA ("**IFISA**"). WHILE ANY POTENTIAL GAINS FROM YOUR INVESTMENT WILL BE TAX FREE, YOU CAN STILL LOSE ALL YOUR MONEY. AN IFISA DOES NOT REDUCE THE RISK OF THE INVESTMENT OR PROTECT YOU FROM LOSSES.

2. YOU ARE UNLIKELY TO BE PROTECTED IF SOMETHING GOES WRONG

- THE FINANCIAL SERVICES COMPENSATION SCHEME ("**FSCS**"), IN RELATION TO CLAIMS AGAINST FAILED REGULATED FIRMS, DOES NOT COVER INVESTMENTS IN UNREGULATED COLLECTIVE INVESTMENT SCHEMES. YOU MAY BE ABLE TO CLAIM IF YOU RECEIVED REGULATED ADVICE TO INVEST IN ONE INVESTMENT, AND THE ADVISER HAS SINCE FAILED. TRY THE FSCS INVESTMENT PROTECTION CHECKER HERE.

  HTTPS://WWW.FSCS.ORG.UK/CHECK/INVESTMENT-PROTECTION-CHECKER/

- PROTECTION FROM THE FINANCIAL OMBUDSMAN SERVICE ("**FOS**") DOES NOT COVER POOR INVESTMENT PERFORMANCE. LEARN MORE ABOUT FOS PROTECTION HERE.

HTTPS://WWW.FINANCIAL-OMBUDSMAN.ORG.UK/CONSUMERS

3. YOU ARE UNLIKELY TO GET YOUR MONEY BACK QUICKLY

- THIS TYPE OF BUSINESS COULD FACE CASH-FLOW PROBLEMS THAT DELAY PAYMENTS TO INVESTORS. IT COULD ALSO FAIL ALTOGETHER AND BE UNABLE TO REPAY ANY OF THE MONEY OWED TO YOU.

- YOU ARE UNLIKELY TO BE ABLE TO CASH IN YOUR INVESTMENT EARLY BY SELLING YOUR INVESTMENT. IN THE RARE CIRCUMSTANCES WHERE IT IS POSSIBLE TO SELL YOUR INVESTMENT IN A 'SECONDARY MARKET,' YOU MAY NOT FIND A BUYER AT THE PRICE YOU ARE WILLING TO SELL.

- YOU MAY HAVE TO PAY EXIT FEES OR ADDITIONAL CHARGES TO TAKE ANY MONEY OUT OF YOUR INVESTMENT EARLY.

4. THIS IS A COMPLEX INVESTMENT

- THIS KIND OF INVESTMENT HAS A COMPLEX STRUCTURE BASED ON OTHER RISKY INVESTMENTS, WHICH MAKES IT DIFFICULT FOR THE INVESTOR TO KNOW WHERE THEIR MONEY IS GOING.

- THIS MAKES IT DIFFICULT TO PREDICT HOW RISKY THE INVESTMENT IS, BUT IT WILL MOST LIKELY BE HIGH.

- YOU MAY WISH TO GET FINANCIAL ADVICE BEFORE DECIDING TO INVEST.

5. DON'T PUT ALL YOUR EGGS IN ONE BASKET

- PUTTING ALL YOUR MONEY INTO A SINGLE BUSINESS OR TYPE OF INVESTMENT FOR EXAMPLE, IS RISKY. SPREADING YOUR MONEY ACROSS DIFFERENT INVESTMENTS MAKES YOU LESS DEPENDENT ON ANY ONE TO DO WELL.

- A GOOD RULE OF THUMB IS NOT TO INVEST MORE THAN 10% OF YOUR MONEY IN HIGH-RISK INVESTMENTS

  HTTPS://WWW.FCA.ORG.UK/INVESTSMART/5-QUESTIONS-ASK-YOU-INVEST

IF YOU ARE INTERESTED IN LEARNING MORE ABOUT HOW TO PROTECT YOURSELF, VISIT THE FCA'S WEBSITE HERE.

HTTPS://WWW.FCA.ORG.UK/INVESTSMART

FOR FURTHER INFORMATION ABOUT UNREGULATED COLLECTIVE INVESTMENT SCHEMES (UCIS), VISIT THE FCA'S WEBSITE HERE.

HTTPS://WWW.FCA.ORG.UK/CONSUMERS/UNREGULATED-COLLECTIVE-INVESTMENT-SCHEMES

FOR DUBAI INTERNATIONAL FINANCIAL CENTRE RESIDENTS ONLY: THIS PROSPECTUS RELATES TO A FUND WHICH IS NOT SUBJECT TO ANY FORM OF REGULATION OR APPROVAL BY THE DUBAI FINANCIAL SERVICES AUTHORITY ("**DFSA**"). THIS PROSPECTUS IS INTENDED FOR DISTRIBUTION ONLY TO PERSONS MEETING THE CRITERIA OF A "PROFESSIONAL CLIENT" IN ACCORDANCE WITH THE DFSA'S RULES AND MUST NOT, THEREFORE, BE DELIVERED TO, OR RELIED ON BY, ANY OTHER PERSON. THE DFSA HAS NO RESPONSIBILITY FOR REVIEWING OR VERIFYING ANY PROSPECTUS OR OTHER DOCUMENTS IN CONNECTION WITH THIS FUND. ACCORDINGLY, THE DFSA HAS NOT APPROVED THIS PROSPECTUS OR ANY OTHER ASSOCIATED DOCUMENTS NOR TAKEN ANY STEPS TO VERIFY THE INFORMATION SET OUT IN THIS PROSPECTUS, AND HAS NO RESPONSIBILITY FOR IT. THE INTERESTS TO WHICH THIS

PROSPECTUS RELATES MAY BE ILLIQUID AND/OR SUBJECT TO RESTRICTIONS ON THEIR RESALE. PROSPECTIVE PURCHASERS SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE INTERESTS. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT AN AUTHORIZED FINANCIAL ADVISOR.

FOR HONG KONG RESIDENTS ONLY: THE CONTENTS OF THIS PROSPECTUS HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY IN HONG KONG. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFER. IF YOU ARE IN ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS PROSPECTUS, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

FLEX MASTER OR THE ISSUE OF THIS PROSPECTUS HAS NOT BEEN AUTHORIZED BY THE SECURITIES AND FUTURES COMMISSION IN HONG KONG PURSUANT TO THE SECURITIES AND FUTURES ORDINANCE (CAP. 571 OF THE LAWS OF HONG KONG) (THE "**SFO**"). THE INTERESTS HAVE NOT BEEN AND WILL NOT BE OFFERED OR SOLD IN HONG KONG BY MEANS OF ANY PROSPECTUS, OTHER THAN (A) TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SFO AND ANY RULES MADE UNDER THAT ORDINANCE; OR (B) IN OTHER CIRCUMSTANCES WHICH DO NOT CONSTITUTE AN OFFER OR INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE SFO.

FOR ISRAELI RESIDENTS ONLY: THE OFFERING UNDER THIS PROSPECTUS DOES NOT CONSTITUTE AN "**OFFER TO THE PUBLIC**" WITHIN THE MEANING OF SECTION 15(A) OF THE ISRAELI SECURITIES LAW 5728-1968 (THE "**SECURITIES LAW**"), AND INVESTORS IN THE INTERESTS WILL NOT BE ABLE TO RELY ON SUCH SECURITIES LAW IN MANY MATTERS RELATED TO OR DERIVING FROM THIS PROSPECTUS AND/OR THEIR INVESTMENT IN FLEX MASTER. ACCORDINGLY, EACH ISRAELI PURCHASER OF THE INTERESTS WILL BE REQUIRED TO BE A "**SOPHISTICATED INVESTOR**" WITHIN THE MEANING OF THE SECURITIES LAW, TO CONFIRM IN WRITING THAT IT FALLS WITHIN ONE OF THE CRITERIA FOR BEING DEEMED AS SUCH (AND, IN CERTAIN CASES, ADDITIONALLY TO PROVIDE THIRD PARTY CONFIRMATION OF THE SAME) AND THAT IT IS AWARE OF THE CONSEQUENCES OF BEING CLASSIFIED AS A SOPHISTICATED INVESTOR, AND TO UNDERTAKE THAT IT IS PURCHASING THE INTERESTS FOR INVESTMENT PURPOSES ONLY, WITH NO INTENTION TO SELL OR DISTRIBUTE THEM.

THE AIFM NOR THE GENERAL PARTNER OF FLEX MASTER IS LICENSED OR INTENDS TO BECOME LICENSED AS AN INVESTMENT ADVISER OR AN INVESTMENT PORTFOLIO MANAGER UNDER THE ISRAELI REGULATION OF INVESTMENT ADVICE AND INVESTMENT PORTFOLIO MANAGEMENT LAW, 5755-1995 (THE "**INVESTMENT LAW**") NOR DO EITHER OF THEM CARRY THE INSURANCE AS REQUIRED OF A LICENSEE THEREUNDER. ALL ISRAELI INVESTORS WILL BE REQUIRED TO BE "**QUALIFIED CLIENTS**" WITHIN THE MEANING OF THE INVESTMENT LAW. INVESTORS ARE ENCOURAGED TO SEEK COMPETENT INVESTMENT ADVICE FROM A LOCALLY LICENSED INVESTMENT ADVISER PRIOR TO MAKING THE INVESTMENT, AS WELL AS LEGAL, BUSINESS AND TAX ADVICE FROM COMPETENT LOCAL ADVISERS.

FOR SINGAPORE RESIDENTS ONLY: THE OFFER OR INVITATION OF THE INTERESTS (THE "**INTERESTS**") OF FLEX MASTER, WHICH IS THE SUBJECT OF THIS PROSPECTUS, DOES NOT RELATE TO A COLLECTIVE INVESTMENT SCHEME WHICH IS AUTHORIZED UNDER SECTION 286 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE "**SFA**") OR RECOGNIZED UNDER SECTION 287 OF THE SFA. FLEX MASTER IS NOT AUTHORIZED OR RECOGNIZED BY THE MONETARY AUTHORITY OF SINGAPORE (THE "**MAS**") AND THE INTERESTS ARE NOT ALLOWED TO BE OFFERED TO THE RETAIL PUBLIC. THIS PROSPECTUS AND ANY OTHER DOCUMENT OR MATERIAL ISSUED IN CONNECTION WITH THE OFFER OR SALE IS NOT A PROSPECTUS AS DEFINED IN THE SFA AND, ACCORDINGLY, STATUTORY LIABILITY UNDER THE SFA IN RELATION TO THE CONTENT OF PROSPECTUSES DOES NOT APPLY, AND YOU SHOULD CONSIDER CAREFULLY WHETHER THE INVESTMENT IS SUITABLE FOR YOU.

THIS PROSPECTUS HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MAS. ACCORDINGLY, THIS PROSPECTUS AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF INTERESTS MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY INTERESTS BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE,

WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR (AS DEFINED UNDER SECTION 304 OF THE SFA), (II) TO A RELEVANT PERSON (AS DEFINED UNDER SECTION 305(5) OF THE SFA) PURSUANT TO SECTION 305(1), OR ANY PERSON PURSUANT TO SECTION 305(2), AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 305 OF THE SFA, OR (III) PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

WHERE INTERESTS ARE SUBSCRIBED OR PURCHASED UNDER SECTION 305 OF THE SFA BY A RELEVANT PERSON WHICH IS:

A. A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE INTEREST CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR

B. A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR,

SECURITIES (AS DEFINED IN SECTION 2(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTERESTS (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN SIX MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE INTERESTS PURSUANT TO AN OFFER MADE UNDER SECTION 305 OF THE SFA EXCEPT:

1. TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON DEFINED IN SECTION 305(5) OF THE SFA, OR TO ANY PERSON ARISING FROM AN OFFER REFERRED TO IN SECTION 275(1A) OR SECTION 305A(3)(I)(B) OF THE SFA;

2. WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;

3. WHERE THE TRANSFER IS BY OPERATION OF LAW;

4. AS SPECIFIED IN SECTION 305A(5) OF THE SFA; OR

5. AS SPECIFIED IN REGULATION 36 OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (COLLECTIVE INVESTMENT SCHEMES) REGULATIONS 2005 OF SINGAPORE.

ANY REFERENCE TO THE "**SFA**" IS A REFERENCE TO THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE AND A REFERENCE TO ANY TERM AS DEFINED IN THE SFA OR ANY PROVISION IN THE SFA IS A REFERENCE TO THAT TERM AS MODIFIED OR AMENDED FROM TIME TO TIME INCLUDING BY SUCH OF ITS SUBSIDIARY LEGISLATION AS MAY BE APPLICABLE AT THE RELEVANT TIME.

FOR SOUTH KOREAN RESIDENTS ONLY: FLEX MASTER MAKES NO REPRESENTATION WITH RESPECT TO THE ELIGIBILITY OF ANY RECIPIENTS OF THIS PROSPECTUS TO ACQUIRE THE INTERESTS UNDER THE LAWS OF KOREA, INCLUDING, WITHOUT LIMITATION, THE FOREIGN EXCHANGE TRANSACTION LAW AND REGULATIONS THEREUNDER. THE INTERESTSS HAVE NOT BEEN REGISTERED WITH THE FINANCIAL SERVICES COMMISSION OF KOREA (THE "**FSC**") IN KOREA UNDER THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT OF KOREA, AND THE INTERESTS MAY NOT BE OFFERED, SOLD OR DELIVERED, OR OFFERED OR SOLD TO ANY PERSON FOR REOFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN KOREA OR TO ANY RESIDENT OF KOREA EXCEPT PURSUANT TO APPLICABLE LAWS AND REGULATIONS OF KOREA. FURTHERMORE, THE INTERESTS MAY NOT BE RESOLD TO KOREAN RESIDENTS UNLESS THE PURCHASER OF THE INTERESTS COMPLIES WITH ALL APPLICABLE REGULATORY REQUIREMENTS (INCLUDING, WITHOUT LIMITATION, GOVERNMENTAL APPROVAL REQUIREMENTS UNDER THE FOREIGN EXCHANGE TRANSACTION LAW AND ITS SUBORDINATE DECREES AND REGULATIONS) IN CONNECTION WITH THE PURCHASE OF THE INTERESTS.