

Resurgence Asset Management, L.L.C.

Part 2A of Form ADV

The Brochure

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This brochure provides information about the qualifications and business practices of Resurgence Asset Management, L.L.C. (“RAM”). If you have any questions about the contents of this brochure, please contact us at 212-730-2000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about RAM is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Material Changes

RAM's most recent update to Part 2 of Form ADV was made in March 2011. RAM's business activities have not changed materially since the time of that update.

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Advisory Business

RAM serves as the manager or investment manager to two investment vehicles and one private investment fund, which we collectively refer to herein as "Clients". RAM's investment strategy primarily is to invest in various classes of securities of companies that are in financial distress or which have recently emerged from financial reorganizations. RAM is part of a group of affiliated investment advisers, certain of which are registered with the SEC.

RAM serves as the manager to Corporate Resurgence Partners, LLC and Corporate Resurgence Partners II, LLC and as the investment manager of M.D. Sass Corporate Resurgence Partners III, L.P. (the "Partnership"). Corporate Resurgence, LLC and Corporate Resurgence II, LLC were created to hold some remaining illiquid securities positions as part of the wind down of two private funds for which RAM was previously the investment manager (the "Liquidating Vehicles").

For each Client, investment advice is provided directly to the Client and not individually to the investors of the Clients. RAM manages the assets of each Client in accordance with the terms of the governing documents applicable to each Client.

RAM was formed under the laws of Delaware in May 1998 and is a wholly owned subsidiary of M.D. Sass Investors Services, Inc., which is controlled by Martin D. Sass and Hugh R. Lamle. As of December 31, 2011 RAM managed approximately \$2 million on a discretionary basis.

Fees and Compensation

RAM receives a management fee and a related person of RAM may receive a performance allocation (see “Performance Based Fees and Side-by-Side Management” below) for providing investment management services to the Partnership. The Liquidation Vehicles do not pay any management or performance fees.

The Partnership’s management fee is 1.5% per annum and is calculated and payable as of the last day of each quarterly period. Management fees for the Partnership are deducted by RAM. Management fees are generally a percentage of net assets managed and payable quarterly in arrears, and are payable for any period that is less than a full quarterly period.

RAM, in its sole discretion may waive, reduce or rebate all or a portion of the management fee and/or performance allocation in respect of any investor in a Partnership. No such waiver, reduction or rebate for the benefit of any investor in a Partnership will entitle any other person to such waiver, reduction or rebate.

Each Client will also bear various additional third party fees and expenses charged to the Clients. Those fees and expenses will vary, but typically will include fees associated with making or selling portfolio investments, legal and accounting fees, taxes, commissions and brokerage fees, registration expenses, fees to government regulatory agencies, the cost of directors’ and officers’ liability insurance and other expenses, such as litigation. You should review the section entitled “Brokerage” in this brochure for more information regarding our brokerage practices.

In the case where a Client's account is invested in money market funds that pay a management fee to their own adviser, the Client is in effect paying two management fees. Clients indirectly pay an investment management fee to the money market fund manager, which is in addition to the investment management fee paid to RAM.

Either RAM or the Partnership may terminate its respective investment management agreement per the terms negotiated therein. Notice of termination must be given to the other party in writing. Each Client is responsible to pay for services rendered until the termination of its respective investment management agreement.

Performance Based Fees and Side-by-Side Management

RAM may be compensated based on a performance allocation that is equal to 20% of amounts distributed to the limited partners of the Partnership after the limited partners have received the total amount of the capital contributions actually paid by them to the Partnership plus an amount sufficient to provide a cumulative 10% preferential return thereon, in each case calculated as of the date of the relevant distribution.

Performance-based fees may create an incentive for RAM to make investments that are riskier or more speculative than would be the case in the absence of a performance fee.

Types of Clients

RAM provides investment advice to U.S. private investment funds.

Each Client operates as a pooled investment vehicle intended to provide management expertise and other advantages to its investors. The minimum initial capital contribution for an investor of the Partnership is \$750,000. RAM maintains discretion to accept less than the minimum investment amount, subject to limitations under applicable law.

Methods of Analysis, Investment Strategies and Risk of Loss

RAM's investment strategy focuses on investing in undervalued securities that are inefficiently priced due to the issuer's financial distress. Typically, these distressed securities will move towards their fundamental value at the end of events such as completion of an exchange offer, approval of a bankruptcy reorganization plan, the disposition of certain assets, renegotiation of a labor contract, or dissemination of previously undisclosed information. RAM will thoroughly analyze the target company's capital structure to determine the most effective means of gaining control in order to work with other interested parties towards a successful and profitable restructuring. Finally, before investing, RAM will have exit strategies for each investment including a sale or strategic combination of the company, a leveraged recapitalization, a market sale of appreciated securities or liquidation.

No guarantee or representation is made that RAM will achieve its investment objective or that Clients will receive a return of their capital. All investing involves a risk of loss to each Client (and its respective investors), and the investment strategy offered by RAM is highly speculative and Clients could lose money over short or even long periods, including a complete loss of their committed capital. In addition, the performance of the Clients' investments is substantially dependent upon the skill, judgment and expertise of RAM's primary portfolio managers. The death, disability or other unavailability of any of RAM's primary portfolio managers could be material and adverse to the performance of Clients' investments.

The description contained below is a brief explanation of the material risks of our investment strategy. Investors of the Partnership should refer to its offering memorandum which has previously been provided to them.

1. General Business and Management Risk. Investments in the portfolio companies made by Clients are subject to the general risks associated with the underlying businesses, including market conditions, changes in regulatory requirements, reliance on management at the company level, interest rate and currency fluctuations, general economic downturns, domestic and foreign political situations and other factors. While in all cases RAM will monitor each portfolio company's management, the management of each portfolio company will have day-to-day responsibility of such portfolio company.

2. Distressed Securities. Distressed investment strategies generally involve investing in the securities and other assets of issuers in weak financial condition (perhaps having a negative net worth), experiencing poor operating results, needing substantial capital investment, facing special competitive or product obsolescence problems, or involved in various stages of bankruptcy or

reorganization proceedings. Investments of this type may involve substantial financial and business risks that can result in significant or even total losses. Among the risks inherent in investments in financially troubled issuers is the fact that it is frequently difficult to obtain reliable information as to their true financial prospects. The market prices of distressed securities are subject to abrupt and erratic market movements and excessive price volatility, and the “bid-ask” spreads for such securities may be greater than normally expected.

3. Bankruptcy Proceedings. Examples of risks when investing in companies involved in bankruptcy proceedings include: many events in a bankruptcy are the product of contested matters and adversary proceedings which are beyond the control of the creditors; following a bankruptcy filing, a company may lose its market position and key employees and otherwise become incapable of restoring itself as a viable entity; in a liquidation, the liquidation value of the company may not equal the liquidation value that was believed to exist at the time of the investment; the duration of a bankruptcy proceeding is difficult to predict and a creditor’s return on investment can be adversely affected by delays while the plan of reorganization is being negotiated, approved by the creditors and confirmed by the bankruptcy court; the administrative costs in connection with a bankruptcy proceeding are frequently high and will be paid out of the debtor’s estate prior to any return to creditors; creditors can lose their ranking and priority if they exercise “domination and control” over a debtor and other creditors can demonstrate that they have been harmed by such actions, especially in the case of investments made prior to the commencement of bankruptcy proceedings; and certain claims, such as claims for taxes, may have priority by law over the claims of certain creditors.

4. Lack of Diversification & Concentrated Strategy. Because our Clients focus primarily on investing in distressed securities, there are risks posed by the lack of diversification and concentrated strategy. There are no absolute diversification or concentration constraints on RAM. If RAM’s portfolio becomes relatively concentrated, the value of an investment held by a Client may be subject to greater volatility and may be more susceptible to any single economic, political or regulatory occurrence or the fortunes of a single company or industry than would be the case if RAM’s investments were more diversified.

5. Illiquid Investment Assets. Investments purchased by the Clients (including but not limited to privately placed or restricted securities such as 144A transactions) may lack a liquid trading market, which may result in the inability of the Clients to sell any such security or portfolio investment or to close out a transaction or to cover the short sale of an option. Liquidity is of particular concern with respect to the markets for investments in small-capitalization and growth companies. This lack of liquidity and depth could be a disadvantage to the Clients both in the realization of the prices that are quoted and the execution of orders at desired prices. In addition, investments that are at one time marketable could become unmarketable (or more difficult to market) for a number of reasons. Illiquid investments may also be more difficult to value. The sale of restricted and illiquid investments often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. The Clients may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time.

Disciplinary Information

RAM and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

Other Financial Industry Activities and Affiliations

Registered Broker Dealer: RAM is affiliated with M.D. Sass Securities, L.L.C. ("M.D. Sass Securities"), a registered broker-dealer, which may market interests of the Clients. M.D. Sass Securities will receive compensation for marketing the interests or shares that may include a portion of the management and performance fees/allocations received by RAM (please see "Client Referrals and Other Compensation" below).

Registered Investment Advisers: The following M.D. Sass entities are related persons of RAM and are registered investment advisers:

- M.D. Sass Associates, Inc. ("Associates")
- M.D. Sass Investors Services, Inc. ("Investors")
- Re/Enterprise Asset Management, LLC ("REAM")
- Resurgence Asset Management International, L.L.C. ("RAMI")
- Waterfall Asset Management, LLC ("Waterfall")
- M.D. Sass-Macquarie Financial Strategies Management Company, L.L.C. ("Sass-Macquarie")
- AMERRA Capital Management, LLC ("AMERRA")

Other Investment Advisers: The following entities are related persons of RAM and are unregistered investment advisers:

- Ascent Real Estate Advisors, LLC
- Taurus Funds Management Pty Limited

Certain investment advisers named above manage limited partnerships, limited liability companies, separately management accounts and other investment vehicles in which investors of Funds and separately managed account clients of RAM may invest. RAM does not have any direct arrangements with the other RAM related persons which manage such limited partnerships, limited liability companies, separately management accounts and other investment vehicles, but the entities all have common control.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

RAM has adopted a Code of Ethics (the "Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act"), which is predicated on the principle that RAM owes a fiduciary duty to its Clients. Accordingly, employees of RAM must disclose or avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interest of Clients. Therefore, RAM endeavors to maintain current and accurate records of all personal securities accounts of its employees in an effort to monitor all such activity. Among other things,

the Code requires RAM and its employees to act in Clients' best interests, abide by all applicable regulations, avoid even the appearance of insider trading, and pre-clear and report on many types of personal securities transactions. RAM'S Code of Ethics is available for review and will be provided to any investor or prospective investor upon request by calling us at 212-730-2000.

RAM is part of a group of affiliated investment advisers. Certain of RAM's officers and employees are also officers and employees of one or more of the investment advisers affiliated with RAM (the "Affiliated Advisers"), certain of which also specialize in distressed securities investing, and certain of RAM's investment professionals will provide investment advisory services to Clients of the Affiliated Advisers. While RAM's officers and employees will devote the time and services necessary for the conduct of RAM's advisory business, these other business activities could, and are expected to, require a substantial amount of these persons' time and effort.

The Affiliated Advisers may trade securities for their client accounts that are the same as, or similar to, securities RAM trades for its Clients. The Affiliated Advisers may take positions for their clients similar or opposite to positions taken by one or more of RAM's Clients, and clients of the Affiliated Advisers and RAM's Clients from time to time may be competing for similar positions in one or several markets. For purposes of seeking to maximize investment opportunities and achieve best execution in certain sector markets, RAM and the Affiliated Advisers may in some instances coordinate portfolio management and trading activities among their respective Clients. RAM and its affiliates have instituted policies intended to ensure that, with respect to the allocation of investment opportunities and the execution of trades, all Clients of RAM and the Affiliated Advisers are treated fairly and equitably over time.

RAM, Investors, Associates, RAMI, REAM, Waterfall and AMERRA may from time to time effect cross transactions among certain client accounts which are private investment companies in which RAM and the other above-mentioned advisers act as general partners/investment advisers and in which certain principals may have investments. Such transactions must be consistent with the investment objectives and policies of each account and, in the view of each respective portfolio manager, must be in the interest of each side of the transaction. Any such transaction will be conducted in accordance with applicable rules and regulations (including, if applicable, appropriate consent by the client).

RAM permits its principals and employees to invest for their own or related accounts in securities purchased for the its Clients. In order to avoid possible conflicts with Clients' interests, the following guidelines are followed:

Any principal of RAM and its affiliates may execute orders through RAM's trading desk. In such cases, Clients' orders take precedence so that no trades by principals of RAM or its affiliates will be permitted if it is determined that such trades will disadvantage Clients' interests. If it is determined that such trades will not disadvantage Clients' interests, the securities of principals of RAM and its affiliates will be traded by the trading desk as part of any blocks traded for Clients. Where principals of RAM or its affiliates desire to seek brokerage services directly rather than through RAM's trading desk, no trades for their account are to be made until all Clients have been satisfied.

Principals and employees of RAM will not act for their own or related accounts in anticipation of a research report or purchase or sell recommendation for Clients' accounts or otherwise on the basis of material non-public information. All transactions by principals or employees are required to be reported to RAM's compliance department on a periodic basis.

Notwithstanding the above, certain principals and employees are participants in RAM's profit sharing plan and/or limited partners or members of private investment partnerships or limited liability companies of which RAM or affiliates of RAM are general partners or managing members (collectively, "Sass Entities"). Sass Entities pursue a broad variety of investment strategies and practices in seeking capital appreciation, including, in some instances, active short-term trading. On occasion, Sass Entities may own shares of the same companies owned by other Client accounts, and in the course of actively trading positions in such companies may purchase or sell securities at the same time as or at different times than other Client accounts based on separate investment decisions made for each account in light of its particular investment objectives and risk/return characteristics, provided that no transaction on behalf of a Sass Entity will be permitted if it is determined that it will disadvantage the interests of other Clients.

Brokerage Practices

Selection of Brokers

RAM considers various factors in selecting brokers through which orders for Client accounts are executed. RAM's primary consideration is the broker's ability to provide best execution of the trade (including both trade price and commission). Assuming equal execution capabilities, RAM also takes other factors into account.

In determining which brokers provide best execution, RAM looks primarily to the stock price quoted by the broker through which it can obtain the most favorable price. If the same price is available from more than one broker, RAM's judgment as to the following factors may influence the selection of a broker for a particular trade: the execution, clearance and settlement capabilities of the brokers under consideration; the nature of the security being traded; the size of the transaction; the desired timing of the trade; the activity existing and expected in the market for the particular security; confidentiality; the financial stability of the brokers under consideration; actual or apparent operational problems of any broker under consideration; and the negotiated commission rates available at the time of the trade.

RAM also considers the nature and extent of research services provided when it selects brokers. Assuming equal execution capabilities as described above, RAM may direct commission business to brokers who provide research services. Such services include, but are not limited to: analyses and reports concerning economic factors and trends, industries, specific securities, portfolio strategy, and valuation and performance of accounts; advice regarding critical factors supporting research recommendations and special reports or information based on the specific requests of RAM's portfolio managers/analysts. RAM expects that research services received will generally (but not necessarily always) fall within the "safe harbor" provided by Section 28(e) of the Securities Exchange Act of 1934.

Subject to RAM's duties to seek best execution, RAM may also from time to time obtain research services prepared by third parties and provided by brokers in exchange for a predetermined amount of commission business. These services include portfolio monitoring, analysis and performance measurement systems, various economic forecasting and research services covering stocks and bonds, research and trading conferences, and a source of information as to block trading opportunities. Such third-party arrangements are cancellable at any time while others require notice. Such third-party arrangements do not involve a substantial amount of RAM's commission business on behalf of Clients.

It is RAM's policy that investment opportunities are allocated fairly and equitably among Clients' accounts. RAM's general policy is to make investment allocations pro rata across Client accounts. Notwithstanding the foregoing, because of the diversity of objectives, risk tolerances, fund or account investor-imposed limitations, tax situations, differences in the timing of capital contributions and withdrawals among various Clients, the type of investment strategy, and other factors considered relevant by RAM, there may often be differences among Clients in the weighting and cost basis of particular positions and in the particular securities and other-instruments held.

Examples of permissible reasons why *pari passu* allocations or average price may not occur in every situation may include, but are not limited to, the following:

- Differences in Clients' or investment fund investors' tax situations;
- Differences in available capital;
- Different risk parameters, investment guidelines or specific instructions from a particular Client;
- Differences in investment programs' emphasis on particular types of investments;
- Commission costs of allocating limited purchases or sales among several Clients;
- The limited size of an available position;
- The varying ability to margin, and any applicable margin limitations, for particular Clients;
- Liquidity requirements of a particular Client;
- The domicile of a particular Client, and the ability to participate in particular positions and securities based on such domicile;
- Issuer based restrictions with respect to a particular Client; and
- The type of investment strategy.

Determination of Commission Rates

In accordance with industry practice, commission rates are normally determined through negotiations with brokers conducted by RAM's senior executives. These negotiations take into account industry norms for particular transactions, the size and type of trades, the size and expertise of the brokerage firm involved and the nature of brokerage and research services provided, including special services in connection with a particular trade. (Such special services could include, among other things, the assumption of market risk in connection with a trade or series of trades or the facilitation of trades in a thin or volatile market.) Although RAM generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Commission rates paid by RAM may in some situations be

higher than those charged by other brokers for execution of similar trades without the provision of research and/or special services, which may justify higher commissions and equivalents than would be the case for more routine services.

Evaluation of Research: Soft Dollars

Often no precise monetary value can be assigned to research and special execution services furnished to RAM by brokers. RAM reviews all research services and determines that the amounts of commissions directed to brokers are reasonable in relation to the value of the brokerage and research services provided, viewed in terms of both particular transactions and RAM's overall responsibilities with respect to the accounts over which it exercises investment discretion.

RAM maintains an internal allocation procedure to identify those brokers who provide it with research services and the amount of research they provide and endeavors, subject to best execution, to direct sufficient commissions to them to insure the continued receipt of such services as RAM believes to be valuable.

RAM may, from time to time, effect fixed income or other securities transactions with certain institutions for soft dollar credits on an agency basis, instead of effecting such transactions on a principal basis with market makers. In connection with transactions which are effected in this manner, a commission will be charged by the executing broker, in addition to a mark-up or mark-down which is included in the market maker's bid or ask prices of the securities being purchased or sold. When using soft dollar credits on an agency basis with certain brokers to obtain research or other products or services, RAM receives a benefit because it does not have to produce or pay for such research, products or services. This benefit may create an incentive to RAM to select a broker based on RAM's interest in receiving research or other products or services, rather than its Clients' interests in receiving most favorable execution.

Research services furnished by brokers are generally used in servicing all of RAM's accounts, although not all such services may be used in connection with any particular account that paid commissions to the brokers providing such services. Research services may be shared among RAM and the Affiliated Advisors. Therefore, research services that primarily benefit RAM and/or an Affiliated Adviser may be paid for with commissions generated by another of the affiliates.

Allocations

RAM advises multiple Clients, which may compete for RAM's time and attention and for limited investment opportunities. RAM has a fiduciary obligation to use its best efforts to ensure that no Client is treated unfairly in relation to any other Client in the allocation of securities or investment opportunities or in the order in which transactions are executed. RAM will seek to allocate orders and investment opportunities among Clients in a manner that it believes is equitable and in the best interests of all of its Clients. Although such allocations may be pro rata among participating Clients, they will not necessarily be so, where RAM's allocation policies (e.g., taking into account differing objectives or other considerations) dictate a different result. There can be no assurance that a particular order or investment opportunity will be allocated in a particular manner or that it

will be practicable for each account to participate in every transaction or position that is suitable for its objectives and strategy.

Review of Accounts

Senior executives of RAM periodically monitor all portfolios in order to review performance, portfolio structure and the achievement of investment objectives. Each account is maintained, supervised and reviewed on a regular basis (not less than quarterly) by the Chairman and Chief Executive Officer, President, or Senior Managing Director of RAM.

Performance results are reported to clients on a quarterly basis and more frequently, if requested. The financial statements of the Clients are also audited annually and distributed to the Clients' investors.

Client Referrals and Other Compensation

Limited Partnerships or accounts sponsored or managed by RAM may enter into agreements with placement agents providing for the payment to such placement agents of either a one-time or ongoing fee based upon the amount of capital contribution of an investor introduced to the limited partnerships or accounts by such agents.

RAM is affiliated with M.D. Sass Securities, a registered broker-dealer, which may market interests of the Clients. M.D. Sass Securities will receive compensation for marketing the interests or shares that may include a portion of the management fees received by RAM and/or an affiliate.

Custody

Except for certain privately offered securities, Client assets are held in custody by qualified custodians. RAM anticipates that any private offered securities not held by a qualified custodian will meet the security exemption under Rule 206(4)-2.

Client investors will not receive statements from the custodian. Instead the Clients are subject to an annual audit and the audited financial statements are distributed to each investor. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of each Fund's fiscal year end.

However, if the Client is unable to provide the audited financial statements within the 120 day period, the Client may instruct a qualified custodian to send quarterly account statements directly to investors of the Client and these investors should carefully review those statements.

Investment Discretion

RAM has discretionary trading authority to make investment decisions for its Clients in accordance with and in furtherance of the applicable investment strategy as set forth in the applicable governing documents.

Voting Client Securities

To the extent RAM exercises or is deemed to be exercising voting authority over Client securities, RAM's general policy is to vote proxy proposals, amendments consents or resolutions (collectively "proxies") in a manner that serves the best interest of a Client, as determined by RAM, in its discretion, taking into account factors described in its proxy voting policies and procedures (together, the "Policy").

In furtherance of the foregoing, RAM generally opposes placing restrictions on the business judgment of management. RAM considers, on a case-by-case basis, executive compensation plans and supports those that promote the adoption of fair, competitive compensation packages for executives and it reviews matters relating to changes in a company's charter documents and generally votes in favor of those measures that provide management with the most operational flexibility. RAM follows procedures that are designed to identify conflicts or potential conflicts that could arise between its own interests and those of its Clients. If it is determined that any such conflict or potential conflict is not material, RAM may vote proxies notwithstanding the existence of the conflict. If it is determined, however, that a conflict of interest or potential conflict of interest is material, appropriate personnel of RAM will work to agree upon a method to resolve such conflict before voting proxies affected by the conflict. The Policy itself contains other more specific policies (including appropriate exceptions) that RAM intends to follow with respect to both routine and non-routine matters.

The foregoing summary of RAM's Policy is qualified in its entirety by the complete text of the Policy, a copy of which may be requested along with RAM's proxy voting record by contacting us at 212-730-2000.

Financial Information

RAM has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.