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**United Kingdom**  
**[www.slcapital.com](http://www.slcapital.com)**

**Form ADV Part 2A**  
**March 31, 2012**

**Item #1: Cover Page**

**Important Note:**

This brochure provides information about the qualifications and business practices of SL Capital Partners LLP ("SL Capital"). If you have questions about the contents of this brochure, please contact us at +44 131 245 0055. The information contained in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or any state securities authority.

Additional information about SL Capital is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

SL Capital is registered with the SEC as an Investment Adviser.  
Registration as an Investment Adviser does not imply  
a certain level of skill or training.

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**Item #2: Statement of Material Changes**

There are no material changes to be reported.

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**Item #3: Table of Contents**

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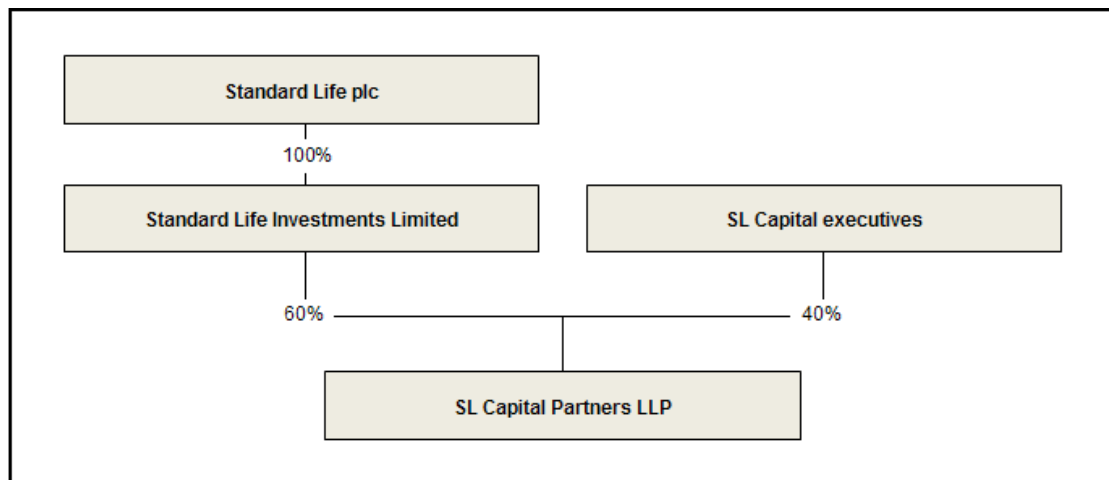
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**Item #4: Advisory Business**

**4A. Advisory Business**

SL Capital Partners LLP ("SL Capital", "the Manager" or "the Applicant") is majority owned by Standard Life Investments Limited ("SLIL"), which is ultimately owned by Standard Life plc ("SL"), a publicly traded insurance and financial service firm based in Edinburgh, Scotland (LSE: SL).

***Structure Chart***



Standard Life has invested in private equity funds and co-investments since 1973. A subsidiary, Standard Life Investments (Private Equity) Limited ("SLIPE"), was created in 1998 to manage the first private equity fund of funds product offered to third party investors. This business transferred to SL Capital in October 2007.

SL Capital has been registered with the SEC as an investment adviser since October 2007. Its predecessor, SLIPE, was originally registered with the SEC as an investment adviser in January 1999.

SL Capital provides discretionary investment management services for its clients. SL Capital intends to act as an "Investment Manager" (as defined in Section 3(38) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA")) with respect to certain clients.

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**4B. Advisory Services**

SL Capital serves as investment manager to its clients, which comprise:

- Limited partnership vehicles ("LPs") – pooled vehicles and segregated mandates.
- An investment company which is traded publicly on the London Stock Exchange - Standard Life European Private Equity Trust plc ("SLEPET").

The limited partners of the limited partnership vehicles include U.S. and non-U.S. investors. The U.S. limited partners are "Qualified Purchasers" as that term is defined under the U.S. Investment Company Act of 1940.

In providing advisory services to the limited partnership vehicles and SLEPET, SL Capital makes investment decisions on behalf of those vehicles. The investment strategy is stated in the legal documentation of each vehicle. The investment opportunities that SL Capital considers include the following:

- Private equity fund investments (primary and secondary) primarily in Europe and North America.
- Selective co-investments alongside SL Capital's chosen managers in private companies primarily in Europe and North America.

**4C. Client Goals / Restrictions**

SL Capital's primary investment objective is to achieve a superior rate of return for its investors, primarily through capital appreciation, by making fund investments and, where applicable, co-investments.

The investment strategy for each vehicle is determined at the time of establishment. There is no opportunity for individual investors to impose client specific restrictions within the pooled vehicles. The investment strategy for the segregated mandates is determined and agreed with the investor(s) at time of establishment of that segregated mandate.

**4D. Wrap-Fee Programs**

SL Capital does not participate in wrap-fee programs.

**4E. Client Assets Under Management**

As of December 31, 2011, SL Capital managed \$6,518,400,000 on a discretionary basis.

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**Item #5: Fees and Compensation**

**5A. Compensation**

*Limited Partnership Vehicles*

The basis of the management fees are described fully in the limited partnership agreements of each vehicle, copies of which are distributed to each limited partner prior to their admission as a limited partner. These amounts are paid quarterly in advance to the manager of each vehicle. These are calculated on a variety of bases depending upon the product, including (i) drawn/undrawn amounts (ii) amounts invested (iii) total commitment amount. Management fees on pooled vehicles are generally reduced by the percentage of management fees attributed to the acquisition cost of investments which have been realised.

*Standard Life European Private Equity Trust plc ("SLEPET")*

Under the terms of the investment management agreement between SLEPET and SL Capital, SL Capital is entitled to receive an investment management fee, payable quarterly in arrears, at the rate of 0.8% per annum of the value of the net assets of SLEPET as at the end of each calendar quarter.

**5B. Methods of Payment**

SL Capital receives management fees on a quarterly basis as outlined within section 5A.

**5C. Other Fees**

Investors in the limited partnership vehicles or SLEPET will pay management fees (as described in 5A) as well as other organisational expenses incurred by the vehicle in accordance with the relevant legal documentation. These may include custody, legal, accounting, and other relevant expenses.

When the limited partnership vehicles or SLEPET make commitments to underlying fund investments, management fees will be charged by underlying fund investments. These fees potentially impact the returns of SL Capital's vehicles and ultimately returns to investors. This is inherent in a fund-of-funds structure in any asset class.

Costs which are controlled by SL Capital and paid by clients are considered in light of SL Capital's fiduciary duty to its clients.

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**5D. Advance Payment of Fees**

As discussed in 5A, payment of the management fees is generally made quarterly in advance.

Due to the limitations on liquidity within limited partnership vehicles (as set out in each limited partnership agreement) there are no early redemption provisions for investors.

**5E. Compensation for Sale of Securities**

Compensation arrangements are set out in 5A.

**Item #6: Performance Based Fees and Side-by-Side Management**

SL Capital is committed to ensuring alignment of interests with its investors. This can be demonstrated by the following arrangements, which show that SL Capital is committed to the success of each vehicle:

- SL Capital, an affiliate and certain of its executives, will generally commit at least 1% of the target fund size of a limited partnership vehicle. No management fee is payable on the commitments from the executives, although they will meet certain other costs. In all other respects the executives invest on the same terms and at the same time as the investors.
- Senior investment, marketing and finance professionals within SL Capital participate in the carried interest arrangements in each of the limited partnership vehicles. The carried interest arrangements are detailed within the legal documentation for each vehicle.

In order to ensure the fair treatment of clients, SL Capital has a detailed policy for the allocation of investment opportunities between vehicles which may have a similar strategy. All investment allocations are approved internally by the investment committee. In addition, allocations of all investments (whether fund investments or co-investments) are reviewed by the independent Advisory Committee of each limited partnership vehicle and the Board of Directors of SLEPET, as appropriate. Each Advisory Committee comprises a representative group of investors from that vehicle.

A performance incentive fee arrangement is in place in respect of the advisor's management of SLEPET, a UK listed investment company. If certain performance criteria are met over a 5 year measurement period to 30 September 2016, a performance fee becomes payable in accordance with the Investment Management Agreement. This arrangement has been approved in General Meeting by the shareholders of the company.

**Item #7: Types of Clients**

SL Capital manages assets on behalf of the following clients:

- Limited partnership vehicles ("LPs") – pooled vehicles and segregated mandates.
- An investment company which is traded publicly on the London Stock Exchange - Standard Life European Private Equity Trust plc ("SLEPET").

Please refer to 4B for additional detail.

**Item #8: Methods of Analysis, Investment Strategies, and Risk of Loss**

**8A. Methods of Analysis**

SL Capital follows a systematic, disciplined investment process in which it will originate, analyse, execute, monitor and exit portfolio investments.

SL Capital's due diligence process includes:

- Validation of the merits of the proposed investment, including market research on similar or competing investment opportunities and the overall environment and strategy.
- Quantitative evaluation of the fund manager's track record.
- Extensive reference checks on fund managers.
- Evaluation of the fund manager's team and processes.
- Assessment of the investments' projected returns, risk factors and proposed exit strategies.
- Review and negotiation of key investment terms and investment provisions in order to provide maximum investor protection and value.
- Review of a fund manager's approach to responsible investing.
- Evaluation of any potential conflicts of interest.

**8B. Risks of Strategies**

The risks associated with private equity investments are distinct from those of other investment classes. The risk profile varies between vehicles depending on the specific investment strategy of the vehicle. A full description of these risks is available within the private offering memoranda (or other documentation as appropriate). Primary drivers of risk are included below.

- The value of assets may go down as well as up;
- Past performance is not necessarily indicative of future performance of any strategy;
- Investments in limited partnership vehicles are not freely transferable;
- The success of any strategy depends on the ability of SL Capital to identify, select, execute, and realize appropriate investment opportunities. There is no guarantee that suitable investments can be or will be acquired or that the investments will be successful;
- Changes in the legal, tax, or regulatory regime during the life of the investment may result in adverse effects on earnings. This risk is intensified given the limited ability of investors to redeem investments;
- There may be a significant amount of time before the fund has invested all of its commitments;
- The strategy may employ a limited number of investments such that overall performance could be reduced by the inferior performance of a single investment;
- Constraints on the availability of credit and tightening of credit terms available to borrowers and/or decreased liquidity in the senior debt, second lien and subordinated debt markets may have an adverse impact on the ability of SL Capital to acquire or sell portfolio companies;
- Private equity investments are inherently long term; although performance over the life of the fund may be satisfactory, performance in the near term may be poor;
- Highly leveraged transactions, by their nature, are subject to a high degree of financial risk.



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SL Capital will always endeavour to act in a manner consistent with its fiduciary duty. However, investing in unquoted investments involves risk of loss that the client needs to be prepared to bear.

**8C. Risks of Certain Types of Securities**

Please see Item 8B above for a discussion of risk factors in respect of the investments made by SL Capital on behalf of its clients.

**Item #9: Disciplinary Information**

**9A. Civil or Criminal Actions**

SL Capital has no such actions to disclose.

**9B. Administrative Proceedings**

SL Capital has no such administrative proceedings to disclose.

**9C. SRO proceedings**

SL Capital has no such SRO proceedings to disclose.

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**Item #10: Other Financial Industry Activities and Affiliations**

**10A. Broker-Dealer**

SL Capital's affiliate, SLI(USA), is in the process of forming a wholly owned subsidiary, to be named Standard Life Investments Securities, LLC ("SLIS"). SLIS is intended to register with FINRA as a limited purpose (i.e. "\$5,000") broker-dealer. It is anticipated that the firm will be fully registered in 2012.

**10B. FCM, CPO, CTA**

None.

**10C. Other Relationships or Arrangements**

1. broker-dealer, municipal securities dealer, government securities dealer: the only applicable relationship is the pending broker-dealer arrangement described in 10A above.
2. investment company or other pooled investment vehicle: none to disclose
3. other investment adviser: SL Capital shares certain overhead and compliance resources with its parent SLIL. SL Capital believes that this relationship poses no material conflicts of interest to SL Capital clients.
4. FCM, CPO, CTA: none to disclose
5. banking or thrift institution: none to disclose
6. accountant or accounting firm: none to disclose
7. lawyer or law firm: none to disclose
8. insurance company or agency: A subsidiary of Standard Life plc (and therefore an affiliate of SL Capital), is Standard Life Assurance Limited ("SLAL"), which undertakes activities in the U.K. and Canada which deem it to be an assurance company. SLAL is an investor in a number of vehicles managed by SL Capital.
9. pension consultant: none to disclose
10. real estate broker or dealer: none to disclose
11. sponsor or syndicator of limited partnerships: SL Capital is majority owned by SLIL. SL Capital serves as the investment manager for limited partnership vehicles ("LPs"). Related parties serve as general partner for these vehicles. From time to time, SLIL may make investments into these LP's, in the form of seed capital.

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**10D. Recommendation or Selection of Other Investment Advisers**

- SL Capital does not receive any compensation from the fund managers when recommending or selecting the underlying investments for the vehicles it manages.
- SL Capital does not cause its vehicles to invest in products managed by its affiliates.
- SL Capital does not make recommendations to its investors to invest in any other SL product or fund.

**Item #11 Code of Ethics, Participation or Interest in Client Trades and Personal Trading**

**11A. Code of Ethics**

From time to time, directors, officers, employees or their related persons (collectively referred to as 'employees') of the Applicant may wish to engage directly or indirectly in a personal investment in publicly traded securities. This process is governed by a personal trading policy and insider trading policy which all employees of the Applicant must adhere to. The policies are incorporated within the Code of Ethics ("Code") which is issued to new employees at the commencement of employment, and annually thereafter. The Code is available upon request to any client or prospective client.

**11B. Securities Where SL Capital has a Material Financial Interest**

From time to time, SL Capital or its related persons may make investments in the limited partnership vehicles for which SL Capital serves as manager. Please refer to Item 6 for further detail.

**11C. Recommendation of Securities Held in Employee Accounts**

The potential conflicts arising from personal trading, and the policies adopted by SL Capital to mitigate those potential conflicts, are described in Item 6.

**11D. Investing in the Same/Similar Securities for Personal Accounts as Client Accounts**

The potential conflicts arising from personal trading, and the policies adopted by SL Capital to mitigate those potential conflicts, are described in Item 6.

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**Item #12 Brokerage Practices**

**12A. Broker Selection**

This is not applicable to SL Capital due to the nature of the investments made by SL Capital on behalf of its clients.

**12B. Order Aggregation**

This is not applicable to SL Capital due to the nature of the investments made by SL Capital on behalf of its clients.

**Item #13: Review of Accounts**

The investment portfolios held by each client are subject to continuous review by SL Capital.

SL Capital provides (as a minimum) the following written reports to all investors within the limited partnership vehicles:

- Quarterly capital statements
- Quarterly managers reports
- Semi-annual financial statements
- Annual audited financial statements

**Item #14: Client Referrals, Other Compensation**

Please refer to Item 5E.

**Item #15: Custody**

SL Capital maintains custody of its clients' assets with a qualified custodian.

The investments owned by the vehicles are held, where appropriate, by the independent appointed custodian and are reconciled regularly by SL Capital. No custody statements are sent directly from the custodian to investors within the vehicle.

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**Item #16: Investment Discretion**

SL Capital has investment discretion over its clients' accounts as outlined in Item 4B.

**Item #17: Voting Client Securities**

Due to the nature of the investments made by SL Capital on behalf of its clients, SL Capital has not historically, nor does it foresee, holding securities for which it would be required to vote proxies. Should such an event arise, SL Capital would make all reasonable efforts to vote the proxies in a manner consistent with its fiduciary duties as well as its duties under ERISA.

**Item #18: Financial Information**

**18A. Financial Information if Prepayment of Fees is Required**

Not applicable for SL Capital (as fees are charged on a quarterly rather than six monthly basis).

**18B. Financial Information if Discretionary Authority**

SL Capital is not aware of any financial condition which is reasonably likely to impair its ability to meet its contractual commitments to its clients.

**18C. Bankruptcy**

Neither SL Capital, nor any of its affiliates, have been the subject of a bankruptcy petition.

**Item #19: Information Required for State Registered Advisers**

SL Capital does not intend to register with state securities authorities.