

**Item 1 – Cover Page**

**InterMedia Advisors, LLC**

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This Brochure provides information about the qualifications and business practices of InterMedia Advisors, LLC [“InterMedia” or the “Firm”]. If you have any questions about the contents of this Brochure, please contact us at (212) 503-2850. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

InterMedia is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about InterMedia also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for InterMedia is 156968.

## **Item 2 – Material Changes**

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated February 14, 2012 is a new document prepared according to the SEC’s new requirements and rules. Since we have not completed a prior version of this brochure, there are no material changes from a prior brochure.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary, at any time, without charge.

Currently, our Brochure may be requested by contacting Edward Bumber, Chief Compliance Officer at (212)503-2869.

Additional information about InterMedia is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with InterMedia who are registered, or are required to be registered, as investment adviser representatives of InterMedia.

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## **Item 4 – Advisory Business**

InterMedia Advisors, LLC (“InterMedia”) was founded by Leo Hindrey, Jr. and Peter M. Kern, Managing Partners, in 2005 to manage the assets of a media content private equity fund (the “Fund”) and any parallel funds or other investment vehicles related thereto. As of December 31, 2011, InterMedia managed \$670,125,000 in assets under management on a discretionary basis.

InterMedia provides investment management services to the Fund, which is organized as a limited partnership. The Fund is privately offered to institutional investors and high net worth individuals and is designed to make long-term private equity investments. The Fund is structured to invest in various media content providers, particularly those catering to audiences currently undervalued and underserved by mainstream media. InterMedia focuses on investments that neither strategic buyers nor traditional media private equity firms, are likely to pursue.

InterMedia’s services consist of identifying investment opportunities, making investments, and managing and disposing of investments already made by the Fund. InterMedia tailors its advisory services to the specific investment objective and restrictions of the Fund pursuant to the investment guidelines and restrictions set forth in the confidential private placement memorandum, limited partnership agreement and other governing documents (collectively, the “Governing Documents”).

InterMedia does not provide individualized advice to investors within the Fund managed by InterMedia and therefore investors should consider whether a particular InterMedia Fund meets their investment objectives and risk tolerance prior to investing. Investors and prospective investors in the InterMedia Fund should refer to the Governing Documents in conjunction with this brochure for complete information on the investment objectives and investment restrictions with respect to a particular InterMedia Fund. There is no assurance that any of the Fund’s investment objectives will be achieved.

## **Item 5 – Fees and Compensation**

### *Compensation and Fee Schedules*

All investors should review the Governing Documents of the Fund in conjunction with this brochure for complete information on the fees and compensation payable with respect to a particular fund. All clients are “qualified purchasers” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended, and therefore this information is not required herein.

InterMedia will receive management fees semi-annually in advance based on a percentage of the Fund’s assets or capital commitments. Please refer to the Governing Documents of the Fund for complete information on the management fee payments.

### *Other Fees and Expenses*

In addition to the advisory fees payable to InterMedia, the Fund will bear all expenses related to its operations, including fees, costs and expenses of the Fund incurred in connection with potential investments and the evaluation, acquisition, ownership, sale, hedging or financing of any potential investment, taxes, fees of auditors, counsel and tax advisors, insurance, travel, litigation and indemnification expenses, administrative expenses, and extraordinary expenses. These expenses shall include certain charges imposed by third parties, including (but not limited to): fees, costs and expenses of any custodians, attorneys, accountants, auditors, valuation experts or other professionals and brokerage commissions, registration fees and expenses, custodial expenses, other bank service fees and other investment costs, and fees and expenses actually incurred in connection with actual portfolio investments.

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

A related person of InterMedia, as general partner of the Fund, will typically receive certain allocations calculated and charged based on a share of capital gains on or capital appreciation of the assets of such InterMedia Fund.

InterMedia will structure any performance or incentive fee or allocation arrangement in accordance with Section 205(a)(1) of the Advisers Act and the rules and regulations thereunder, including the exemption set forth in Rule 205-3 of the Advisers Act permitting performance fee arrangements with “qualified clients.” Fees paid to the general partners of the Fund are separate and distinct from the advisory fees charged by InterMedia for advisory services.

Performance-based allocation arrangements received by related persons of InterMedia may create an incentive for InterMedia to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement. Please refer to the Governing Documents of the InterMedia Fund for more complete information on the “performance-based fee” arrangements of the InterMedia Fund.

### **Item 7 – Types of Clients**

#### *Types of Clients and Investment Vehicles*

InterMedia provides investment advice to a pooled investment vehicle (a private equity fund, referred to as the “Fund”). Interests in the Fund are privately offered to institutional investors and high net worth individuals and may be purchased only by certain eligible investors who are “qualified purchasers” for purposes of Section 3(c)(7) of the Investment Company Act of 1940, as amended, and “accredited investors” as defined in Regulation D under the Securities Act of 1933, as amended (the “Securities Act”).

### *Minimum Investment Requirements*

The limited partners of the InterMedia Fund may include corporations, endowments, foundations, trusts, estates, high net worth individuals and pension and profit sharing plans. Generally, investors must invest a minimum dollar amount of \$10,000,000 to invest in the Fund. The General Partner of the Fund may waive, and has waived the minimum investment amount at its own discretion.

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

### *Methods of Analysis and Investment Strategies*

InterMedia seeks to invest in a wide range of media-related companies. The Funds target control investments in media content providers, particularly those catering to audiences currently undervalued and underserved by mainstream media. InterMedia will focus primarily on investments where the Firm believes it has relevant expertise to add significant value post investment, providing insight into: strategic repositioning, operating enhancements, industry dynamics, and integrating acquisitions. InterMedia will follow a strict set of investment criteria when assessing a potential investment. The Firm's four tenets of investment strategy are as follows:

- (i) Source unique deal flow;
- (ii) Limit competition with other private equity firms by pursuing opportunities that do not fit well within conventional private equity models;
- (iii) Make control investments in businesses that benefit from the firm's operations expertise and industry relationships; and
- (iv) Acquire assets with strategic exit opportunities clearly identified at the time of investments.

Once InterMedia identifies an undervalued and underserved audience, it begins the process of building a pod of multimedia assets to serve the constituency. The broad business lines of content providers that InterMedia will consider include: cable and television networks, radio, content acquisition and creation, publishing, internet and commerce. InterMedia's strategy is to create a portfolio of multi-dimensional growth companies that will be attractive to strategic buyers.

InterMedia employs a highly proactive and differentiated investment process, designed to maximize investment discipline and the efficient execution of its unique strategy. Because InterMedia targets content that serves a specific audience, its investment criteria focus not only on the attributes of a company, but also on the attractiveness of its target audience and a company's synergies within an existing pod of investments focused on the same audience. InterMedia draws on the expertise of its media specialists to make decisions collectively and drive value creation in companies post-investment.

The Firm will not pursue investments in companies whose primary growth opportunity is based around technology or whose content focus is “general entertainment”, meaning the target audiences are too broad and undefined. The Firm will also avoid investments in audience segments where a large-cap media company already has a dominant presence.

### *Risk of Loss*

***Investing in securities involves risk of loss that clients should be prepared to bear.***

An investor in a Fund should carefully consider, among other factors, the matters described below and all respective risk factors and risks of loss as described in all applicable Governing Documents. As a result of these factors, as well as other risks inherent in any investment or set forth elsewhere in the applicable Governing Documents, there can be no assurance that the InterMedia Fund will meet its investment objectives or otherwise be able to successfully carry out its investment program. The Fund’s returns are unpredictable, and accordingly, its investment program is not suitable as the sole investment vehicle for an investor. An investor should only invest in a Fund as part of an overall investment strategy and only if the investor is able to withstand a total loss of its investment.

***Investment Risk.*** There is no assurance that InterMedia’s assessments of the short-term or long-term prospects of specific investments will prove accurate. If InterMedia’s evaluation of the anticipated outcome of an investment situation should prove incorrect, the Fund could experience losses as a result of a decline in the market value of securities in which the Fund holds a long position. The risk management techniques that may be utilized by InterMedia will not provide any assurance that InterMedia will not be exposed to risks of significant investment losses.

***Concentration of Investments in Media.*** The Fund’s investment object is to make media investments. Concentration in a single industry may involve risks greater than those generally associated with diversified acquisition funds, including significant fluctuations in returns based on market perception of the media industry. In the event that the media industry as a whole declines, returns to investors will be adversely affected.

***Risks Associated with Media Industries.*** A substantial portion of the Fund’s investments will be in certain segments of the media industry. The media industry is subject to regulation by the Federal Communications Commission (the “FCC”) and other federal, state and local government bodies and in foreign countries by similar entities. Regulatory compliance may have a material negative impact on the performance of the Fund’s portfolio companies. In addition, the media industry is subject to technology changes, evolving industry standards and the emergence of new media technologies. Competition arising from new technologies or regulatory changes may have a negative effect on the financial conditions and results of operations of portfolio companies.

***Non-U.S. Investment Risks.*** The funds may invest a portion of its committed capital in investments outside the United States. Such non-U.S. investments involve certain factors not typically associated with U.S. investments, including risks related to currency exchange

fluctuations, certain economic, social and political risks, and the possible imposition of foreign taxes on income and gains recognized with respect to such investments.

The risk of loss described herein should not be considered to be an exhaustive list of all the risks which investors should consider. Investors in the Fund should refer to the applicable Governing Documents for additional information on risk factors and risk of loss.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of InterMedia or the integrity of InterMedia’s management. *InterMedia has no information applicable to this Item.*

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

### *Affiliations*

InterMedia is affiliated through common control and ownership with HL Capital, Inc. (“HL Capital”), a private investment company with diversified interests in marketable securities and private equity. HL Capital also provides family office services to Mr. Leo Hindrey, Jr.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

InterMedia has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at InterMedia must acknowledge the terms of the Code of Ethics annually, or as amended.

In certain circumstances, InterMedia may, on our client’s behalf, buy or sell securities or related instruments in which InterMedia or a related person, directly or indirectly, have a position of interest. InterMedia may also recommend that clients or prospective clients buy or sell such securities. Further, InterMedia, employees or a related person may invest in the same securities or related instruments that InterMedia recommends to clients.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of InterMedia will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, pre-clearance of certain



transactions is required. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between InterMedia and its clients.

InterMedia's investors or prospective investors may request a copy of the firm's Code of Ethics by contacting Edward Bumber, Chief Compliance Officer at (212)503-2869.

It is InterMedia's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. InterMedia will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

Although InterMedia typically does not utilize broker-dealers to effect portfolio investments, the Fund may receive shares of certain companies as part of a general distribution. InterMedia may sell the securities received in share distributions such that the proceeds can then be distributed to the Fund's limited partners. Subject to the investment objectives, policies and restrictions of the Fund, as set forth in the Governing Documents, InterMedia will generally have discretionary authority to select the broker or dealer to be used to execute transactions on behalf of the Fund and negotiate the commission cost to be paid.

In selecting brokers, InterMedia's primary consideration will be to obtain the most favorable net result for the Fund under the circumstances, which may not involve the lowest possible commission cost. In selecting broker-dealers to effect securities transactions, InterMedia seeks to obtain best execution by considering factors including, but not limited to, execution quality, price, the level of service offered, reliability, experience in liquidating distributions from private equity funds, research services (such as reports and analyses of markets, industries, companies and economic trends) and such other factors as InterMedia considers relevant and beneficial to the Fund. The applicability of specific criteria will vary depending upon the nature of the transaction, the market in which it is executed, and the extent to which it is possible to select from among multiple brokers or dealers.

### *Directed Brokerage*

InterMedia has discretionary authority to select the brokers or dealers in connection with securities transactions of the Fund, and investors are not permitted to direct InterMedia to use a particular broker or dealer to execute portfolio transactions on behalf of the Fund.

## **Item 13 – Review of Accounts**

### **Reviews:**

The investments made by InterMedia’s Fund are generally long-term in nature. Accordingly, the review process is not directed toward a short term decision to purchase or sell securities. However, InterMedia monitors companies in which its Fund invests and generally maintains an ongoing evaluation of such companies (including, in all cases, representation on the boards of directors). InterMedia’s senior officers will conduct all reviews.

### **Reports:**

Annually, the Fund will furnish audited financial statements to all Limited Partners and tax information necessary for the completion of income tax returns. On a quarterly basis, each Limited Partner will be furnished with unaudited financial statements of the Fund. In addition, the General Partner will conduct an annual informational meeting for the Limited Partners.

## **Item 14 – Client Referrals and Other Compensation**

InterMedia does not have any referral or other compensation arrangements in effect.

## **Item 15 – Custody**

It is InterMedia’s policy to cause each Fund with assets over which InterMedia is deemed to have “custody” to be audited annually and distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), to investors no later than 120 days after the end of each fiscal year. In addition, upon the final liquidation of any such Fund, InterMedia will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all investors promptly after completion of the audit.

## **Item 16 – Investment Discretion**

Subject to the investment objectives, policies and restrictions of each Fund, InterMedia has sole discretion to determine, without consent of the Limited Partners of the Fund that it manages, which securities will be bought or sold (and in what amount) by such Fund. The Governing Documents may, however, identify certain restrictions on the type and amount of securities which InterMedia can buy on behalf of the Fund.

## **Item 17 – Voting Client Securities**

InterMedia is required to describe its proxy voting policies and procedures and, upon the request of any investor, to provide such person with (i) the actual policies and procedures and (ii) information about votes cast on behalf of any Fund managed by InterMedia in which such person has made an investment.

These policies and procedures: (i) address InterMedia's overall policy to vote client proxies in the best interest of the investors in the Fund and in a manner that maximizes the value of investments made by the Fund; (ii) identify the persons responsible for monitoring corporate actions, determining whether and how to vote proxies and submitting proxies and (iii) describe InterMedia's approach to addressing material conflicts of interest that may arise in connection with the consideration of a proxy.

In general, InterMedia will vote proxies in a manner they believe to be consistent with the best interest of the Fund and its investors. InterMedia monitors potential conflicts by consulting with counsel and taking appropriate measures to mitigate any such conflicts. Records of proxy materials and votes are maintained by InterMedia. Investors in the Fund can obtain a copy of the proxy voting policies and procedures or information on how InterMedia voted proxies for the Fund by contacting the Chief Compliance Officer at (212)503-2850.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about InterMedia's financial condition. InterMedia has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.