

PART 2A OF FORM ADV

FIRM BROCHURE

The logo for Encore Consumer Capital, featuring the company name in a green, serif font. A faint, circular watermark of the company name is visible in the background.

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August 1, 2012

This Brochure provides information about the qualifications and business practices of Encore Consumer Capital, LLC (“Encore”). If you have any questions about the contents of this Brochure, please contact Kevin P. Murphy at 415-296-9850 or by email at kevin@encoreconsumercapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority, and references in this Brochure to Encore as a “registered investment adviser” are not intended to imply a certain level of skill or training.

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

ITEM 2 – MATERIAL CHANGES

Encore's initial Brochure was filed on March 30, 2012. Encore is updating its Brochure and filing an amendment to reflect the following:

- As of July 27, 2012, Encore moved its principal office and place of business to 111 Pine Street, Suite 1825, San Francisco, CA, 94111. Address updates are located in Item 1, "Cover Page" for both the Brochure and the Part 2B Brochure Supplements.

Pursuant to SEC rules, Encore will ensure that you receive a summary of any material changes to this brochure and subsequent brochures within 120 days of the close of Encore's fiscal year. You may request the most recent version of Encore's brochure by contacting Kevin P. Murphy, Encore's Chief Compliance Officer, at (415) 296-9850 or by email at kevin@encoreconsumercapital.com.

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ITEM 4 – ADVISORY BUSINESS

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| <p>Item 4.A</p> | <p>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</p> <p>Encore is a private equity firm which primarily provides advice on and manages investments in lower middle-market companies in the consumer product industry. Encore is a Delaware limited liability company formed in 2005. Encore provides discretionary investment advisory services to a number of private investment funds (the “Funds”) and co-investment vehicles. At the present, the only advisory clients of Encore are the Funds.</p> <p>The principal owners of Encore are Sellers Trust and Hoefer Brown Family Trust. The trustees of such trusts include Scott Sellers and Robert Brown, the founders and principals of Encore (the “Principals”). Investors in the Fund should refer to the Schedule A of Form ADV Part 1A for detailed ownership information.</p> <p>Encore serves as the investment manager to two Funds. The Funds are:</p> <ul style="list-style-type: none"> • Encore Consumer Capital Fund, LP, a Delaware Limited Partnership (“Fund I”) ; and • Encore Consumer Capital Fund II, LP, a Delaware Limited Partnership (“Fund II” and together with Fund I, the “Funds”). <p>In addition Encore has established Encore Advisors, LLC, and Encore Advisors II, LLC two investment vehicles which have been established primarily for investors that are associated with Encore, its Funds, its affiliates and/or portfolio companies, as applicable (the “Encore Vehicles”). Each of the Encore Vehicles invests substantially all of its assets in the Funds. Encore does not receive any management fees or performance allocation directly from the Encore Vehicles. Encore does not consider the Encore Vehicles as clients for purposes of this Brochure.</p> <p>Affiliates of Encore serve as the general partners of the Funds (the “Affiliated General Partners”).</p> |
| <p>Item 4.B</p> | <p>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</p> <p>Encore generally has broad and flexible investment authority with respect to the Funds. Each Fund’s investment objectives and strategy is set forth in a confidential private placement memorandum. All investors in the Funds (“Investors”) are provided with a confidential private placement memorandum prior to investing in the Funds and are urged to carefully review Fund documents.</p> <p>Encore typically will invest in lower middle market companies with between \$10 million and \$100 million of annual revenue and with leading positions in</p> |

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| | <p>attractive segments of the consumer products industry. Encore believes that its consumer products expertise and its large network will allow the investment team to identify investment opportunities within the industry and add significant value to its portfolio companies. Within the consumer products industry, Encore will seek investments that the Principals believe have a favorable combination of the following characteristics:</p> <ul style="list-style-type: none"> • Strong brand name or leading market position; • Strong management team; • Low cost operations or sourcing advantages; • Leverageable, consistent cash flows; • Opportunity to expand into new product lines or channels; and/or • Clearly identifiable and attractive exit strategy. <p>Encore will (through the Funds) make investments in various sectors of the consumer products industry including food, beverages, personal care, household products, and pet products. Encore typically will not invest in traditional retailers or restaurants, or service businesses.</p> |
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| Item 4.C | <p>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</p> <p>As noted above, the clients of Encore are the Funds. Encore does not tailor its advisory services to the individual needs of Investors.</p> <p>Notwithstanding the fact that Encore has not accepted any sort of investment restrictions for individual Investors, it should be noted that Encore has agreed to modify certain rights and privileges for certain Investors which are not available to other Investors (including without limitation, transparency rights, reporting rights, capacity rights, approval rights and certain other protections and the right to receive certain special allocations). Typically such modifications are contained in side letters which are negotiated prior to an investment in the Funds.</p> |
| Item 4.D | <p>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</p> <p>Not applicable. Encore does not participate in wrap fee programs.</p> |

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| <p>Item 4.E</p> | <p>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date “as of” which you calculated the amounts.</p> <p>As of December 30, 2011, Encore manages \$277,264,524 of client assets on a discretionary basis. Encore does not currently manage any client assets on a non-discretionary basis.</p> |
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ITEM 5 – FEES AND COMPENSATION

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| <p>Item 5.A</p> | <p>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</p> <p>Encore is generally compensated for advisory services through asset-based management fees (the “Management Fee”). In addition, affiliates of Encore may receive performance-based compensation.</p> <p>Encore receives a quarterly management fee from each Fund in an amount equal to 2.00 % per annum. The Management Fee is based on a percentage of unfunded capital commitments or capital contributions, as applicable. The Management Fee may, and from time to time has been reduced at the discretion of the Affiliated General Partners.</p> <p>Affiliates of Encore may be eligible to receive a percentage of investment proceeds on distributions (the “Carried Interest”). All distributions are split between Investors and the Affiliated General Partner as set forth in the applicable Fund’s governing documents. The Carried Interest is generally equal to 20% of realized gains, which applies once an Investor in the relevant Fund has received a specific preferred return (the “Return”). Investors are generally allocated all gains until they have surpassed the Return. Thereafter, the Affiliated General Partner is then allocated a greater portion of the gains until it has received a specified portion of the cumulative distributions. Thereafter, gains are generally shared on an 80%/20% basis between Investors and the Affiliated General Partner.</p> <p>It should be noted that the fees paid by Investors are negotiable prior to an investment being made in the Fund, Encore, or the Affiliated General Partner has the ability to waive or reduce the fees.</p> <p>It is critical that Investors refer to the relevant confidential private placement memorandum or other governing documents for a complete understanding of how fees are paid to Encore, or an Affiliated General Partner. The information contained herein is a summary only and is qualified in its entirety by such documents.</p> |
| <p>Item 5.B</p> | <p>Describe whether you deduct fees from <i>clients’</i> assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</p> <p>Encore, or the Affiliated General Partner, deducts fees applicable to the applicable Fund (and Investors) directly from the Funds’ assets. Clients and Investors do not have the ability to choose to be billed directly for fees incurred.</p> <p>As noted in item 5.A. above, Encore generally receives Management Fee based on a fixed percentage of each Fund’s net assets. In addition, the Affiliated General Partners may receive Carried Interest with respect to the applicable Fund (pursuant to the detailed terms as described in the respective Fund’s governing documents). The Management Fee is payable quarterly in advance and the Carried Interest is made pursuant to the detailed terms as described in the respective Fund’s governing documents.</p> |

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| | <p>It is critical that Investors refer to the relevant confidential private placement memorandum or other governing documents for a complete understanding of how fees are paid to Encore, or an Affiliated General Partner. The information contained herein is a summary only and is qualified in its entirety by such documents.</p> |
| Item 5.C | <p>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</p> <p>The Funds are responsible for all expenses related to the operation of the applicable Fund, including fees, costs and expenses directly related to the purchase, holding and sale of investments in portfolio companies, expenses of any administrators, consultants, custodians, counsel and accountants (including the audit and certification fees), any insurance, indemnity or litigation expense, the out-of-pocket expenses of the advisory board, certain taxes and any fees or other governmental charges levied against the relevant Fund. In addition, each Fund will pay any unreimbursed expenses for transactions not completed, including amounts payable to third parties and all fees and expenses of lenders, investment banks and other financing sources in connection with arranging financing for transactions which are not consummated, and any deposits or draw-down payments which are forfeited in connection with unconsummated transactions.</p> <p>Each Funds bears all expenses associated with the organization of such Fund in connection with marketing, formation, staffing and organization of such Fund, up to a maximum as detailed in the respective offering documents of the Fund.</p> <p>In addition, Encore or the Affiliated General Partners may receive certain transaction fees, advisory fees, director's fees, break-up fees or other similar fees in connection with portfolio investments of the Funds as compensation for financial advisory and similar services provided to the Funds' portfolio companies. The management fees payable by the Funds may be offset by a portion (typically 50%) of such fees pursuant to the terms of the applicable fund's limited partnership agreement or other offering document.</p> <p>Please refer to Item 12 of this Brochure for information regarding Encore brokerage practices.</p> <p>It is critical that Investors refer to the relevant confidential private placement memorandum and/or other governing documents for a complete understanding of expenses they may pay through an investment in the Funds. The information contained herein is a summary only and is qualified in its entirety by such documents.</p> |
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| Item 5.D | <p>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</p> <p>Management Fees applicable to Investors are paid quarterly in advance to Encore.</p> <p>Investors may not terminate advisory contracts prior to the end of a billing period because they may not withdraw from their respective Fund prior to dissolution, and may not transfer any of their interest rights or obligations under the Fund without the prior written consent of Encore or the Affiliated General Partner, as applicable. As such, there is no need for a refund mechanism.</p> <p>The management fee obligation of a Fund may be terminated only in connection with the dissolution of that Fund and or certain limited circumstances including legal or regulatory issues. Pursuant to the respective management agreement, in the event of an early termination, a pro-rated portion of the management fees paid in advance of the fiscal quarter in which such termination occurs would be returned to the applicable Fund.</p> |
| Item 5.E | <p>If you or any of your <i>Access Persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</p> <p>Not applicable to Encore.</p> |
| Item 5.E.1 | <p>Explain that this practice presents a conflict of interest and gives you or your <i>Access Persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client's</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</p> <p>Not applicable to Encore.</p> |
| Item 5.E.2 | <p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable to Encore.</p> |
| Item 5.E.3 | <p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable to Encore.</p> |
| Item 5.E.4 | <p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> |

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| | Not applicable to Encore. |
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ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

If you or any of your *Access Persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *Access Persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *Access Persons* face by managing these accounts at the same time, including that you or your *Access Persons* have an incentive to favor accounts for which you or your *Access Persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As described in Item 5.B. above, affiliates of Encore receive performance allocations from the applicable Fund (which is based upon performance of the respective Fund).

It should be noted that the possibility an affiliate of Encore may receive performance allocation creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such performance allocation. Investors are provided with clear disclosure as to how Carried Interest is charged with respect to each Fund and the risks associated with such Carried Interest prior to making an investment. Please see item 10.C and Item 11 for disclosure as to how this conflict is addressed.

ITEM 7 – TYPES OF CLIENTS

Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

Encore provides investment advisory services to the Funds, as described in Item 4, above. During the periods of time when the Funds are open to new Investors, the Funds are open only to Investors meeting certain suitability requirements. In addition, the Funds required and do require a significant minimum capital commitment.

**ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES
AND RISK OF LOSS**

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| Item 8.A | <p>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</p> <p><i>Investing in securities involves risk of loss that clients should be prepared to bear. Investments in the Funds are appropriate for only experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk of loss or some or all of an investment, and have a limited need for liquidity.</i></p> <p>The following summarizes the methods of analysis and investment strategies used by Encore in formulating investment advice. There can be no assurance that Encore and the Funds will achieve their investment objectives or that the investment strategies employed by Encore will be successful.</p> <p>Encore seeks to employ a disciplined investment process to review, evaluate, and eventually approve potential investment opportunities. In many cases Encore sources deals directly. Primary responsibility for each transaction lies with the deal team, which may consist of three Encore professionals and one industry expert from an affiliate of Encore (“EAI”), led by a Principal. When a potential investment is identified that fits Encore’s criteria, a deal team may be formed to conduct an initial review of the company including its market position, major customer relationships, growth prospects, profitability, and management team strength. If the team determines that the opportunity is attractive, a summary may be completed and presented to Encore’s investment staff. If this meeting results in a consensus to move forward, the deal team may submit an indication of interest letter (including an initial indication of value) to the target company or intermediary representing that company.</p> <p>Encore believes that adding value to portfolio companies post-investment is a core competency of Encore and will be the key driver in generating superior investment returns. Encore will seek to take a hands-on approach to managing portfolio companies, with frequent and open communication with management teams. Encore believes its focus and experience in the consumer products industry allows Encore to leverage the industry knowledge of its Principals and employees in seeking to create equity value throughout the life of each portfolio investment.</p> <p>The Principals lead investment due diligence efforts and enlist an outside network as appropriate to evaluate each company. The team may identify key business drivers, develop an investment thesis that includes a detailed strategic plan for the company post acquisition, and work rapidly to execute that strategy.</p> <p>The Principals seek to be deeply involved in, and bring broad experience to, strategic decision making at the portfolio company level. Throughout the life of each investment, Encore intends to actively monitor detailed financial and operating results, and be a visible, hands-on owner in close interaction with management.</p> <p>As a general matter, Encore utilizes the methods of analysis and investment</p> |
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| | <p>strategies described in the Funds governing documents provided to all Investors prior to the time of an investment. The information contained herein is a summary only and Investors and prospective Investors should refer to the respective Fund's governing documents for a complete overview of Encore's methods of analysis and investment strategies.</p> |
| Item 8.B | <p>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</p> <p>An investment in the Funds involves a significant degree of risk. There can be no assurance that the Funds' targeted rate of return will be achieved or that there will be any return of capital. The environment for private equity investments is increasingly competitive and an Investor should only invest in the Funds if the Investor can withstand the liquidity constraints of an investment in the Fund and a total loss of its investment.</p> <p>No guarantee or representation is made that the Funds' investment program will be successful.</p> <p>Investors and prospective Investors are provided with a confidential private placement memorandum that contains a detailed description of the material risks related to an investment in the Funds, and are advised to carefully review <u>all</u> risk factors set forth in the relevant confidential private placement memorandum.</p> |
| Item 8.C | <p>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</p> <p>Please see the response to Item 8.B above. In addition, Investors and prospective Investors are provided with a confidential private placement memorandum that contains a detailed description of the material risks related to the types of securities invested in by the Funds, and are advised to carefully review <u>all</u> risk factors set forth in the relevant confidential private placement memorandum.</p> |

ITEM 9 – DISCIPLINARY INFORMATION

Encore is required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor's evaluation of Encore or the integrity of Encore's management. Encore has no legal or disciplinary information to disclose at this time.

**ITEM 10 – OTHER FINANCIAL INDUSTRY
ACTIVITIES AND AFFILIATIONS**

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| Item 10.A | <p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable to Encore.</p> |
| Item 10.B | <p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable to Encore.</p> |

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| Item 10.C | <p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> 1. broker-dealer, municipal securities dealer, or government securities dealer or broker 2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund) 3. other investment adviser or financial planner 4. futures commission merchant, commodity pool operator, or commodity trading advisor 5. banking or thrift institution 6. accountant or accounting firm 7. lawyer or law firm 8. insurance company or agency 9. pension consultant 10. real estate broker or dealer 11. sponsor or syndicator of limited partnerships <p>Encore is not of the view that it has any material relationships or arrangements with any related person listed above. Notwithstanding the prior sentence, Encore is of the view that the following should be note:</p> <ol style="list-style-type: none"> 1. Affiliated General Partners of Encore serves as general partners to the Funds and in connection therewith maintain investments in the Funds. 2. As described elsewhere in this Brochure, Encore generally seeks to make significant investments in portfolio companies. Encore typically seeks control or substantial minority positions in portfolio companies, with board representation and customary shareholder rights. As such, Encore’s management persons may have management roles with portfolio companies. 3. EAI, an affiliate of Encore, is a strategic advisory firm to the food and consumer products industry and holds a beneficial interest in the Affiliated General Partners and provide certain services on an exclusive basis in connection with the Funds’ investment activities. 4. As described elsewhere in this Brochure, Encore has in the past, and may in the future, have unaffiliated strategic relationships with co-investors who invest alongside Encore in portfolio companies. Encore is of the belief that such strategic relationships do not disadvantage the Funds. |
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| Item 10.D | <p>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</p> <p>Not applicable to Encore.</p> |
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**ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT
TRANSACTIONS AND PERSONAL TRADING**

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| <p>Item 11.A</p> | <p>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</p> <p>Encore’s Code of Ethics (the “Code”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the “Advisers Act”). The Code applies to Encore’s “Access Persons.” Access Persons include, generally, any member, officer or director of Encore and any employee or other Access Person of Encore who, in relation to the Funds (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All Encore employees are deemed to be Access Persons. In addition, certain other individuals may also be deemed to be Access Persons. It should be noted that generally, the consultants at EAI are <u>NOT</u> treated as Access Persons of Encore.</p> <p>The Code sets forth a standard of business conduct that takes into account Encore’s status as a fiduciary to the Funds and requires Access Persons to place the interests of Funds above their own interests and the interests of Encore. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of Encore’s Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.</p> <p>The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide Encore’s Chief Compliance Officer with a list of their personal accounts and an initial holdings report listing the holdings of such personal accounts within 10 days of becoming an Access Person. In addition, Encore’s Access Persons must provide annual holdings reports and quarterly transaction reports detailing, respectively, the holdings and quarterly transactions in their personal accounts in accordance with Advisers Act Rule 204A-1.</p> <p>The Code also describes Encore’s duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) advisory clients. Underlying these policies and procedures are two primary principles. First, confidential information must be maintained in confidence. Second, employees of Encore who possess non-public information, whether or not it is material, must not trade in the securities affected by such information, must not disclose such information to anyone who does not have a legitimate need to know it and must immediately disclose such information to the Chief Compliance Officer.</p> <p>Investors or prospective Investors may obtain a copy of the Code by contacting the Chief Compliance Officer at kevin@encoreconsumercapital.com.</p> |
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| Item 11.B | <p>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Examples: (1) You or a <i>related person</i>, as principal, buys securities from (or sells securities to) your <i>clients</i>; (2) you or a <i>related person</i> acts as general partner in a partnership in which you solicit <i>client</i> investments; or (3) you or a <i>related person</i> acts as an investment adviser to an investment company that you recommend to <i>clients</i>.</p> <p>As explained in Item 10 above, the Affiliated General Partners, which are owned by the Principals and are related persons to Encore, serve as the general partners of the Funds. These Affiliated General Partners also commit capital to the Funds, and as a result every investment made by a Fund involves a purchase of securities whereby related persons of Encore indirectly acquire an indirect interest in such securities. Encore's Principals and employees may also invest directly in certain of the Funds.</p> <p>Encore's Principals and employees also invest indirectly in the Funds through the Encore Vehicles or the Affiliated General Partners. Such investments generally are not subject to the management or performance-based fees described in Item 5 above.</p> <p>The fact that Encore's Principals and employees have financial ownership interests in the Funds creates a potential conflict in that it could cause Encore to make different investment decisions than if such parties did not have such financial ownership interests. Such potential conflicts are addressed by the personal securities transaction pre-clearance and reporting requirements described in Items 11. A. and 11. C.</p> <p>Encore seeks to address these potential conflicts through regular monitoring of the Funds' portfolios for consistency with objectives and strategies. Further, the Principals carefully consider the risks involved in any investments and Encore provides extensive disclosure to Investors regarding the potential risks that come with an investment with Encore. As stated in Item 11. A., the Code requires Access Persons to place the interests of the Funds over their own or those of Encore, and all Access Persons are required to acknowledge their receipt and understanding of the Code.</p> <p>Further, Encore receives a Management Fee and the Affiliated General Partner receives performance-based compensation. The Management Fees are payable without regard to the overall success or income earned by the Funds and therefore may create an incentive on the part of Encore to raise or otherwise increase assets under management to a higher level than would be the case if Encore were receiving a lower or no management fee. Performance-based fees may create an incentive for Encore to make investments that are riskier or more speculative than in the absence of such performance-based fees.</p> |
| Item 11.C | <p>If you or a <i>related person</i> invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</p> |

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| | <p>Encore’s Access Persons are permitted to make certain securities transactions in their Personal Accounts. This presents potential conflicts in that an employee could make improper use of information regarding a Fund’s holdings or future transactions or research paid for by the Funds. Although unlikely, an Access Person could theoretically take for himself or herself an investment opportunity available to a Fund.</p> <p>Encore manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons.</p> <p>Encore requires that Access Persons pre-clear certain transactions with the Chief Compliance Officer. Further details are available in the Code which is available to Investors upon request.</p> <p>Encore maintains a “Restricted List” with the names of issuers of securities about which Encore or its affiliates (including Access Persons) have learned material, non-public information. In order to minimize the risk of improper transactions, all publicly-traded affiliates of portfolio companies, will be placed on the Restricted List. Encore may also place certain public companies that do business with the portfolio companies on the Restricted List as needed. Access Persons are strictly prohibited from trading securities on the Restricted List.</p> <p>In addition, Encore receives transaction and holdings reports in accordance with Advisers Act Rule 204A-1. The Chief Compliance Officer or his designee also reviews Access Persons’ personal transaction and holdings reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.</p> |
| Item 11.D | <p>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Please refer to responses to Items 11.A, 11.B, and 11.C.</p> |

ITEM 12 – BROKERAGE PRACTICES

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| Item 12.A.1 | <p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <p>1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.</p> <p>Encore invests in private transactions that are not executed on an exchange and does not utilize brokers. Notwithstanding the above, in the past, Encore has and may in the future utilize brokers and investment banks in connection with the purchase and/or sale of portfolio companies. This is typically done on a limited basis to remove restrictions from the securities and to help liquidate the securities in the open market. Any such purchases or sales will be executed in accordance with best execution. Encore generally does not enter into soft dollar arrangements.</p> |
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| Item 12.A.2 | <p><u>Brokerage for <i>Client</i> Referrals.</u> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <ul style="list-style-type: none"> a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients'</i> interest in receiving most favorable execution. b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals. <p>Not applicable to Encore. As a general matter, Encore invests in private transactions that are not executed on an exchange and does not utilize brokers.</p> |
| Item 12.A.3 | <p><u>Directed Brokerage.</u></p> <ul style="list-style-type: none"> a. If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money. b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices. <p>Not applicable to Encore. As a general matter, Encore invests in private transactions that are not executed on an exchange and does not utilize brokers.</p> |
| Item 12.B | <p>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</p> <p>Not applicable to Encore.</p> |

ITEM 13 – REVIEW OF ACCOUNTS

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| Item 13.A | <p>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the <i>Access Persons</i> who conduct the review.</p> <p>Encore’s client accounts are under continuous review by the Principals of Encore. Such reviews include a review of investment performance, the suitability of the investments used to meet policy objectives, and investment objectives. Encore considers, among other things, investment performance, the portfolio’s sensitivity to market changes, and whether anything has changed subsequent to an initial investment decision that impacts the risk or potential return.</p> |
| Item 13.B | <p>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</p> <p>Please see Item 13.A. Client accounts are under continuous review.</p> |
| Item 13.C | <p>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</p> <p>Each Investor in the Funds will receive: (i) quarterly unaudited financial statements of the Funds; (ii) an annual financial report audited by a nationally recognized accounting firm (as applicable); (iii) tax information regarding the Fund necessary for the completion of each investor’s tax return; and (iv) semiannual reports providing summary financial information on each portfolio company.</p> |

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

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| <p>Item 14.A</p> | <p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>As noted above in item 10.A., Encore may from time to time pursue unaffiliated strategic relationships with co-investors who invest alongside Encore in Portfolio Companies. Encore may, and has, received performance fees from such co-investors in relation to such investments. Encore is of the belief that such strategic relationships do not disadvantage the funds. If Investors have any further questions about such co-investments they should contact the Chief Compliance Officer at kevin@encoreconsumercapital.com.</p> |
| <p>Item 14.B</p> | <p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>Access Person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>Encore has engaged third party solicitors to refer prospective investors to Fund II. All such referral activities are conducted in a manner that is consistent with Advisers Act Rule 206(4)-3 and relevant SEC guidance. All arrangements with solicitors must be approved by Encore’s Chief Compliance Officer and Principals, and any approved solicitor must be an appropriately registered broker-dealer with the Securities and Exchange Commission, Financial Industry Regulatory Authority, and licensed in appropriate states.</p> <p>Solicitors are generally compensated based upon a percentage of capital committed to or invested in a Fund.</p> |

ITEM 15 – CUSTODY

If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.

Encore or the Affiliated General Partner are deemed to have custody by virtue of their status as investment manager or general partner to the Funds. To ensure compliance with Rule 206(4)-2 under the Advisers Act, Encore has a reasonable belief that Investors have been and will be provided with audited financial statements for their respective Funds within 120 days of the end of such Funds' fiscal years and promptly following their liquidation.

Investors in the fund receive account statements from Encore, or the Fund's administrator. These account statements should be carefully reviewed. Clients and Investors are urged to compare such account statements to the information provided to them in the audited financial statements provided by the Funds' auditor.

ITEM 16 – INVESTMENT DISCRETION

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Encore has discretionary authority to manage securities accounts on behalf of the Funds. Encore is authorized to make transaction recommendations for the Funds. As explained in Item 4.C above, each Fund's investment strategy is set forth in detail in such Fund's confidential private placement memorandum. Investors do not have the ability to impose limitations on Encore's discretionary authority. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, prospective investors in the Funds are subject to a limited partnership agreement which includes a power of attorney.

ITEM 17 – VOTING CLIENT SECURITIES

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| <p>Item 17.A</p> | <p>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</p> <p>Encore understands and appreciates the importance of proxy voting. Encore has adopted proxy voting and procedures that are designed to ensure that when Encore votes proxies with respect to securities held on behalf of Funds, such proxies are voted in the Funds’ best interests, in the judgment of Encore to the extent reasonably practicable. The procedures also require that Encore identify and address conflicts of interest between Encore, its related persons and its Funds. If a material conflict of interest is identified, Encore will determine whether voting in accordance with the guidelines set forth in the procedures is in the best interests of its Funds or whether taking some other action may be more appropriate.</p> <p>Encore will occasionally receive proxies with respect to securities held on behalf of Funds. To the extent that Encore controls a Portfolio Company, such voting will not be required. However, there are situations where private companies could have proxy issues (e.g. a private company needs approval of investors to make changes to board of directors, auditors, etc.). In such situations, Encore would have authority to vote proxies on behalf of Funds (assuming that Encore does not otherwise have control over the Portfolio Company and exercise such authority through control of the Portfolio Company’s board of directors).</p> <p>If a material conflict is identified, Encore will determine what course of action is in the best interests of the affected Investors (which may include utilizing an independent third party to vote such proxies). Further, Encore will determine whether it is appropriate to disclose the conflict to affected Investors and give such Investors the opportunity to vote the proxies in question themselves.</p> <p>Encore keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, and each client request for proxy voting records and Encore’s response for the previous five years.</p> <p>Investors generally do not have the ability to direct proxy votes. Investors may obtain additional information regarding how Encore voted proxies and may obtain a copy of Encore’s proxy voting policies and procedures by contacting the Chief Compliance Officer at kevin@encoreconsumercapital.com.</p> |
| <p>Item 17.B</p> | <p>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</p> <p>Not applicable to Encore.</p> |

ITEM 18 – FINANCIAL INFORMATION

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| Item 18.A | <p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none">1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.2. Show parenthetically the market or fair value of securities included at cost.3. Qualifications of the independent public accountant and any accompanying independent public accountant’s report must conform to Article 2 of SEC Regulation S-X. <p>Not applicable to Encore.</p> |
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| Item 18.B | <p>If you have <i>discretionary authority</i> or <i>custody of client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>Encore is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Funds or Investors.</p> |
| Item 18.C | <p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Encore has not been the subject of any such bankruptcy petition.</p> |