

PART 2A OF FORM ADV

FIRM BROCHURE



HOUSATONIC PARTNERS

Housatonic Partners Management Company, Inc.

Housatonic Management Company, Inc.

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September 11, 2012

This Brochure provides information about the qualifications and business practices of Housatonic Partners Management Company, Inc. and Housatonic Management Company Inc. (collectively “Housatonic”). If you have any questions about the contents of this Brochure, please contact Joseph Niehaus at 415-955-9020 or by email at jniehaus@housatonicpartners.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 Housatonic as a “registered investment adviser” are not intended to imply a certain level of skill or training.

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

ITEM 2 – MATERIAL CHANGES

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

As of August 4, 2012, Housatonic moved its principal office and place of business to One Post Street, Suite 2600, San Francisco, CA 94104. Address updates are located in Item 1, "Cover Page" for both the Brochure and the Part 2B Brochure Supplements.

Pursuant to SEC rules, Housatonic will ensure that you receive a summary of any material changes to this brochure and subsequent brochures within 120 days of the close of Housatonic's fiscal year. You may request the most recent version of Housatonic's brochure by contacting Joseph Niehaus, Housatonic's Chief Compliance Officer, at (415) 955-9020 or by email at jniehaus@housatonicpartners.com.

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ITEM 4 – ADVISORY BUSINESS

Item 4.A	<p>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</p> <p>This Brochure provides information for two investment advisers, as detailed below, (i) Housatonic Partners Management Company, Inc. is a Delaware S Corporation formed in December 2007 (“HPMC”) and (ii) Housatonic Management Company, Inc. (“HMCI” and together with HPMC, Housatonic) is a Massachusetts S Corporation formed in December 1998.</p> <p>Housatonic is filing a single Brochure in reliance on the position expressed in the no action letter released by the Securities and Exchange Commission dated January 18, 2012. As such it should be noted that Housatonic has aggregated its responses to the questions posed in this Brochure so that its responses refer to both the filing adviser and relying adviser.</p> <p>Housatonic is a private equity firm which primarily provides advice on and manages investments in buyout and recapitalization transactions involving middle market businesses. Housatonic provides discretionary investment advisory services to a number of private investment funds (the “Funds”). At present, the only advisory clients of Housatonic are the Funds.</p> <p>The principal owners of HPMC are Mark G. Hilderbrand, Joseph M. Niehaus, William N. Thorndike, Jr. and Barry D. Reynolds; the principal owner of HMCI is William N. Thorndike, Jr. (collectively, the “Principals”).</p> <p>Housatonic provides discretionary investment advisory services to the following Funds, each of which is a Delaware Limited Partnership unless otherwise noted:</p> <ul style="list-style-type: none"> • Housatonic Equity Investors L.P.; • Housatonic Equity Investors II L.P.; • Housatonic Equity Investors IIA L.P.; • Housatonic Equity Investors SBIC L.P.; • Housatonic Equity Investors IV L.P.; • Housatonic Equity Investors V L.P.; • Housatonic Equity Affiliates IV L.P.; • Housatonic Equity Affiliates V L.P.; • Housatonic Micro Fund L.P.; • Housatonic Micro Fund SBIC L.P.; • Housatonic Equity Partners L.P.; • Housatonic Equity Partners A L.P.; • Housatonic Pledge Fund L.L.C., a Delaware Limited Liability Company; and • Housatonic Debt Investors L.L.C., a Delaware Limited Liability Company. <p>The Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and the securities of the Funds are not registered under the Securities Act of 1933, as amended (the “Securities Act”).</p>
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	<p>Affiliates of Housatonic serve as the general partners or managers of the Funds (as applicable) (the “Affiliated General Partners”).</p> <p>Each Fund is governed by a limited partnership agreement, or an operating agreement (each, a “Fund Agreement”) that specifies the specific investment guidelines and investment restrictions applicable to the Fund. In certain cases, the private placement memoranda prepared for the investors of the Funds also contain information regarding the intended investment program for such Fund. Housatonic, together with the Affiliated General Partners, provide investment management and administrative services to the Funds in accordance with the applicable Fund Agreements, private placement memoranda and other offering materials.</p> <p>The investors in the Funds (“Investors”) are primarily “qualified purchasers” and/or “accredited investors” (as defined in the Investment Company Act), and may include, among others, high net worth individuals, pension and profit sharing plans, trusts, endowments, estates, charitable organizations, corporations, limited partnerships, fund of fund managers, banks and other financial institutions and limited liability companies.</p>
Item 4.B	<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>Housatonic generally has broad and flexible investment authority with respect to the Funds. Each Fund’s investment objective and strategy is set forth in a confidential private placement memorandum. All Investors in the Funds are provided with a confidential private placement memorandum and are urged to carefully review those documents.</p> <p>Housatonic seeks to focus on industries which Housatonic believes have superior economic characteristics and in which the investment professionals have prior experience. Specifically, Housatonic will seek to target industries and companies with high internal growth rates and high returns on tangible capital. As a result, Housatonic will invest in companies with leadership positions in growing market niches in the recurring services, media and communications industries.</p>
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 Housatonic are the Funds. Housatonic tailors its investment advice to each Fund in accordance with the Fund’s investment objectives and strategy as set forth in the relevant Fund Agreement and confidential private placement memorandum. Housatonic typically does not tailor its advisory services to the individual needs of Investors and, except as noted below, does not accept any sort of investment restrictions as it relates to the Funds.</p>

	<p>The Investors in each Fund are able to negotiate the terms of the applicable Fund Agreement in connection with their investments in such Fund. In certain cases, the Affiliated General Partners have, and may in the future, enter into side letter agreements with certain investors in a Fund establishing rights under, or supplementing or altering the terms of, the applicable Fund Agreement. Such rights and privileges may not be 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).</p> <p>Once invested in a Fund, Investors generally cannot impose additional investment guidelines or restrictions to such Fund.</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. Housatonic does not participate in wrap fee programs.</p>
Item 4.E	<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 February 1, 2012, Housatonic manages \$968,514,908 of client assets on a discretionary basis. Housatonic does not currently manage any client assets on a non-discretionary basis.</p> <p>Note that method of calculating Housatonic’s <i>client</i> assets under management is different from the method of calculating “regulatory assets under management” for purposes of Item 5.F. in Housatonic’s ADV Part 1A. Housatonic has established and documented a specific policy for computing client assets under management and will document any changes to this policy.</p>

ITEM 5 – FEES AND COMPENSATION

<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>Housatonic is compensated through the payment of management fees and performance based compensation by the Funds. Housatonic will receive annual management fees from the Funds, or directly from the investors (as the case may be) as detailed below:</p> <p>Housatonic (indirectly or directly) will charge a management fee which will vary by Fund. Generally, during the term of the Funds (including extension periods) or, as applicable, during the period prescribed in the Fund Agreement during which the Fund is permitted to make investments in new portfolio companies (the “Investment Period”), the Funds pay Housatonic a management fee ranging from an annual rate of 2.00% to 2.50% of committed capital invested in the applicable Fund, payable quarterly, with such management fees, depending on the Fund(s) being reduced after the applicable Investment Period(s).</p> <p>In addition, the Affiliated General Partners may receive a performance allocation (“Carried Interest”). All allocations and distributions are split between Investors and the respective 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, depending on the Fund, applies once an Investor in the relevant Fund has either (in the case of certain funds,)received a specific preferred return (the “Return”) and/or has received back all contributed capital to date (as of the date of distribution). Depending on the Fund(s), Investors are generally allocated all gains until they have surpassed the Return. Thereafter, for the applicable Fund(s), gains are generally shared on a 80%/20% basis between Investors and the Affiliated General Partners.</p> <p>The management fees paid to Housatonic are not negotiable after they have been documented in the Fund Agreements. However, pursuant to the applicable Fund Agreements, the management fees and/or performance allocations (and related distributions) may be (and have been) waived and/or reduced at the discretion of the relevant Affiliated General Partner. Further, in certain Funds the Management Fee may be offset by a portion of the board of directors fees paid by certain portfolio companies. All such fee offsets are governed by the detailed terms provided in the Fund’s offering 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>Housatonic, or the Affiliated General Partners, deduct fees applicable to the appropriate Fund (and Investors) directly from the Fund’s assets or directly from the Investors (as the case may be). With the exception of Housatonic Pledge Fund L.L.C. and Housatonic Debt Investors L.L.C., Clients and Investors do not have the ability to choose to be billed directly for fees incurred.</p> <p>In general, Housatonic receives a management fee based on a fixed percentage of each Fund’s committed capital with certain reductions occurring, depending on</p>

	<p>the Fund, after the Investment Period(s) of each applicable Fund. In addition, the Affiliated General Partners may receive Carried Interest based on, among other factors, a percentage of net income of the Funds (pursuant to the detailed terms as described in each Fund Agreement). The management fee is payable quarterly in advance and the Carried Interest is distributed pursuant to the terms of the applicable Fund Agreement.</p> <p>It is important that Investors refer to the relevant confidential private placement memorandum or other Fund Agreements for a complete understanding of how fees are paid to Housatonic, 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 Affiliated General Partners will be responsible for all normal overhead expenses of managing the respective Funds, including compensation for each Funds employees, rent, utilities, and other ordinary and recurring expenses of management.</p> <p>The clients will be responsible for all other expenses of such entities, respectively including: expenses associated with the financial statements, tax returns, and K-1s; out-of-pocket expenses of transactions not consummated; other expenses associated with the acquisition, holding and disposition of the Fund's investments including extraordinary expenses (such as litigation, if any); and any taxes, fees, or other governmental charges levied against any of the entities.</p> <p>Subject to applicable caps, the Funds bear all expenses associated with the organization of such Fund and its affiliates in connection with marketing, formation, staffing and organization of the Funds, up to a maximum as detailed in the respective offering documents of the Funds.</p> <p>Please refer to Item 12 of this Brochure for information regarding Housatonic MFV's brokerage practices.</p> <p>It is important 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>
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 Housatonic.</p> <p>Investors may not terminate advisory contracts prior to the end of a billing period</p>

	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 Housatonic or the applicable Affiliated General Partner, as applicable. As such, there is no need for a refund mechanism.
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 Housatonic.</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 Housatonic.</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 Housatonic.</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 Housatonic.</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> <p>Not applicable to Housatonic.</p>

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, an affiliate of Housatonic may receive performance-based allocations and distributions from certain of the Funds (which is based upon performance of the Funds).

It should be noted that the possibility an affiliate of Housatonic may receive performance-based distributions 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-based distributions. Investors are provided with clear disclosure as to how performance-based distributions are charged with respect to the Funds and the risks associated with such performance-based distributions prior to making an investment.

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.

Housatonic provides investment advisory services to the Funds, as described in Item 4, above. During the periods of time when the Funds were open to new Investors, the Funds were open only to Investors meeting certain suitability requirements. In addition, the Funds have typically required an Investor to have a significant minimum capital commitment in order for such Investor to participate in such Funds. Certain of the Funds are no longer open to new Investors.

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

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>The following summarizes the methods of analysis and investment strategies used by Housatonic in formulating investment advice. There can be no assurance that Housatonic and the Funds will achieve their investment objectives or that the investment strategies employed by Housatonic will be successful.</p> <p>Housatonic’s investment strategy is based on:</p> <ol style="list-style-type: none"> 1) Disciplined focus on a less competitive, less efficient market segment within the private equity industry; 2) Targeting businesses with superior economic characteristics; 3) Proprietary sourcing of investments through Housatonic’s network; 4) Comprehensive analysis and due diligence; 5) Portfolio company stewardship as an active lead investor; and 6) Developing optimal exit strategies. <p><u>Attractive Market Segment</u></p> <p>Housatonic focuses on buyouts and recapitalizations of growing, profitable service companies with strong recurring revenues (each a “Portfolio Company”).</p> <p>First, Housatonic seeks to acquire fundamentally attractive businesses that are able to generate superior returns over a long time horizon without requiring a high level of financial leverage or multiple expansions upon exit. Housatonic believes such businesses share quantifiable financial characteristics, including predictable internal revenue growth and high returns on tangible capital. Businesses in the recurring services, media and communications industry groups frequently demonstrate these financial characteristics.</p> <p>Second, from the outset, Housatonic has recognized the importance of maintaining focus and specialization. To achieve attractive returns, Housatonic has maintained a disciplined focus on industries and businesses it knows well. This industry focus has allowed Housatonic to develop a valuable network of experienced operators and specialized service providers with access to potentially interesting investment opportunities.</p> <p>Finally, Housatonic seeks to focus on smaller transactions in businesses exhibiting strong growth, Housatonic believes it increases the probability of expanding exit multiples. If its Portfolio Companies achieve their targeted growth rates over a typical five to seven year holding period, they can often be marketed to a broader range of potential buyers on exit, including larger private equity funds.</p> <p><u>Targeted Economic Characteristics</u></p> <p>Housatonic seeks investment opportunities that have the following three quantifiable financial characteristics:</p> <ul style="list-style-type: none"> • Leadership positions in growing markets;
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	<ul style="list-style-type: none"> • High returns on tangible capital; and • Predictable, recurring revenues. <p>Housatonic believes that superior investments combine high sustainable internal growth rates with high returns on tangible capital. This combination allows for attractive returns and is frequently found in market-leading companies in growing niches within the recurring services, media and communications industry segments.</p> <p><u>Proprietary Sourcing</u></p> <p>Housatonic sources the vast majority of its investments directly, generally avoiding auctions and other competitive processes. The majority of Housatonic's investments have been sourced directly rather than through competitive processes. The investment team identifies investment opportunities through four primary channels: (i) Housatonic's network of CEOs and industry contacts; (ii) other private equity investors; (iii) search fund managers; and (iv) direct outbound calling to targeted industry segments.</p> <p><u>Analysis and Due Diligence</u></p> <p>Housatonic evaluates investment opportunities and conducts due diligence in two phases. First, prospective investments are rigorously screened based upon specific economic criteria. Second, if the desired characteristics are met, Housatonic conducts extensive analysis and due diligence on the target company.</p> <p><u>Active Lead Investor</u></p> <p>Housatonic is the lead investor in the majority of its Portfolio Companies and Housatonic's investment professionals generally play an active role in portfolio companies through involvement on the Board of Directors.</p> <p><u>Optimal Exit Strategies</u></p> <p>Housatonic's investment approach requires analysis and consideration of the most favorable exit options for each investment at the time it is made. The most common exit strategy for Housatonic's Portfolio Companies has been sale to a strategic buyer. For several of Housatonic's current Portfolio Companies, an initial public offering is a viable exit alternative. Increasingly, financial buyers have also provided an attractive exit option. Through their role on the Board of Directors, Housatonic's investment professionals help their companies to evaluate and optimize exit options.</p> <p>As a general matter, Housatonic utilizes the methods of analysis and investment strategies described in the Fund Agreement 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 Agreement for a complete overview of Housatonic'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

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

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

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 Housatonic.</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 Housatonic.</p>
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>Housatonic is not of the view that it has any material relationships or arrangements with related person listed above. Notwithstanding the prior sentence, Housatonic is of the view that the following should be note:</p> <ol style="list-style-type: none"> 1. The Affiliated General Partners of Housatonic serve as general partners to certain of the Funds and in connection therewith maintain investments in the Funds. As described in Item 6, the Affiliated General Partners are entitled to receive performance based compensation from the Funds, which may in certain circumstances create a conflict of interest, as described in Item 6 above. 2. As described elsewhere in this Brochure, Housatonic generally seeks to

	<p>make significant investments in Portfolio Companies. Housatonic typically seeks control or substantial minority positions in Portfolio Companies, with board representation and customary shareholder rights. As such, Housatonic’s management persons may have management roles with Portfolio Companies.</p> <p>3. Further, Housatonic management persons may “seed investments” by investing in certain companies prior to Housatonic investing in the same company. This practice does present a potential conflict of interest. Housatonic manages this conflict of interest through the advisory boards of the Funds (the “Advisory Board”). The Advisory Board includes representatives of the Investors, appointed by the respective Affiliated General Partners. The Advisory Board will provide advice on potential conflicts of interest.</p> <p>4. Certain limited partners of Housatonic who are deemed to be “Special Limited Partners” may also sit on the board of Portfolio Companies and may, on a limited basis, advise Housatonic on the business of the Portfolio Companies. Housatonic does not view their roles as presenting a potential conflict of interest but will monitor such activity with respect to Portfolio Companies.</p>
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 Housatonic.</p>

**ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT
TRANSACTIONS AND PERSONAL TRADING**

<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>Housatonic’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 Housatonic’s “Access Persons.” Access Persons include, generally, any member, officer or director of Housatonic and employees of Housatonic 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. Housatonic employees meeting the above criteria are deemed to be Access Persons. In addition, certain other individuals, may also be deemed to be Access Persons.</p> <p>The Code sets forth a standard of business conduct that takes into account Housatonic’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 Housatonic. 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 Housatonic’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 Housatonic’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, Housatonic’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 Housatonic’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 Housatonic 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 jniehaus@housatonicpartners.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>As explained in Item 10 above, the Affiliated General Partners, which are owned by the Principals and are related persons to Housatonic, 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 Housatonic indirectly acquire an indirect interest in such securities.</p> <p>As noted above Housatonic management persons may “seed investments” by investing in certain companies prior to Housatonic investing in the same company. This practice does present a potential conflict of interest. Housatonic manages this conflict of interest through the respective Advisory Boards of the Funds. The Advisory Board includes representatives of the Investors, appointed by the respective Affiliated General Partners. The Advisory Board will provide advice on potential conflicts of interest.</p> <p>Housatonic’s Principals, Affiliated General Partners, and employees also invest in certain of the Funds but in certain cases are not subject to the management or performance-based fees described in Item 4.C above.</p> <p>The fact that Housatonic’s Principals, Affiliated General Partners, and employees have financial ownership interests in the Funds creates a potential conflict in that it could cause Housatonic 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 Item 11. A. and 11. C.</p> <p>Housatonic seeks to address these potential conflicts through regular monitoring of the Funds’ portfolios for consistency with objectives, strategies, and target capacity. Further, the Principals carefully consider the risks involved in any investments and Housatonic provides extensive disclosure to Investors regarding the potential risks that come with an investment with Housatonic. As stated in Item 11. A., the Code requires Access Persons to place the interests of the Funds over their own or those of Housatonic, and all Access Persons are required to acknowledge their receipt and understanding of the Code.</p> <p>Further, Housatonic receives management fees and the Affiliated General Partners 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 Housatonic to raise or otherwise increase assets under management to a higher level than would be the case if Housatonic were receiving a lower or no management fee. Performance-based fees may create an incentive for Housatonic 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</p>

	<p>with personal trading.</p> <p>Housatonic’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. Further, an Access Person could theoretically take for himself or herself an investment opportunity available to a Fund.</p> <p>Housatonic 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>Housatonic requires that Access Person’s transactions in certain “reportable securities” (as defined in Section 202(a)(18) of the Advisers Act) be pre-cleared with the Chief Compliance Officer. The following transaction are subject to this pre-clearance requirement:</p> <ul style="list-style-type: none"> (i) direct or indirect purchase or sale of beneficial ownership in a security in an initial public offering; (ii) direct or indirect purchase or sale of beneficial ownership in a security in a limited offering, which includes but is not limited to, U.S. and offshore hedge funds, private equity funds and venture capital funds (including, for the avoidance of doubt, any Funds managed by Housatonic). <p>Further details are available in the Code which is available to Investors upon request.</p> <p>Housatonic maintains a “Restricted List” with the names of issuers of securities about which Housatonic or its affiliates (including Access Persons) have learned material, non-public information. In order to minimize the risk of improper transactions, all Portfolio Companies in which Housatonic or a client owns stock or controls one or more board seats, and if applicable, all of the publicly-traded affiliates of such companies, will be placed on the Restricted List. Access Persons are strictly prohibited from trading securities on the Restricted List.</p> <p>In addition, Housatonic 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> <p>In certain cases more than one Fund may invest in a given portfolio company. This may cause a conflict of interest in that Housatonic may have an incentive to allocate particularly attractive investment opportunities to the Fund that is expected to generate carried interest or to permit that Fund to exit investments at a time that would maximize its returns, potentially to the detriment of the other Fund. The Fund Agreements provide a detailed explanation as how Housatonic will manage such potential conflict. In addition Housatonic and the Affiliated General Partners seek to ensure that all investments made by Funds are fairly and</p>
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	equitably allocated.
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

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>Housatonic invests in private transactions that are not executed on an exchange and does not utilize brokers. Notwithstanding the above, in the past, Housatonic 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.</p>
Item 12.A.2	<p>Brokerage for <i>Client</i> Referrals. 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> <p>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.</p> <p>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> <p>Not applicable to Housatonic. As a general matter, Housatonic 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> <p>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.</p> <p>b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice.</p>

	<p>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> <p>Not applicable to Housatonic. As a general matter, Housatonic 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>As noted in Item 11, in certain cases more than one Fund may invest in a given portfolio company. This may cause a conflict of interest in that Housatonic may have an incentive to allocate particularly attractive investment opportunities to the Fund that is expected to generate carried interest or to permit that Fund to exit investments at a time that would maximize its returns, potentially to the detriment of the other Fund. The Fund Agreements provide a detailed explanation as how Housatonic will manage such potential conflict. In addition Housatonic and the Affiliated General Partners seek to ensure that all investments made by Funds are fairly and equitably allocated.</p>

ITEM 13 – REVIEW OF ACCOUNTS

<p>Item 13.A</p>	<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>Housatonic’s client accounts are under continuous review by the Principals of Housatonic. Such reviews include a review of investment policy, the suitability of the investments used to meet policy objectives, and investment objectives. Housatonic 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>
<p>Item 13.B</p>	<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>
<p>Item 13.C</p>	<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>As applicable, Investors 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; and (iii) tax information regarding the Fund necessary for the completion of each investor’s tax return.</p> <p>It should be noted that with respect to (ii) above, certain of the Funds are not audited. Such Funds will be subject to an annual surprise examination by a nationally recognized accounting firm and Investors in such Funds will not receive an annual audited financial report.</p>

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Item 14.A	<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>Not applicable to Housatonic.</p>
Item 14.B	<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>Not applicable to Housatonic.</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.

Housatonic or the Affiliated General Partners 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, Housatonic has a reasonable belief that, in the case of the Funds that are subject to an annual audit, Investors have been provided with audited financial statements for their respective Funds within 120 days of the end of such Funds' fiscal years. In the case of the Funds that are not subject to audit, such Funds will be subject to an annual surprise examination by Ernst & Young LLP.

All of the Funds' assets, save for certain uncertificated securities purchased in private transactions, are held with a "qualified custodian," as defined in the applicable custody rules, which generally includes a bank or broker-dealer.

Investors in the Funds receive statements from Housatonic. These statements should be carefully reviewed. Clients and Investors are urged to compare such 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).

Housatonic has discretionary authority to manage securities accounts on behalf of the Funds. Housatonic 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 Housatonic'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, or limited liability company agreement, which include a power of attorney.

ITEM 17 – VOTING CLIENT SECURITIES

Item 17.A	<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>Housatonic understands and appreciates the importance of proxy voting. Housatonic has adopted proxy voting and procedures that are designed to ensure that when Housatonic votes proxies with respect to securities held on behalf of Funds, such proxies are voted in the Funds’ best interests, in the judgment of Housatonic to the extent reasonably practicable. The procedures also require that Housatonic identify and address conflicts of interest between Housatonic, its related persons and its Funds. If a material conflict of interest is identified, Housatonic 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>It should be noted that given Housatonic’s business as a private equity fund manager, it is anticipated that it will be extremely rare that Housatonic will receive proxies with respect to securities held on behalf of Funds. To the extent that Housatonic 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, Housatonic would have authority to vote proxies on behalf of Funds (assuming that Housatonic 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, Housatonic 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, Housatonic 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>The Chief Compliance Officer or his designee delivers proxies in accordance with instructions related to such proxy. Housatonic keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each client request for proxy voting records and Housatonic’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 Housatonic voted proxies and may obtain a copy of Housatonic’s proxy voting policies and procedures by contacting the Chief Compliance Officer at jniehaus@housatonicpartners.com.</p>
Item 17.B	<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</p>

	<p>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 Housatonic.</p>
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ITEM 18 – FINANCIAL INFORMATION

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 Housatonic.</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>Housatonic 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>Housatonic has not been the subject of any such bankruptcy petition.</p>