

GTCR LLC

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Part 2A of Form ADV: Firm Brochure
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This brochure provides information about the qualifications and business practices of GTCR LLC. If you have any questions about the contents of this brochure, please contact us at (312) 382-2200. 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.

Additional information about GTCR LLC is available on the SEC’s website at www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

This brochure has been revised since the last version dated February 13, 2012 to reflect the appointment of Jeffrey S. Wright as the Adviser's Chief Compliance Officer and to update the amount of client assets managed by the Adviser.

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Item 4. Advisory Business

For purposes of this brochure, the “Adviser” means GTCR LLC, a Delaware limited liability company (“GTCR”), together (where the context permits) with certain of its affiliates that serve as general partners (the “General Partners”) to, or that provide advisory services to and/or receive advisory fees from, the Funds (as defined below). Such affiliates may or may not be under common control with GTCR, but possess a substantial identity of personnel and/or equity owners with GTCR.

The Adviser provides investment advisory services to investment vehicles (the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

The Funds primarily seek to make private equity and equity-related investments. Although the primary focus of the Funds is on private equity investments, the Adviser may from time to time recommend other types of investments consistent with a respective Fund’s investment strategy and objectives. The Adviser’s advisory services mainly consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Funds, managing and monitoring the performance of such investments and disposing of such investments.

The Adviser provides investment advice directly to the Funds and not to investors in the Funds individually. The applicable General Partner of each Fund retains investment discretion, and investors in the Funds do not participate in the control or management of the Funds. The Adviser provides investment advisory services to each Fund in accordance with the investment advisory, investment management or portfolio management agreement (each, an “Advisory Agreement”) for such Fund and/or the offering and organizational or governing documents (collectively, the “organizational documents”) of such Fund. Investment restrictions for the Funds, if any, are generally established in the organizational documents of the applicable Fund.

The Adviser and its predecessors have been in business since 1980. As of September 30, 2012, the Adviser manages a total of \$7,412,800,000 of client assets, all of which is managed on a discretionary basis.

Item 5. Fees and Compensation

As compensation for investment advisory services rendered to certain Funds, the Adviser is entitled to receive from each such Fund a management fee (each, a “Management Fee”). The precise amount of, the manner and calculation of and the manner and timing of payment of the Management Fee for each such Fund are established by the Adviser, as modified by negotiations with investors in the applicable Fund, and are set forth in such Fund’s Advisory Agreement, organizational documents and/or documentation received by each investor prior to investment in such Fund. For certain Funds, Management Fees and other fees and distributions described below are generally subject to waiver or reduction by the Adviser in its sole discretion, both voluntarily and on a negotiated basis with investors. The fee structures described herein may be

modified from time to time. Management Fees may differ from one Fund to another and certain Funds may not pay Management Fees.

If a placement agent is retained in connection with the offer and sale of interests in a Fund to certain potential investors, the Management Fee payable by a Fund generally will be reduced by the amount of fees paid by such Fund to such placement agent, as well as by expenses and fees incurred by the Adviser in connection with the organization of such Fund that exceed a limit specified in such Fund's organizational documents. As some Funds do not pay Management Fees, any such reduction will not benefit such Funds. In addition, the Adviser may perform management, advisory, transaction-related, financial advisory and other services ("Related Services") for, and receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds, including fees in connection with mergers, acquisitions, financings, public offerings, sales and similar transactions. These fees may be substantial. Although these fees are in addition to the Management Fees, such fees may offset Management Fees paid by the applicable Fund. The amount and manner of any such reduction is set forth in the Advisory Agreement and/or organizational documents of the applicable Fund. As some Funds do not pay Management Fees, any such reduction will not benefit such Funds. Additionally, a portfolio company may reimburse the Adviser for expenses (including without limitation travel expenses, which may include expenses for chartered or first-class travel) incurred by the Adviser in connection with its performance of services for such portfolio company and such reimbursements may not be subject to the offset arrangements described above.

The Adviser, voluntarily and on a negotiated basis, generally may waive or reduce fees with respect to any investor. In addition, with respect to certain Funds, before giving effect to the fee offsets described above, the Adviser may waive or reduce all or a portion of the Management Fee paid in full or partial satisfaction of an obligation of the Adviser and certain employees and affiliates of the Adviser to invest in or alongside such Funds, as provided in the Advisory Agreement and/or organizational documents of the applicable Funds. Any such waived or reduced portion of the Management Fee reduces the amount of capital the Adviser or such employees or affiliates would otherwise be required to contribute. The limited partners of a Fund may be required to make a *pro rata* contribution according to their respective commitments to fund any contribution that would otherwise be required of the Adviser in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver may result in an acceleration of investor capital contributions.

Upon termination of an Advisory Agreement and/or other organizational documents of the Funds, Management Fees that have been prepaid, if any, are generally returned on a prorated basis.

As provided in and subject to the Advisory Agreements and/or organizational documents of each Fund, each Fund generally will bear costs and expenses relating to such Fund's activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including, without limitation: legal, auditing, consulting, financing, accounting and custodian fees and expenses; expenses associated with the preparation and distribution of Fund financial statements, tax returns and K-1s; out-of-pocket expenses, liabilities and obligations incurred in

connection with transactions not consummated; expenses of the advisory board and annual meetings of the limited partners; other expenses associated with the acquisition, holding and disposition of investments; extraordinary expenses (such as litigation, if any); any taxes, fees or other governmental charges levied against such Fund; and such other expenses as set forth in such Fund's organizational documents.

Although the Adviser does not generally utilize the services of broker-dealers to effect portfolio transactions for the Funds, in the event that it chooses to use a broker-dealer for purposes relating to a particular Fund, such Fund will incur brokerage and other transaction costs. For additional information regarding brokerage and "soft dollar" practices, please see Item 12 below.

Additionally, please see Item 6 below regarding "Carried Interest" that Funds may distribute to the Adviser.

Item 6. Performance-Based Fees and Side-By-Side Management

The General Partners of certain Funds are entitled to receive distributions of a portion of the profits of such Funds, if any, as "carried interest" (the "Carried Interest"). Each General Partner of a Fund is a related person of the Adviser. Distributions by a Fund in respect of Carried Interest reduce amounts that would otherwise be available for distribution to the investors in such Fund.

The payment by some, but not all, Funds of Carried Interest, or the payment of Carried Interest at varying rates (including varying effective rates based on, for example, past performance of a Fund or varying arrangements regarding the return or payment of certain contributions or expenses), may create an incentive for the Adviser or its employees to disproportionately allocate time, services or functions to Funds paying Carried Interest or Funds paying Carried Interest at a higher effective rate, or to allocate investment opportunities to such Funds. Generally, and subject to the organizational documents of the Funds, this conflict is mitigated by (i) contractual provisions entitling each investor in a Fund that is an alternative investment vehicle associated with another Fund to receive equivalent allocations in the aggregate from such alternative investment vehicle as such investor would have received had the investment been effectuated through such other Fund (except as may be advisable because of legal, regulatory or tax constraints); and (ii) restrictions during the commitment period of certain Fund(s) on the formation of another fund with investment objectives substantially similar to such Fund(s), unless investors consent in accordance with the organizational documents of the relevant Funds.

The Funds' organizational documents and Advisory Agreements generally require certain employees of the Adviser and principals of the General Partners to devote substantially all of their business time to the affairs of the Adviser's current Fund(s), subject to certain exceptions set forth in the Funds' organizational documents, until the Adviser is eligible to launch new funds, and thereafter such persons are generally required to continue to devote an appropriate amount of business time to the affairs of these Funds and such business time to any other Funds as required by the organizational documents of such Funds.

Item 7. Types of Clients

The Adviser currently provides investment advisory services to the Funds. Investment advice is provided directly to the Funds (subject to the direction and control of the General Partner of each such Fund, if applicable) and not to investors in the Funds individually.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds are generally “accredited investors” as that term is defined in Regulation D promulgated under the Securities Act, and/or “qualified purchasers” as defined in the 1940 Act, and may include, among others, high net worth individuals, banks, thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities.

The Adviser does not have a minimum size for a Fund, but minimum investment commitments may be established for investors in a Fund. The General Partner of each Fund may in its sole discretion permit investments below the minimum amounts set forth in the organizational documents of such Fund.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

During its 30-year history, the Adviser has developed what it considers to be a differentiated private equity strategy through which it seeks to utilize significant resources to create unique acquisition opportunities and to improve the revenue growth, profitability and strategic value of its investments.

The Adviser’s differentiated approach to private equity investing has three core tenets:

Partnering with Management Leaders

In pursuit of its “Leaders Strategy,” the Adviser seeks to find, recruit and partner with management leaders to identify, acquire and build companies through acquisitions and organic growth. The Adviser devotes considerable time to the process of establishing relationships with such management leaders.

Sector Focus

The Adviser’s investment strategy is primarily focused on three growth sectors of economy:

- Information Services and Technology;
- Financial Services and Technology; and
- Healthcare.

The Adviser believes it has significant experience and extensive networks of relationships in these sectors. The Adviser also selectively pursues investment opportunities in Growth Business Services companies when it has built a relationship with a particular management partner.

Identifying Opportunities for Business Transformation

The Adviser seeks to pursue investments with the potential for strategic and/or operational transformation. The Adviser believes these types of opportunities can create companies with fundamentally different—and enhanced—strategic positioning and operating performance.

Risks

Investing in securities involves a substantial degree of risk. A Fund may lose all or a substantial portion of its investments and investors in the Funds must be prepared to bear the risk of a complete loss of their investment.

In addition, material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for the Funds, include the following:

Investment in Junior Securities. The securities in which a Fund will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

Concentration of Investments. A Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings may substantially affect its aggregate return.

Lack of Sufficient Investment Opportunities. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty. However, investors may be required to pay Management Fees calculated based on the entire amount of their commitments, with a step down generally after the sixth year.

Leveraged Investments. A Fund may make use of leverage to finance a portion of its investment in a given portfolio company. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast. During times when credit markets are tight, it may be difficult to obtain or maintain the desired degree of leverage. Leverage often imposes restrictive financial and operating covenants on a portfolio company, in addition to the burden of debt service, and may impair its ability to finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in such companies' condition or industry, competitive pressures, an adverse economic environment or rising interest rates, and could accelerate and magnify declines in the value of a Fund's investments in the leveraged

portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of a Fund. Furthermore, should the credit markets be tight at the time a Fund determines that it is desirable to sell all or a part of its investment in a portfolio company, a Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the portfolio companies in which a Fund will invest may not be rated by a credit rating agency.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of a Fund's investments, and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the investors.

Reliance on Portfolio Company Management. Although each Fund generally intends to invest in portfolio companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will continue to operate a portfolio company successfully.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company. There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment or may result in a lost opportunity for a Fund to increase its participation in a successful operation.

Non-U.S. Investments. Subject to any applicable provisions in a Fund's organizational documents, a Fund may invest in portfolio companies that are organized or have substantial sales or operations outside of the United States. Such investments may be subject to additional risk due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of an investment), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or the investors with respect to a Fund's income and possible non-U.S. tax return filing requirements for a Fund and/or the investors. Additional risks include: (a) risks of economic dislocations in the host country; (b) less publicly available information; (c) less well-developed regulatory institutions; and (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Reliance on Adviser Personnel. Decisions with respect to the management of each Fund will be made by the General Partner of such Fund with the advice of the Adviser. The success of a Fund will depend on the ability of its General Partner and the Adviser to identify and consummate investments, to improve the operating performance of portfolio companies and to dispose of investments of such Fund at a profit. The loss of the services of one or more members of the professional staff of the Adviser or of the principals of the General Partner of a Fund could have an adverse impact on such Fund's ability to realize its investment objective.

Public Company Holdings. A Fund's investment portfolio may contain securities issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation against such companies' board members, including individuals affiliated with the Adviser, and increased costs associated with each of the aforementioned risks.

Director Liability. A Fund will often obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the portfolio companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes a Fund's representatives, and ultimately a Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability.

Uncertain Economic and Political Environment. The current global economic and political climate is one of uncertainty. Any material change in the economic environment, including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates, could have a negative impact on the performance and/or valuation of portfolio companies. The availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, is currently restricted. Recent volatility in the global credit markets has made it more uncertain that investment funds such as the Funds will be able to obtain favorable financing for investments. These circumstances may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and realize their investments at favorable times or for favorable prices. Movements in foreign exchange rates may adversely affect the value of investments in portfolio companies and a Fund's performance. A climate of uncertainty may reduce the availability of potential investment opportunities, and increase the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections.

Item 9. Disciplinary Information

The Adviser and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this brochure.

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

Various limited partnerships, limited liability companies and other entities serve as General Partners of the Funds. Generally, current and former principals of the Adviser are principals of the general partners of the General Partners.

Relying Adviser

GTCR Management X LP serves as direct manager of certain of the Funds. GTCR Management X LP is under common control with the Adviser.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

The Adviser has adopted a written Code of Ethics that is applicable to all Adviser personnel and any other person who is subject to the Adviser's supervision and control and who (a) has access to non-public information regarding purchases or sales of securities by any Fund, (b) is involved in making securities recommendations to any Fund or (c) has access to non-public securities recommendations to any Fund (collectively, "Covered Persons"). Sections of the Code of Ethics also apply to certain family members of such Covered Persons. The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations, and restricts Covered Persons' and certain of their family members' purchases of investments for their own accounts.

Under the Code of Ethics, Covered Persons are also required to file certain periodic reports with the Adviser's Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Adviser detect and prevent potential conflicts of interest. Covered Persons who violate the Code of Ethics may be subject to remedial action, including, but not limited to, profit disgorgement, fine, censure, demotion, suspension or dismissal. Covered Persons are also required to promptly report any violation of the Code of Ethics of which they become aware. Covered Persons are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any client or prospective client upon written request to: Jeffrey S. Wright, Associate General Counsel and Chief Compliance Officer, GTCR LLC, 300 North LaSalle Street, Suite 5600, Chicago, Illinois 60654.

Participation or Interest in Client Transactions

The Adviser and certain employees and affiliates of the Adviser may invest in and alongside the Funds, either through the General Partners, as direct investors in the Funds or otherwise. A Fund or its General Partner, as applicable, may exempt such persons from all or a portion of the Management Fee and Carried Interest. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see "Conflicts of Interest" immediately below.

Conflicts of Interest

The Adviser and its related entities may engage in a broad range of activities, including investment activities for their own account and for the account of other investment funds and providing transaction-related, investment advisory, management and other services to funds and

operating companies. In the ordinary course of conducting its activities, the interests of a Fund may conflict with the interests of the Adviser, other Funds or their respective affiliates. Certain of these conflicts of interest are described below. In certain circumstances, applicable Advisory Agreements and/or organizational documents of the applicable Fund may address one or more of the potential conflicts of interest addressed below and may contain terms which mitigate or exacerbate such conflict of interest.

The Adviser may, from time to time, establish certain investment vehicles through which employees of the Adviser and their family members, certain business associates, other “friends of the firm” or other persons may invest alongside one or more of the Funds. These investment vehicles typically purchase or sell each investment opportunity at the same time and on substantially the same terms as such Fund. Such investment vehicles may not pay Management Fees or Carried Interest.

Co-investment vehicles and alternative investment vehicles are generally established in order to invest alongside one or more Funds, or to permit one or more Fund investors to participate through a different structure in a particular investment opportunity or opportunities, and the Adviser typically has limited discretion to invest the assets of these co-investment vehicles or alternative investment vehicles independent of the limitations set forth in the organizational documents of such co-investment vehicle, alternative investment vehicle and associated Fund.

From time to time, the Adviser may be presented with investment opportunities that would be suitable not only for a particular Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of the Adviser. In determining which investment vehicles should participate in such investment opportunities, the Adviser and its affiliates may be subject to conflicts of interest among the investors in such investment vehicles. The Adviser attempts to resolve such conflicts of interest in light of its obligations to investors in each of the Funds and the obligations owed by the Adviser’s advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among the Funds and such investment vehicles in a fair and equitable manner. Where necessary, the Adviser consults and receives consent to conflicts from an advisory board consisting of limited partners of each applicable Fund and such other investment vehicles. Following the commitment period of a Fund, the Adviser’s principals may and likely will focus a substantial portion of their investment activities on other opportunities and areas unrelated to a Fund’s investments.

In certain cases, the Adviser may cause a Fund to purchase investments from another Fund, or it may cause a Fund to sell investments to another Fund. In addition, the Adviser may, from time to time, fund start-up expenses for a portfolio company and may subsequently sell such portfolio company to a Fund. Such transactions may create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Fund may not receive the best price otherwise possible, or the Adviser might have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for example, to earn fees. Additionally, in connection with such transactions, the Adviser, its affiliates and/or their professionals (i) may have significant investments, or intentions to invest, in the Fund that is selling and/or purchasing such an investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). The Adviser and its affiliates may

receive management or other fees in connection with their management of the relevant Funds involved in such a transaction, and may also be entitled to share in the investment profits of the relevant Funds. To address these conflicts of interest, in connection with effecting such transactions, the organizational documents of the Funds typically contain requirements regarding the allocation of such opportunities and terms and conditions of such transactions. To the extent such matters are not addressed in the organizational documents of the applicable Funds, the Adviser has adopted policies and procedures regarding allocation of investment opportunities in a fair and equitable manner that will not favor or disfavor, consistently or consciously, any Fund or class of Funds in relation to any other Funds. The Adviser will not directly or indirectly receive any commission or other transaction-based compensation for effecting any such transaction.

Because Carried Interest is based on a percentage of net realized profits, it may create an incentive for the Adviser to cause a Fund to make riskier or more speculative investments than would otherwise be the case.

In addition, investors in the Funds may have conflicting investment, tax and other interests with respect to their investments in the Funds, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts may arise in connection with decisions made by the Adviser and its affiliates regarding an investment that may be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the Adviser and its affiliates generally will consider the investment and tax objectives of a Fund and its investors as a whole, not the investment, tax or other objectives of any investor individually.

The Adviser and its affiliates, without any further act, approval or vote of any Fund or investor, may enter into side letters or other similar agreements with certain investors in a Fund that have the effect of establishing rights under, or altering or supplementing the terms of, the Fund's organizational documents, including without limitation providing different or preferential rights or terms, such as different fee structures, information rights, co-investment rights and liquidity or transfer rights. The right of the General Partner to enter into such arrangements is disclosed to investors in a Fund's offering memorandum and other organizational documents of the Fund.

The Adviser generally may, in its discretion, contract with any related person of the Adviser (including but not limited to a portfolio company of a Fund) to perform services for the Adviser, including in connection with its provision of services to the Funds. In such instances the Funds may bear the cost of such services. When engaging a related person to provide such services, there is a risk that the Adviser may have an incentive to engage the related person even if another person may be more qualified to provide the applicable services and/or can provide such services at a lesser cost.

The Adviser may have service providers, including, for example, investment bankers, outside legal counsel and consultants, who are investors in Funds and/or who provide services to the Adviser or businesses that are competitors of the Adviser. The Adviser may have a conflict of interest with the Funds in recommending the retention or continuation of a service provider to the Funds or a portfolio company if such recommendation, for example, is motivated by a belief

that the service provider will continue to invest in Funds or will provide the Adviser information about markets and industries in which the Adviser operates or is interested or will provide other services that are beneficial to the Adviser. There is a possibility that the Adviser, because of such belief or for other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

The Adviser may, in its discretion, have, and may, in its discretion, cause the Funds and/or their portfolio companies to have, ongoing business dealings, arrangements or agreements with persons who are former employees or executives of the Adviser. The Funds and/or their portfolio companies may bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there may be a conflict of interest between the Adviser and the Funds (or their portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that the Adviser may favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person.

Given the collaborative nature of the Adviser's business and the portfolio companies in which the Funds have invested, situations may arise where the Adviser is in the position of recommending portfolio company services to other portfolio companies. The Adviser may have a conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Funds.

Portfolio companies controlled by a Fund may provide services to certain Fund investors. The Adviser may have an incentive to cause the portfolio company to favor those investors relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability to the Fund. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Fund. The Adviser may also have an incentive to recommend the products or services of certain investors in the Funds, certain other third parties or their related businesses to the Funds or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Funds or the portfolio companies.

Subject to any applicable provisions in a Fund's organizational documents, the Adviser and/or its affiliates may engage in business opportunities arising from a Fund's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company).

Employees of the Adviser may serve as directors of portfolio companies. Such employees generally are required to remit any remuneration they receive as directors to the applicable Funds. In addition, employees of the Adviser may leave the employment of the Adviser or its affiliates and become officers or employees of portfolio companies.

The organizational documents of certain Funds permit the Adviser, each such Fund's General Partner or certain of their affiliates to lend money to the applicable Fund. Such lending

arrangements create potential conflicts of interest between the Adviser, the applicable General Partner or affiliate and the Fund acting as borrower.

The organizational documents of certain Funds permit the Adviser and/or each such Fund's General Partner to withhold information from certain limited partners or investors in such Fund in certain circumstances. For instance, information may be withheld from limited partners that are subject to Freedom of Information Act or similar requirements. The Adviser and/or General Partner may elect to withhold certain information from such limited partners for reasons relating to the Adviser's and/or General Partner's public reputation or overall business strategy, despite the potential benefits to such limited partners of receiving such information.

Item 12. Brokerage Practices

The Adviser focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer may or may not be retained. However, the Adviser may also distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, if a public trading market exists.

If the Adviser sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by the Adviser. In such event, the Adviser will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, the Adviser may consider a variety of factors. The Adviser has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular transaction. Although the Adviser generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent.

Consistent with the Adviser seeking best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although the Adviser generally does not make use of such services at the current time. As a general matter, research provided by these brokers could be used to benefit all of the Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by the Adviser, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Fund. The Adviser may, in its discretion, cause the Funds to pay such brokers a commission for effecting portfolio transactions in excess of the amount of commission another broker adequately qualified to effect such transactions would have charged for effecting such transactions. This may be done where the Adviser has determined in good faith that such commission is reasonable in relation to the value of brokerage and research services received.

The Adviser may cause multiple Funds to purchase and sell publicly traded securities through broker-dealers. If the Adviser has determined to purchase or sell a publicly traded security for more than one Fund at the same time, the Adviser will generally place combined orders for each Fund when assigning pre-order allocations. In general, the Adviser aggregates trade orders for publicly traded securities to ensure that each participating Fund will receive the average price for each transaction. If an order for more than one Fund for a publicly traded security cannot be

fully executed, the Adviser will allocate the investments in accordance with the Adviser's procedures for allocation of investment opportunities, as described in Item 11 above.

Item 13. Review of Accounts

Oversight and Monitoring

The investment portfolios of the Funds are generally private, illiquid and long-term in nature, and accordingly the Adviser's review of them is not directed toward a short-term decision to dispose of securities. However, the Adviser closely monitors the portfolio companies of the Funds and generally maintains an ongoing oversight position in such portfolio companies. The portfolios are reviewed by a team of investment professionals on an on-going basis. The team generally includes principals and other investment professionals of the Adviser.

Reporting

The Adviser will typically furnish to the investors in the Funds (i) audited financial statements annually, (ii) unaudited financial statements quarterly, (iii) annual tax information necessary for each investor's tax returns and (iv) investment information for each portfolio company semi-annually. The organizational documents of a Fund or investment vehicle may provide for alternative, or less detailed, reporting than the foregoing. The Adviser may from time to time, in its sole discretion, provide additional information relating to a Fund to one or more investors in such Fund as deemed appropriate.

It is expected that any investors in any co-investment vehicle would receive the reports and other information described in the organizational documents governing such co-investment vehicle, which may include, for example, financial information regarding the specific portfolio company in which the co-investment vehicle is invested.

Item 14. Client Referrals and Other Compensation

Item 14 is not applicable to the Adviser.

Item 15. Custody

Item 15 is not applicable to the Adviser.

Item 16. Investment Discretion

Investment advice is provided directly to the Funds, subject to the direction and control of the General Partner of each Fund, and not to investors in the Funds individually. Services are provided to the Funds in accordance with the Advisory Agreements with the Funds and/or organizational documents of the applicable Funds. Investment restrictions for the Funds, if any, are generally established in the organizational documents of the applicable Fund.

Item 17. Voting Client Securities

The Adviser has adopted written policies and procedures setting forth the principles and procedures by which the Adviser votes or gives consent with respect to securities owned by the Funds (the “Voting Policy”) to address how it will vote proxies, as applicable, for a Fund’s portfolio companies. The Voting Policy seeks to ensure that the Adviser manages proxies (or similar instruments) in the best interest of a Fund, including where there may be material conflicts of interest in voting proxies. The Adviser generally believes its interests are aligned with those of the Funds’ investors through the principals’ beneficial ownership interests in the Funds, and therefore generally will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Voting Policy provides that the Adviser may address the conflict using several alternatives. Additionally, a Fund’s advisory board may approve the Adviser’s vote in a particular solicitation. The Adviser does not consider service on portfolio company boards by the Adviser’s personnel or the Adviser’s receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Voting Policy sets forth certain proxy voting guidelines followed by the Adviser when voting proxies on behalf of a Fund. A copy of the Voting Policy is available to clients or prospective clients and Adviser’s proxy voting record is available to clients upon written request to: Jeffrey S. Wright, Associate General Counsel and Chief Compliance Officer, GTCR LLC, 300 North LaSalle Street, Suite 5600, Chicago, Illinois 60654.

Item 18. Financial Information

Item 18 is not applicable to the Adviser.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to the Adviser.