

# 10th Lane Partners, LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of 10th Lane Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (646) 843-0715 or by email at: [lcrasto@centrelanepartners.com](mailto:lcrasto@centrelanepartners.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about 10th Lane Partners, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). 10th Lane Partners, LLC's CRD number is: 160822*

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*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

10th Lane Partners, LLC has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore there are no material changes to report.

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

10th Lane Partners, LLC is a Limited Liability Company organized in the state of Delaware.

This firm was formed in June 2008, and the principal owner is Q&U Investments, LLC, which is wholly owned by Quinn Dangerfield Morgan.

### B. Types of Advisory Services

10th Lane Partners, LLC (hereinafter "10th Lane Partners," "the Registrant," "we," "us," "our,") offers the following services to advisory clients:

#### *Investment Supervisory Services*

10th Lane Partners is the investment manager to select Private Equity Limited Partnerships (the "Funds"). 10th Lane Partners offers ongoing portfolio management services based on the goals, objectives, time horizon, and risk tolerance of each Fund. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

10th Lane Partners intends to create and substantially increase the value of the Funds' portfolios. 10th Lane Partners will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

#### *Performance Based Fees*

Accredited investors may be charged performance fees based on net profits above a mutually agreed upon preferred return.

#### *Services Limited to Specific Types of Investments*

10th Lane Partners generally limits its investment advice and management to private equity and private debt. 10th Lane Partners may use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

10th Lane Partners offers the same suite of services to each of the Funds. However, specific investment process decisions are dependent upon each of the Fund's Offering Documents and Investment Management Agreements in place.

Depending on each Funds' governing documents, the Funds' can impose restrictions in investing in certain securities or types of securities.

### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. 10th Lane Partners does not participate in any wrap fee programs.

### **E. Amounts Under Management**

10th Lane Partners has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$458MM	\$0.00	01/24/2012

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees*

Up to Commitment Termination Period	Up to 2.00% of Commitment Capital
After Commitment Termination Period	Up to 2.00% Net Outstanding Capital

These fees are non-negotiable, and are paid quarterly in advance. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the quarter terminated. The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter). Advisory fees are withdrawn directly from the Fund's accounts with written authorization. Lower fees for comparable services may be available from other sources.

The investment supervisory service fees payable by the Funds to the Registrant may be reduced by transaction fees received by the Registrant, including upfront, break-up, advisory or other similar fees in respect of a Fund's purchase, monitoring or disposition of an investment, based on the terms of each Fund's governing documents.

#### *Performance Based Fees*

The Funds are charged a performance based fee of up to 20% of net profits above a preferred return, typically from 8% to 17.5% and 1 ½ times return of capital. Fees are paid in arrears, on either an investment by investment basis once return of capital (per investment) is made, or until 100% of invested capital is returned to investors.

All fees for the Funds are disclosed in the relevant offering documents which are provided to prospective investors.

### B. Payment of Fees

#### *Payment of Investment Supervisory Fees*

Advisory fees are withdrawn directly from the Funds' accounts with written authorization. Fees are paid quarterly in advance.

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### ***Payment of Performance Based Fees***

Performance Based fees are withdrawn directly from the Funds' accounts with written authorization. Fees are paid in arrears, on either an investment by investment basis once return of capital (per investment) is made, or until 100% of invested capital is returned to investors.

#### **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for expenses of legal, accounting, audit, tax preparation, consulting, investment banking, reporting, research, due diligence, other professional services performed on behalf of the clients and filing and similar fees paid on behalf of the clients, and expenses (including travel expenses and business development expenses) related to the sourcing, evaluation, monitoring or liquidation of clients; all custody, transfer, registration and similar expenses incurred by the clients; all brokerage and finders' fees and commissions and discounts incurred in connection with the purchase or sale of securities; all premiums for any insurance covering indemnified parties of the clients; interest on borrowed funds (if any), as well as all other expenses incurred in connection with any indebtedness or credit arrangement; all costs and liabilities incurred in connection with client litigation or other extraordinary events; liability and other insurance and indemnity expenses; all taxes, fees and other governmental charges (if any), all expenses relating to the organization of any alternative investment vehicles of the clients; all liquidation fees of the clients; all expenses incurred in connection with client partner meetings, reports and other communications.

#### **D. Prepayment of Fees**

10th Lane Partners collects fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be deposited back into account within fourteen days.

#### **E. Outside Compensation For the Sale of Securities to Clients**

Neither 10th Lane Partners nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

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

The Funds are charged a performance based fee of up to 20% of net profits above preferred return, typically from 8% to 17.5% and 1 ½ return of capital. Fees are paid in arrears, on either



an investment by investment basis once return of capital (per investment) is made, or until 100% of invested capital is returned to investors.

10th Lane Partners has the right to waive performance based fees (a share of capital gains on or capital appreciation of the assets of a client) on certain accounts it manages. In particular, employees of the Registrant that are investors of the Funds do not pay management or performance based fees. 10<sup>th</sup> Lane Partners allocates all investments pro-rata across the accounts of each Fund, taking into consideration the investment strategy and targeted return profile of each Fund.

The Funds should be aware that investment advisers have an incentive to invest in riskier investments when paid a performance based fee due to the higher risk/higher reward attributes.

## Item 7: Types of Clients

10th Lane Partners has only one type of client, Pooled Investment Vehicles.

### *Minimum Account Size*

There is no account minimum.

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

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis & Investment Strategies*

Based on the extensive experience of our team members at leading private equity and alternative investment firms, 10th Lane Partners has established a highly institutionalized and comprehensive investment process. This rigorous and disciplined investment approach to sourcing, analysis, execution, monitoring and exit of investments is the same for each investment so that all opportunities are judged by the same criteria and held to the same high bar. Key elements of 10th Lane Partners' investment process include:

- **Deal Flow:** Systematically identifying special-situation opportunities in middle market companies through both conventional and proprietary sources of deal flow;
- **Screening and Selection:** Determining value through analysis of the operating fundamentals, restructuring opportunities, asset base and liquidity needs;
- **Investment Analysis:** Performing extensive financial, operational and market due diligence, including an in-depth assessment of the management team;

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- **Transaction Structuring:** Structuring the investment to provide the proper risk-reward balance and allowing for economic and/or legal control;
- **Monitoring and Oversight:** Active post-investment monitoring and oversight; and
- **Exit:** Being strategic and thoughtful about the exit opportunities for each portfolio company and having the business positioned so that it can attract the highest value at exit.

**Deal Flow:** 10th Lane Partners targets companies that have limited visibility within the more established mergers and acquisitions market due to their relatively small size or unique capital needs. Our professionals have a combined 100+ years of investment and management experience. This wealth of experience and tenure in the market has provided 10th Lane Partners with an extensive network of accountants, attorneys, brokers, lenders, trading desks, consultants, management teams, restructuring advisers and financial advisers who have access to middle market companies. Also, the intermediaries in 10th Lane Partners' network generally operate outside of the structured mergers and acquisitions infrastructure and as a result, 10th Lane Partners' investments tend to be highly structured privately negotiated transactions. This dynamic allows 10th Lane Partners more flexibility in structuring customized transactions that best meet the needs of all parties in each transaction. Additionally, 10th Lane Partners has extensive relationships with the work-out groups and trading desks of traditional lending institutions. These relationships allow 10th Lane Partners to generate proprietary deal flow, as often times 10th Lane Partners is invited to evaluate an opportunity before it is marketed to a larger group of investors. Finally, 10th Lane Partners also interacts with more traditional investment banks and industry experts, which allows 10th Lane Partners to see the flow of the more mainstream deal activity. This latter deal source often provides 10th Lane Partners with opportunities from failed auctions where certainty of closure is generally more important than valuation. Overall, this multi-faceted sourcing approach is expected to maximize the investment opportunity set.

**Screening and Selection of Investments:** 10th Lane Partners targets deep value, special situation investments in the middle market where it is equipped to pursue both equity and debt investments, depending on the unique circumstances of the situation. 10th Lane Partners focuses on companies that possess strong market positions, brand names and/or products, and have substantial tangible or intangible assets or divisions which could potentially provide a source of liquidity during a restructuring process.

**Investment Analysis:** Once an investment opportunity has been identified, 10th Lane Partners undertakes an extensive diligence process consisting of fundamental business, legal, operational, management and market diligence..

**Transaction Structuring:** 10th Lane Partners utilizes its ability to strategically choose the appropriate manner in which to invest capital to seek to maximize returns while mitigating downside risk and providing a suitable solution for the counterparty. Depending on the situation, a control equity investment may not offer the most advantageous risk-return prospects while a preferred investment or a debt investment,

possibly with warrants, may be more appropriate in that it provides downside protection with upside participation. Other scenarios may call for an allocation of the investment between equity and senior or mezzanine debt to appropriately leverage the company while offering current income, liens on selected assets and capital preservation. In addition to thoughtful allocation of capital along the capital structure, 10th Lane Partners focuses its diligence on identifying the key issues with an investment to ensure the transaction mechanics and structure are suitable to the situation.

**Monitoring & Oversight:** Once a transaction has closed, 10th Lane Partners implements its hands-on, value-added approach to managing the investment. 10th Lane Partners capitalizes on the accumulated operating expertise of its professionals to improve the company's operating performance. The smaller scale of 10th Lane Partners' target companies makes it easier to implement changes and strategic initiatives when compared to larger companies due to the more manageable number of employees, divisions, facilities, suppliers and customers.

**Exit:** Once a portfolio company achieves a track record of consistent profitability and sales stability, 10th Lane Partners evaluates opportunities to exit the investment. A number of important factors determine the most appropriate exit, including company size, company growth rate, industry and competitive dynamics and capital market conditions. 10th Lane Partners' team has extensive investment banking relationships ensuring that appropriate exit strategies are evaluated.

## **B. Material Risks Involved**

### ***Methods of Analysis & Investment Strategies***

Potential investors should be aware that an investment in any of the Funds managed by 10th Lane Partners involves a significant degree of risk. There can be no assurance that the Funds' investment objectives will be achieved, or that an investor will receive a return of capital. Risks associated with an investment in the Funds include, but are not limited to, the following, and should be carefully evaluated before making an investment in the Funds in which 10th Lane Partners acts as the managing member of the General Partner.

**Risk of Loss:** Investments in the Funds are highly risky. There can be no assurance that the Funds will achieve their investment objective or any particular level of returns, or that 10th Lane Partners' judgment will result in profitable investments. An investor may lose the entire amount of its investment by investing in the Funds.

**Management Risk and Reliance on Management:** Investors will have no right or power to take part in the management or control of the Funds, and will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments in which the proceeds from the issuance of interests will be invested. Investors therefore must rely solely on 10th Lane Partners to conduct each Funds' affairs, and no investor should invest unless such investor is

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willing to entrust all aspects of the management of the Funds to 10th Lane Partners. In addition, the personnel of 10th Lane Partners may not necessarily continue to be employed by 10th Lane Partners during the entire term of each Fund. Competition in the financial services, private equity and alternative asset management industries for qualified investment professionals is intense, and 10th Lane Partners' continued ability to effectively manage the Funds' investments may depend on its ability to attract new investment professionals and to retain and motivate its existing investment professionals.

**No Market for Interests:** Prospective investors should be aware of the long-term nature of their investment in the Funds. There is not now and likely will not be a public market for their interest in the Funds. The interests may not be assigned, transferred or encumbered without the prior written permission of the Registrant. Accordingly, an investor may not be able to liquidate their investment and must be prepared to bear the risks of owning their interest for an extended period of time. The interests are not likely to be registered under the securities laws of the country, state or jurisdiction of residence of any investor.

**Highly Competitive Market for Investments:** The business of identifying, negotiating, acquiring, monitoring, managing and selling investments within the scope of the Funds' investment program is highly competitive, and involves a high degree of uncertainty. 10th Lane Partners will encounter competition from other persons or entities with similar investment objectives. Although 10th Lane Partners believes that significant opportunities currently exist and that 10th Lane Partners will have sufficient deal flow to access such opportunities, there can be no assurance that these opportunities will continue to exist or that 10th Lane Partners will be able to identify, select, access, develop and consummate a sufficient number of opportunities to permit 10th Lane Partners to invest all of its committed capital. To the extent that any portion of the Funds' committed capital is not invested, the Funds' potential returns may be diminished.

**Long-Term Nature of Investments; Potential Retention of Proceeds:** The Funds' investments will be long-term in nature and it is uncertain when profits on such investments will be realized, if at all. Although the Funds may earn current interest or dividends on some of their investments, it is generally expected that invested capital will not be returned for a significant period of time after initial investment. In addition, the amount and timing of distributions of investment proceeds will in all cases be subject to the availability of cash after satisfying obligations or setting aside reasonable reserves for anticipated obligations of the Funds or for permitted reinvestment. Accordingly, no assurance can be made as to the amount and timing of such distributions.

**Investments in Smaller and Middle-Market Companies:** While smaller and middle-market companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. Such companies may be

more vulnerable to general economic trends and to specific changes in markets and technology. Further, the marketplace for the sale of interests in smaller, private companies may be more limited than that for the sale of larger companies and thus may make realizations of gains more difficult. Smaller and middle-market companies also tend to have lower capitalizations and fewer resources than companies with long operating histories, and are therefore often more vulnerable to financial failure.

**Stressed and Distressed Investments:** The Funds may invest, directly or indirectly in all types of obligations and securities (including, without limitation, bank loans, bonds, notes, equity securities, preferred securities and convertible securities, as well as derivatives relating to any of the foregoing) of companies experiencing, or expected to experience, financial and/or operational stress or distress. Such investments are considered speculative and entail substantial inherent risks (which are generally significantly higher than the risks involved in investing in companies that are not experiencing, or expected to experience, financial and/or operational stress or distress). In particular, defaulted obligations might be repaid, if at all, only after lengthy workout or bankruptcy proceedings, during which the issuer might not make any interest or other payments, and the amount of any recovery may be affected by the relative position of the Funds' investment in the issuer's capital structure. There are also a number of significant risks when investing in companies that are or may be involved in bankruptcy proceedings, including adverse and permanent effects on a company, such as the loss of its market position and key personnel, and if converted to a liquidation, a possible liquidation value of the company that is less than the value that was believed to exist at the time of the investment. Bankruptcy proceedings are often lengthy and difficult to predict, and could adversely impact a creditor's return on investment. Administrative costs relating to a bankruptcy proceeding will be paid out of the debtor's estate prior to any returns to creditors.

**Interest Rate Risk:** Interest rate fluctuations may have a substantial negative impact on the Funds' investments. A reduction in the interest rates on new investments relative to interest rates on current investments could also have an adverse impact on our net interest income. An increase in interest rates could decrease the value of any investments we hold which earn fixed interest rates and also could increase our interest expense to the extent we borrow, thereby decreasing our net income.

**Non-U.S. Investments:** The Funds may invest in portfolio companies that are headquartered in, or organized under the laws of, jurisdictions other than, or that have a substantial portion of their assets or business operations outside of, the United States. Such investments, in addition to bearing the risks generally discussed in this brochure, are also subject to fluctuations in foreign currency exchange rates, unexpected changes in regulatory requirements, political and economic instability in certain geographic locations, less developed securities markets, difficulties in managing international operations, potentially adverse tax consequences, different or less rigorous accounting, auditing and financial reporting standards, practices and requirements than those in the United States, enhanced accounting and control expenses and the burden of complying with a wide variety of foreign laws.

**Leveraged Investments:** The Funds may invest in companies whose capital structures have significant leverage. The use of leverage has the potential to magnify the gains or the losses on investments and to make the Funds' returns more volatile, and such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as downturns in the economy or deterioration in the condition of the portfolio company or its industry. In the event any portfolio company cannot generate adequate cash flow to meet debt service, the Funds may suffer a partial or total loss of capital invested in the portfolio company.

**Illiquidity of Investments:** It is anticipated that all or a substantial portion of the Funds' investments will consist of securities that are subject to restrictions on sale by the Funds because they were acquired from the issuer in "private placement" transactions or because the Funds will be deemed to be an affiliate of the issuer. Generally, the Funds will not be able to sell these securities publicly without the expense and time required to register the securities under the Securities Act, or will be able to sell the securities only under Rule 144 or other rules under the Securities Act which permit only limited sales under specified conditions. When restricted securities are sold to the public, the Funds may be deemed an "underwriter", or possibly a controlling person, with respect thereto for the purpose of the Securities Act and be subject to liability as such under that Act.

In addition, practical limitations may inhibit the Funds' ability to liquidate certain of its investments since the issuer will be privately held and the Funds will own a relatively large percentage of the issuer's securities. Sales may also be limited by market conditions, which may be unfavorable for sales of securities of particular issuers or issuers in particular industries. The above limitations on liquidity of the Funds' investments could prevent a successful sale thereof, result in delay of any sale, or reduce the amount of proceeds that might otherwise be realized. Furthermore, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties, and resulting values may differ from values that would have been determined had a ready market existed for such securities, from values placed on such securities by other investors and from prices at which such securities may ultimately be sold.

**Material Non-Public Information:** 10th Lane Partners may from time to time come into possession of material non-public information concerning specific companies. Under applicable securities laws, this may limit 10th Lane Partners flexibility to buy or sell securities issued by such companies on behalf of the Funds. Alternatively, 10th Lane Partners may decline to receive material non-public information in order to avoid trading restrictions, even though access to such information might have been advantageous and other market participants are in possession of such information.

**Guarantees:** The Funds may guaranty the obligations of their portfolio companies. As a result, if any such portfolio company defaults on its obligations, the Funds may be

required to satisfy such obligation. In order to do so, the Funds may call capital commitments, recall distributions or liquidate some or all of its investments prematurely at potentially significant discounts to market value.

**Investing in securities involves a risk of loss that each Fund should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

10th Lane Partners generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity/debt markets.

**Private placements** carry a substantial risk as they are largely unregulated offerings not subject to securities laws.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that each Fund should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither 10th Lane Partners nor its representatives are registered as or have pending applications to become a broker/dealer or as representatives of a broker/dealer.

## **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither 10th Lane Partners nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

## **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Quinn Dangerfield Morgan is also the Managing Member and owner of 10th Lane Partners' related firms, client Funds, and the General Partners of the Funds. These relationships present possible conflicts of interest. 10th Lane Partners always acts in the best interest of the Funds.

## **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

10th Lane Partners does not utilize nor select other advisers or third party managers. All assets are managed by 10th Lane Partners management.

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

## **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

## **B. Recommendations Involving Material Financial Interests**

10th Lane Partners advises solely private equity funds. 10th Lane Partners does have a material financial interest in each Fund, but will not recommend that the Funds buy or sell any security in which a related person to 10th Lane Partners or 10th Lane Partners has a material financial interest.



### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of 10th Lane Partners may invest in the same opportunities for themselves that they also recommend to the Funds. This may provide an opportunity for representatives of 10th Lane Partners do so before recommending the same opportunities to the Funds, resulting in representatives profiting off the recommendations they provide to the Funds. Such transactions may create a conflict of interest. 10th Lane Partners will always document any transactions that could be construed as conflicts of interest and will always transact the Funds' business before their own when similar opportunities are being considered.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of 10th Lane Partners may invest in the same opportunities for themselves at or around the same time as the Funds. This may provide an opportunity for representatives of 10th Lane Partners do so before recommending the same opportunities to the Funds, resulting in representatives profiting off the recommendations they provide to the Funds. Such transactions may create a conflict of interest. 10th Lane Partners will always document any transactions that could be construed as conflicts of interest and will always transact the Funds' business before their own when similar opportunities are being considered.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

All Fund assets are held in custody by unaffiliated broker/dealers or banks; however we may have access to Fund accounts since it or an affiliate serves as the managing member or general partner of the Funds. Investors in the Funds will not receive statements from the custodian. Instead the Funds are subject to an annual audit and the audited financial statements are distributed to each investor. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of the Funds' fiscal year end. For Funds which may qualify as "fund of funds", such audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 180 days.

#### ***1. Research and Other Soft-Dollar Benefits***

10th Lane Partners receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

## **2. Brokerage for Client Referrals**

10th Lane Partners receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **3. Clients Directing Which Broker/Dealer/Custodian to Use**

10th Lane Partners will not allow the Funds to direct 10th Lane Partners to use a specific broker-dealer to execute transactions. Funds must use 10th Lane Partners recommended custodian (broker-dealer).

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

10th Lane Partners does not engage in traditional buying and selling of securities and therefore, no Block Trading occurs. However, in the event 10th Lane Partners does ever retain clients that do engage in such trading, 10th Lane Partners maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing 10th Lane Partners the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

The Funds' accounts are reviewed at least quarterly by Quinn Dangerfield Morgan, Managing Director and Louis Anthony Crasto, Chief Compliance Officer. Quinn Dangerfield Morgan and Louis Anthony Crasto are the chief advisors and will review the accounts with regards to their investment policies and risk tolerance levels. All accounts at 10th Lane Partners are assigned to these reviewers.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in the Funds' financial situations.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each Fund will receive at least quarterly from the Registrant, a written report that details the account including assets held and asset value.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

10th Lane Partners does not receive any economic benefit, directly or indirectly from any third party for advice rendered to 10th Lane Partners clients.

### **B. Compensation to Non - Advisory Personnel for Client Referrals**

10th Lane Partners does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

All Fund assets are held in custody by unaffiliated broker/dealers or banks; however we may have access to Fund accounts since it or an affiliate serves as the managing member or general partner of the Funds. Investors in the Funds will not receive statements from the custodian. Instead the Funds are subject to an annual audit and the audited financial statements are distributed to each investor. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of the Funds' fiscal year end. For Funds which may qualify as "fund of funds", such audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 180 days.

## **Item 16: Investment Discretion**

Each Fund has given 10th Lane Partners written discretionary authority over the account with respect to all investment decisions. Details of this relationship are fully disclosed in each Funds' governing documents. The Funds provide 10th Lane Partners full discretionary authority and power to act on its behalf via each Funds' governing documents.

## **Item 17: Voting Client Securities (Proxy Voting)**

10th Lane Partners will accept voting authority for Fund securities in certain cases. When 10th Lane Partners does accept voting authority for Fund securities, it will always seek to vote in the best interests of the Funds. 10th Lane Partners does not maintain preapproved voting guidelines but relies on the investment committee to determine the appropriate course of action in voting client securities that is in the best interest of the client. The Funds may direct 10th

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Lane Partners on how to vote their securities by communicating their wishes in writing or electronically to 10th Lane Partners. When voting proxies the investment committee will always hold the interests of the Funds above its own interests. The Funds may obtain the voting record of 10th Lane Partners on Fund securities by contacting 10th Lane Partners at phone number or e-mail address listed on the cover page of this brochure. The Funds may obtain a copy of 10th Lane Partners' proxy voting policies and procedures upon request.

## **Item 18: Financial Information**

### **A. Balance Sheet**

10th Lane Partners does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither 10th Lane Partners nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

10th Lane Partners has not been the subject of a bankruptcy petition in the last ten years.