

Item 1 - Cover Page

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Star Mountain Fund Management, LLC (“Star Mountain”). If you have any questions about the contents of this Brochure, please contact us at 212-810-9044 x120. 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 authority.

Star Mountain is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information regarding Star Mountain is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 - Material Change

This is the first filing of Form ADV, Part 2 by Star Mountain. This section will be amended annually, as necessary, to identify and discuss material changes to the Brochure since the previous release of the Brochure.

Item 3 - Table of Contents

| | |
|---|----|
| Item 1 - Cover Page..... | 1 |
| Item 2 - Material Change | 2 |
| Item 3 - Table of Contents | 3 |
| Item 4 - Advisory Business | 4 |
| Item 5 - Fees and Compensation | 5 |
| Item 6 - Performance-Based Fees..... | 6 |
| Item 7 - Types of Clients..... | 7 |
| Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss..... | 8 |
| Item 9 - Disciplinary Information | 15 |
| Item 10 - Other Financial Industry Activities and Affiliations | 16 |
| Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading | 17 |
| Item 12 - Brokerage Practices | 18 |
| Item 13 - Review of Accounts | 19 |
| Item 14 - Client Referrals and Other Compensation | 20 |
| Item 15 - Custody | 21 |
| Item 16 - Investment Discretion | 22 |
| Item 17 - Voting Client Securities..... | 23 |
| Item 18 - Financial Information | 24 |

Item 4 - Advisory Business

Star Mountain Fund Management, LLC (“Star Mountain”) a Delaware limited liability company and a registered investment adviser, provides investment advisory services to its clients. Star Mountain’s clients are expected to consist exclusively of private investment funds (the “Funds”). As of the date of this Brochure, Star Mountain has one fund, Star Mountain Stimulus Fund, LP (the “Fund”).

The Star Mountain team is comprised of experienced investment professionals and advisory staff who possess experience in principal investing (including, but not limited to, Government sponsored funds investing), small business investing, mezzanine fund-of-funds investing, and corporate and operational finance.

Star Mountain is wholly-owned by its parent company Star Mountain Capital, LLC, a Delaware limited liability company, which, in turn, is owned by Brett Hickey. Star Mountain was formed as an entity in June of 2010.

Star Mountain will provide investment advisory services to Funds whose general investment strategy is to construct diversified private equity and lending-based portfolios of small and medium-sized business investments. Investments by the Fund are generally one of three types: limited partnership interests in private equity funds (primary investments), secondary purchases of limited partnership interests in private equity funds (secondary investments), and direct investments in operating companies (direct investments). The Fund’s portfolio of primary and secondary private equity fund investments are generally composed of licensed Small Business Investment Companies (“SBIC” or “SBICs”) whose mandate is to invest in U.S. based small and medium-sized businesses through a debt and equity or mezzanine investment structure. The Fund’s direct investments may consist of senior, second-lien or mezzanine loans with equity investments in operating portfolio companies either independently or as a co-investor alongside other funds (including potentially underlying, related SBIC funds).

The Fund, advised by Star Mountain, is generally not expected to be tailored for any specific person or group of persons. In general, the Fund-specific investment strategies and limitations are detailed in the Fund’s private placement memorandum, limited partnership agreement and investment management agreement. As of October 26th, 2012, Star Mountain does not have any assets under management.

Item 5 - Fees and Compensation

Fees will be established on a fund by fund basis in negotiations with each of the Funds and their representatives to which Star Mountain provides investment advisory and management services. Star Mountain's fees may be negotiable depending on the nature of the assets to be managed, the size of each of the Funds' assets and other factors. Fees and expenses charged to clients are specified in each of the Funds' investment management agreements, organizational documents and private placement memoranda.

The standard arrangement for the Fund is to pay to Star Mountain an annual management fee (the "Management Fee") equal to, during the investment period of the Fund, 2.0% of the limited partners' aggregate capital commitments to the Fund (calculated as if all commitments were in effect at the initial closing). Thereafter, the amount of the Management Fee is generally 2.0% (annualized) of the aggregate invested capital (less the amount of any potential write downs) measured as of the beginning of the applicable quarter.

Standard arrangements for the Fund also include a provision whereby, if the Fund invests in an underlying SBIC fund, Star Mountain will avoid the appearance of any duplication of fees by working to ensure that the Star Mountain Management Fee pertaining to that investment, when combined with the management fee of the underlying SBIC fund manager or adviser, does not exceed the management fee that a typical SBIC fund would have charged a typical limited partner investor (i.e. 2.0% of investable capital).

The Management Fee typically pays for certain administrative expenses, internal Star Mountain expenses (such as salaries and benefits of the officers and employees of Star Mountain), as well as the cost of providing certain support and general services Star Mountain may provide for the Fund (e.g., office rental, technology, bookkeeping, secretarial and clerical expenses). Other expenses, such as any brokerage charges, are generally the responsibility of the Fund. Please note: Star Mountain may also charge negotiated performance or incentive based fees such as carried interest, generally paid through the general partnership of a fund.

Star Mountain's Management Fees are paid quarterly in advance. Should the investment advisory services of Star Mountain to a client end mid-quarter, a client will be eligible to receive a pro-rata refund of pre-paid fees (less reasonable expenses) and less any contract "breakage" fee or other limitations specified in each of the Funds' documents, including the applicable investment management agreement. The Management Fee may also be subject to certain reductions and offset(s), based on arrangements particular to a given Fund (i.e. to adjust for certain directors' fees, monitoring fees, consulting fees or other similar non-transactional fees earned for ongoing services provided to portfolio companies in which Fund money is invested).

Item 6 - Performance-Based Fees

The investment adviser generally does not receive performance based fees from its clients. The general partner of the Fund may receive a carried interest or similar performance-based compensation connected fee or allocation to the extent provided for in applicable definitive fund documents.

Item 7 - Types of Clients

Star Mountain provides investment advice and portfolio management services to the Fund. Star Mountain expects that future clients may include pooled investment vehicles formed by its affiliates.

Star Mountain will negotiate its acceptance of the role of investment adviser for each of the Funds on a client by client basis - there is no minimum fund size. Each of the Funds may have its own minimum standards for underlying investors.

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

Investing in securities involves risk of loss that clients should be prepared to bear. Star Mountain strives to reach the best asset allocation for each of its Funds; however, Star Mountain cannot guarantee that its investment advice will lead to successful results.

Standard investment strategies:

Star Mountain provides investment advice and portfolio management services to the Fund. The long-term objective of Star Mountain is to provide investment advice to the Fund so that it may produce an investment return, primarily through a carefully selected portfolio of SBIC funds and other related private equity investments focused on the U.S. small and medium-sized business market. Investments by the Fund are primarily made through direct subscriptions in underlying private equity funds (typically structured as limited partnerships or other limited liability company vehicles), and opportunistically through privately negotiated transactions in the secondary market and also through direct investments in operating companies. In an effort to manage risk and balance Fund participation in the private equity asset class, Star Mountain seeks to construct well-diversified Fund portfolios. Star Mountain's goal is to construct Fund portfolios in a manner that ensures the opportunity for meaningful exposure to a variety of different types and styles of underlying portfolio companies in the small and medium-sized business market.

Primary investments - the evaluation of an SBIC fund typically takes into consideration many factors, including the investment acumen, reputation within the industry, leadership ability, investment performance track record, deal sourcing strategy and capabilities, strategic investment focus, and ability to manage distressed situations, the merits and sustainability of the investment focus and strategy, diversification value to the investing Fund, and the economic and contractual terms governing the SBIC fund. Due diligence activities include evaluating the performance records of previous SBIC funds under similar management and meeting with SBIC fund managers. In addition, personal and business references are checked and evaluated and other due diligence is undertaken. On an ongoing basis, Star Mountain may review annual reports and financial statements, attend annual partnership and advisory board meetings, and have face-to-face ad hoc visits with the SBIC fund managers.

Secondary investments - the Fund may procure secondary opportunities through its relationships with existing SBIC investors and from SBIC managers it invests in which have earlier vintage year SBIC funds. The evaluations of secondary investments will be based on the same general factors as primary partnership investments.

Direct investments - the Fund may purchase direct debt, mezzanine and equity investments in operating portfolio companies either independently or as a co-investor alongside other funds.

An investment in the Star Mountain advised Fund involves a significant degree of risk, relating both to the types of investments contemplated by the Fund and the Fund's ability to achieve their respective investment objectives. There can be no assurance that the Fund's investment objectives will be achieved or that an investor will receive any return of capital. An investor should have the ability to sustain the loss of its entire investment in the Fund in which he/she/it invests.

Investors in private equity entities such as the Fund generally do not have an opportunity to evaluate for themselves the relevant economic, financial, and other information regarding the investments to be made by a fund and, accordingly, will be dependent upon the judgment and ability of Star Mountain. An investment in the Star Mountain advised Fund requires a long-term commitment, with no certainty of return and the potential for loss. Since the Fund may only make a limited number of investments, and since the Fund's investments generally will involve a high degree of risk, poor performance by a few of the investments could severely affect the total returns to the investors. There can be no assurance that the Fund will be able to generate returns for the investors or that returns will be commensurate with the risks of the investments within the Fund's investment objectives. The following list is not a complete list of all risks involved in connection with the Fund that employs, in whole or in part, the strategies set forth above:

- **Lack of Public Market**

The lack of a public market for interests in the Fund and restrictions on transfer of interests make an investment in the Fund only suitable for sophisticated investors who are willing to hold their interests for the term of the Fund and who understand that they may lose all or a significant portion of their invested capital.

- **Mezzanine Transactions**

The Star Mountain advised Fund may invest in mezzanine debt transactions. Although mezzanine securities are typically senior to common stock and other equity securities in the capital structure, they may be subordinated to large amounts of senior debt and are often unsecured. The Fund may not be able to take the steps necessary to protect an investment in a timely manner or at all and there can be no assurance that the rate of return objectives on any particular mezzanine debt investment will be achieved. As debt, such mezzanine investments are generally subject to various creditor risks, including the possible invalidation of an investment transaction as a "fraudulent conveyance" under relevant creditors' rights laws, so called lender liability claims by the issuer of the obligations and environmental liabilities that may arise with respect to collateral securing the obligations. Additionally, adverse credit events with respect to any investee company, such as missed or delayed payment of interest and/or principal, bankruptcy, receivership or distressed exchange, can significantly diminish the value of an investment in any such company.

- **Leverage Risks**

The Fund will generally not directly have long-term leverage. However, underlying partnerships in which the Fund invests may use leverage (e.g., SBIC funds) through the Small Business Administration ("SBA"). It should be noted that SBIC funds generally access low-cost U.S. Government-subsidized 10-year fixed-rate leverage, which can help mitigate risks potentially associated with leverage (described further below).

Leverage can increase investment returns if an underlying SBIC fund earns a greater return on the investments purchased with borrowed funds than it pays for the use of those funds. On the other hand the use of leverage will decrease the returns of the SBIC fund if it fails to earn as much on investments purchased with borrowed money as it pays for the use of such money, all of which would impact results of the Fund.

The use of leverage will magnify the volatility of changes in the value of portfolio investments. Any gain in the value of assets in excess of the cost of the amount borrowed to acquire such assets would cause the borrower's net asset value to increase more than if the assets had been bought without utilizing leverage. Conversely, any decline in the value of its assets to below the cost of the borrowing utilized to fund their purchase would cause the net asset value to decline more sharply than would be the case if debt had not been used to purchase such assets. Accordingly, whilst the use of leverage may increase a borrower's returns, it will also increase its exposure to risks.

The activity of identifying, completing, and realizing attractive investments is difficult and involves a high degree of uncertainty. There can be no assurance that the Fund will be able to locate, consummate, and exit investments that satisfy the Fund's objectives or realize upon their values, or that the Fund will be able to invest fully its committed capital.

- **Potential Lack of Diversification**

Unfavorable performance by a small number of portfolio companies could adversely affect the aggregate returns realized by the Fund. While the Fund advised by Star Mountain would expect to invest in a number of SBIC funds, such number may be insufficient to afford adequate diversification against the risk that an insufficient number of portfolio companies in which the Fund invests may yield a return. The extent of such diversification may depend in part on the number of interests sold.

- **Reliance on Underlying Managers**

The return of the Fund may be primarily dependent upon the performance of related and unrelated SBIC investment managers and management teams. A significant component of the Fund's investment strategy may include fund-of-funds investments. These investments depend on managers of the private equity funds in which the Fund invests. The Fund is expected to be a limited partner in an underlying SBIC fund and does not have the ability to participate in the management and control of underlying investments or have the ability to control the timing of capital calls or distributions received or over investment decisions made by such underlying SBIC funds.

- **Investing in Private Companies Involves a High Degree of Risk**

The Fund's portfolio may contain (directly or indirectly) a high percentage of long-term loans to and investments in private small and medium-sized businesses. Investments in private businesses involve a high degree of business and financial risk, which can result in substantial losses for the limited partners in those investments and accordingly should be considered speculative. There is generally no publicly available information about the companies in which the Fund invests (directly or indirectly), and the Fund relies significantly on the diligence of its service providers and agents to obtain information in connection with investment decisions. If the Fund is unable to identify all material information about these companies, among other factors, the Fund may fail to receive the expected return on investment or lose some or all of the money invested in these companies (either directly or indirectly). In addition, these businesses may have shorter operating histories, narrower product lines, smaller market shares and less experienced management than their larger competitors and may be more vulnerable to

customer preferences, market conditions, loss of key personnel, or economic downturns, which may adversely affect the return on, or the recovery of, investments in such businesses. As an investor, the Fund is subject to the risk that a portfolio company may make a business decision that does not serve the Fund's best interests, which could decrease the value of the investment. Deterioration in a portfolio company's financial condition and prospects may be accompanied by deterioration in the collateral for a loan, if any, and an event of default by the portfolio company. Such an event may reduce the Star Mountain advised Fund's anticipated return on invested capital and delay the timing for distributions to the Fund's limited partners.

- **Availability of High-Quality Investment Opportunities**

The ability of the Star Mountain advised Fund to earn strong returns for investors is largely dependent upon the ability of Star Mountain to gain access to high-quality SBIC funds for primary and secondary limited partnership investments. There is no assurance that such opportunities will be available during the investment period of the Fund or that high-quality secondary purchase opportunities will be available at attractive prices. It is possible that many top-quality SBIC funds could become oversubscribed. There can be no assurance that the Fund will be able to source and locate attractive investments or that the investments may ultimately satisfy the Fund's investment objectives.

Furthermore, the availability of investment opportunities generally will be subject to market conditions and competition from other groups as well as, in some cases, the prevailing regulatory or political climate. Interest rates (including the cost of borrowing from the SBA for SBIC funds), general levels of economic activity and participation by other investors in the financial markets may affect the value and number of investments made by the Fund and the SBIC funds considered for prospective investment. Accordingly, there can be no assurance that the Fund or underlying SBIC funds will be able to identify and complete attractive investments in the future or that they will be able to fully invest their commitments.

- **SBIC funds May Not Have Significant Operating History**

Although key personnel of Star Mountain have experience managing investments in the private equity market and Government-sponsored funds (including SBIC funds), many of the SBIC funds in which the Fund may invest may be newly or recently-formed entities with limited or no significant operating history upon which to evaluate their likely performance or the likely effectiveness of their investment strategy. An investment in the Fund is therefore subject to all of the risks and uncertainties associated with any new business, including the risk that the Fund will not achieve its investment objectives and that the value of an investment could decline substantially.

- **Due Diligence Process**

Star Mountain conducts due diligence before committing Fund capital to any particular investment. The objective of the due diligence process is to identify attractive investment opportunities based upon the facts and circumstances surrounding an investment. When conducting due diligence, the Star Mountain team expects to evaluate a number of important issues in determining whether or not to proceed with an investment. These issues will vary depending on the kind of investment opportunity presented, but may include business, financial, tax, accountings, environmental and legal issues. Outside consultants, legal advisers, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, Star Mountain will be required to rely on resources available, including information provided by the target investment and, in some circumstances, third-

party investigations. The due diligence process may at times be subjective with respect to newly organized funds or companies for which only limited information is available. In light of the foregoing, there can be no assurance that the due diligence investigations undertaken by Star Mountain will reveal or highlight all relevant facts that may be necessary or helpful in evaluating a particular investment opportunity. There can also be no assurance that such an investigation will result in an investment being successful.

▪ **Value of Investments May Not Be Realized**

The majority of Star Mountain's Fund investments are in the form of investments for which market quotations may not be readily available. The valuations of the Fund's investments by Star Mountain and the underlying SBIC managers may be drawn up on the basis of a good faith assessment of the fair value of the assets. There is no single standard for determining fair value in good faith, and, in many cases, fair value is best expressed as a range of fair values from which a single estimate may be derived. The types of factors that may be considered when applying fair value pricing to an investment in a particular company or assets include historical and projected financial data, valuations given to comparable enterprises, the size and scope of an entity's operations, the strengths and weaknesses of an enterprise, expectations relating to investors' receptivity to an offering of ownership interests in the entity, the relative size of the holding in the investment and the control or lack of control stemming from that size, information with respect to transactions in respect of, or offers for, ownership interests in the entity (including the transaction pursuant to which the investment was made and the period of time that has elapsed from the date of the investment to the valuation date), applicable restrictions on transfer, industry information and assumptions, general economic and market conditions, the nature and realizable value of any collateral or credit support and other relevant factors. Fair values may be established using a market multiple approach that is based on a specific financial measure (such as EBITDA, adjusted EBITDA, cash flow, net income, revenues or net asset value) or, in some cases, a cost basis or a discounted cash flow or liquidation analysis. Valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates. Determinations of fair value may differ materially from the values that would have resulted if a liquid market for such investments had existed. Even if market quotations are available for any of the Fund's investments, such quotations may not reflect the value that would actually be realizable owing to various factors, including the possible illiquidity arising from the holding of a majority ownership position by a third party, subsequent illiquidity in the market for an entity's securities or other ownership interests, future market price volatility or the potential for a future loss in market value based on poor industry conditions or the market's view of overall management performance. The value of an interest in the Fund will be adversely affected if the amounts received on realizations of direct or indirect investments are lower than the values previously recorded for them.

▪ **The Fund May Experience Fluctuations in Results**

As an asset class, private equity has generally exhibited volatility in returns over different periods, and it is likely that this will continue to be the case in the future. Such variability may cause results for a particular period not to be indicative of performance in a future period.

▪ **Difficult Market and/or Economic Conditions**

The success of the Fund's investments may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws and

national and international political circumstances. These factors may affect the level and volatility of security prices and liquidity of the securities held by the Fund and by SBIC funds. Unexpected volatility or liquidity could impair an SBIC fund's profitability or result in losses to the Fund. The Fund's investments may be materially affected by conditions in the global financial markets and economic conditions throughout the world. The global market and economic climate may deteriorate because of many factors beyond Star Mountain's control, including rising interest rates or inflation, credit crises, market disruption, terrorism or political uncertainty. In the event of a market downturn, each of the investments held by the Fund could be adversely affected. SBIC funds may face reduced opportunities to sell and realize value from their existing investments and there may be a lack of suitable new investments. In addition, economic downturns may make it more difficult for companies to meet their debt service obligations and satisfy financial covenants, either of which could have a material adverse effect on their businesses. An increase in either the general levels of interest rates or in the risk spread demanded by finance providers would make the financing of private equity investments with indebtedness more expensive and could limit the ability of the Fund and underlying SBIC funds to structure and consummate private equity investments. A downturn in market and/or economic conditions, or a specific market dislocation or rise in the general level of interest rates, may lead to a decline in the net asset value of the Fund's investments.

▪ **Unforeseen Adverse Effects Due To Market Driven Regulatory Changes**

In recent years, world financial markets experienced extraordinary market conditions, including, among other things, extreme losses and volatility in securities markets and the failure of credit markets to function. In reaction to these events, regulators in the U.S. and several other countries undertook unprecedented regulatory action. The U.S. Government and securities regulators continue to consider and implement measures to stabilize U.S. financial markets. The Fund may be adversely affected by the foregoing events including, but not limited to, changes pertaining to the U.S. Government / SBA established SBIC program. Any such regulations could have an adverse impact on the Fund, including on the ability of the Fund to achieve its objectives.

▪ **Departure or Reassignment of Some or all of Star Mountain's Investment Professionals**

The success of the Fund will depend in substantial part on the skills and expertise of the investment professionals of Star Mountain. The loss of one or more key individuals could have a material adverse effect on the performance of the Fund.

▪ **U.S. Investment Company Act**

While the Fund may be considered to be similar in some ways to an investment company, the Star Mountain advised Fund is not required, and does not intend to register as such under the Investment Company Act of 1940. Accordingly, limited partners in the Fund are not accorded the protections of the Investment Company Act.

▪ **Conflicts of Interest**

Certain of the Fund's investment professionals serve or may serve in an investment management capacity to multiple Funds managed and/or advised by Star Mountain or by affiliated or unaffiliated entities and funds. Investment professionals may allocate such time and attention as may be deemed appropriate. In this respect, they may experience diversions of their attention from any of the Funds and potential conflicts of interest between their work for any of the Funds and their work on other matters

may arise, including situations where one or more investment vehicle or opportunity may be attractive to multiple parties.

In addition, affiliates of Star Mountain may contract and/or otherwise conduct business with companies and partnerships in which the Fund invests (directly or indirectly through SBIC funds or other funds) upon such terms and conditions as may be agreed between such affiliates and entities. As an example, one or more affiliates of Star Mountain may potentially, as registered representatives of a broker, negotiate to receive investment banking and other similar fees from SBIC funds and portfolio companies thereof. While the Fund is expected to typically have a Limited Partnership Board that includes limited partners of the Fund and such Limited Partnership Board will be made aware of known material conflicts of interest and may provide advice regarding the resolution of potential conflicts of interest, such Limited Partnership Board may not have the right to block or delay a transaction and may be advisory only.

Further, Star Mountain and/or its affiliates may form, advise and/or manage one or more Funds with similar investment strategies to the Fund but which are targeted at different investor bases. Such Funds may concentrate, in whole or in part, on investments which may not be suitable for other Funds (due to size, availability of cash or otherwise), or invest parallel to one or more Funds where there is a sufficiently sized investment opportunity. However, in certain cases an investment by Funds with a similar strategy to the Fund may limit the ability of the existing Funds to invest in a select investment opportunity. In such a case, Star Mountain may allocate all, none or any portion of the investment opportunity to the other Funds. Star Mountain will attempt to make any allocations on a fair and equitable basis.

Item 9 - Disciplinary Information

Not applicable. Star Mountain does not have any legal and/or disciplinary events to disclose.

Item 10 - Other Financial Industry Activities and Affiliations

Star Mountain Stimulus Fund GP, LLC, an entity under common control with Star Mountain, serves as general partner to the current Star Mountain advised Fund. As such, it has overall control over such Fund's business affairs and is eligible to earn a carried interest and/or other performance-based compensation. Certain persons are officers and/or employees of both Star Mountain Stimulus Fund GP, LLC and Star Mountain. Employees and officers of Star Mountain are directly subject to the Star Mountain code of ethics ("Code of Ethics"), as required by applicable SEC rules and regulations.

Personnel of Star Mountain and/or Star Mountain Stimulus Fund GP, LLC currently contemplate forming and managing one or more Funds that may, at least in part, operate in parallel to the Fund. Such Funds may be targeted at a different investor base or slightly different investment strategy.

Personnel of Star Mountain and/or Star Mountain Stimulus Fund GP, LLC currently contemplate forming and managing one or more entities that will seek licenses from the SBA to operate as SBICs. It is currently contemplated that the first SBIC fund affiliated with Star Mountain may be established in late 2012 or 2013 (the "2013 SBIC Fund"). It is expected that the investment advisor and/or general partner of the 2013 SBIC Fund, and all subsequent SBIC funds formed by Star Mountain affiliates (Star Mountain advised Funds may invest in both affiliated and non-affiliated SBIC funds), will be entities under common control with Star Mountain. It is anticipated that one or more Funds advised by Star Mountain may be investors (potentially the sole investor(s)) in the 2013 SBIC Fund and subsequent affiliated SBIC funds, in each case investing in a similar manner to fund investments in unaffiliated SBIC entities.

Funds advised by Star Mountain may or may not receive any favorable treatment or fee waivers from the affiliated SBIC funds. In part as a result, the investment advisor and/or general partner of the affiliated SBIC funds will be entitled to management fees and/or incentive compensation in connection with their management of the affiliated SBIC funds. While the cumulative amount of fees involved with an investment in the affiliated SBIC funds are not expected to be materially different or higher than that which would result from an investment by Star Mountain advised Funds in a generic unaffiliated third-party SBIC fund, investment by Star Mountain advised Funds in affiliated SBIC funds may result, indirectly, in a greater economic benefit to Star Mountain and/or its affiliated parties. This may result in certain incentives for Star Mountain and affiliated parties to favor investment in affiliated SBIC funds over equivalent non-affiliated SBIC funds.

In interest of disclosure, please also see Item 12 concerning arrangements between the current Star Mountain advised Fund, Star Mountain Stimulus Fund GP, LLC and Cappello Capital Corp. Please note that Cappello Capital Corp. is not affiliated with Star Mountain or Star Mountain Stimulus Fund GP, LLC.

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

General

In compliance with Rule 204A-1 of the Advisers Act, Star Mountain has adopted a Code of Ethics in order to establish the standard of conduct expected of all Star Mountain supervised persons ("Supervised Persons") in light of Star Mountain's duties to its clients.

Standard of Conduct

In connection with the Code of Ethics, Supervised Persons of Star Mountain are required to act at all times in accordance with Star Mountain's fiduciary duty to the Funds advised by Star Mountain. Each such person should (i) at all times place the interests of the Funds before his or her own interests except as expressly provided for in each of the Funds limited partnership agreements and disclosure documents, (ii) act with honesty and integrity with respect to the Funds and their investors, (iii) never take inappropriate advantage of his or her position for his or her personal benefit, (iv) make full and fair disclosure of all material facts, particularly where Star Mountain's or the Supervised Person's interests may conflict with that of any of the Funds, and (v) have a reasonable, independent basis for his or her investment advice.

All Supervised Persons are expected to be familiar with and comply with the laws and regulations applicable to their day-to-day responsibilities, including U.S. federal securities laws and regulations.

▪ Reporting Violations

Supervised Persons must promptly report violations of the Code of Ethics to the Chief Compliance Officer of Star Mountain.

▪ Personal Securities Transactions

In order to avoid actual and perceived conflicts of interests with the Funds as well as the laws relating to insider trading, Star Mountain has adopted a personal securities transactions policy. As a general rule, Star Mountain, and Supervised Persons may not buy or sell their personal securities to or from the Funds. Individual Star Mountain personnel or related persons may from time to time invest in securities of issuers in which Funds have invested or is seeking to invest subject to the written compliance policies and procedures of Star Mountain. Star Mountain and its personnel are not permitted to "front-run" or self-deal to the disadvantage of Star Mountain advised Funds.

As a general practice, if any of the Funds and an employee or officer of Star Mountain is seeking to invest in the same issuer at the same time, the investment of the officer or employee will only be allowed subject to the written compliance policies and procedures of Star Mountain.

Star Mountain's Code of Ethics will be provided to any client or prospective client upon request.

Item 12 - Brokerage Practices

In general, and due to the nature of the strategy of the Funds, Star Mountain does not anticipate the use of broker-dealers for the provision of execution services on a regular basis but may engage broker-dealers to buy or sell assets. Broker-dealers, to the extent required for any of the Funds' transactions will be selected on a case by case basis consistent with best execution obligations.

Notwithstanding the above, Star Mountain may receive research products from brokers including newsletters and research reports. Star Mountain may receive "soft dollar" research within the safe harbor of Section 28(e) of the Securities Exchange Act of 1934.

Pursuant to the terms of the Fund's documents, the Fund's general partner, on behalf of the Fund, is authorized to enter into certain marketing/consulting agreements with qualified providers of such services. Marketing/consulting services may include, but are not limited to, the introduction of the Fund and SBIC portfolio companies to accredited and other qualified investors (such as institutional investors). The fees payable for such marketing/consulting services may be paid by Star Mountain, the Fund's general partner and the Fund.

Please note: The Fund has entered into a marketing agreement with Cappello Capital Corp., a FINRA registered broker ("Cappello"). The Fund has agreed to pay a retainer fee plus other sums to Cappello. Star Mountain and the general partner of the Fund have agreed to pay (via a fee allocation or otherwise) further sums for Cappello's services to the Fund out of what would otherwise be their own management fees (in the case of Star Mountain) and carried interest (in the case of the general partner). Upon receipt of its fees, Cappello has agreed to invest certain sums received back into the Fund as a limited partner, so as to further its long-term alignment of interest with limited partners of the Fund. Cappello and/or Star Mountain may enter into agreements with other third party marketers to perform marketing services on behalf of the Fund - at least one such agreement is in place. Cappello and other brokers that service the Fund may also provide capital introduction services to the Fund and, independently, to Star Mountain.

Item 13 - Review of Accounts

All client accounts are reviewed regularly by Star Mountain's investment committee, and in particular, at times of significant and relevant market changes.

After an investment decision is made, Star Mountain, on behalf of the Fund, expects to collaborate with each underlying SBIC fund management team to try to foster a culture of direct and regular dialogue in order to maximize the success of the investment. Monitoring may take place through in-person meetings and reports generated each period by SBIC fund management. Monitoring efforts are expected to be led by one or more relationship managers (a senior Star Mountain principal) and are intended to be reported to the Star Mountain investment committee on at least a quarterly basis. Star Mountain clients (the Funds themselves) will generally receive monthly, as well as quarterly and annual financial and other reports.

The Fund and its investors are provided with an annual Fund audit and quarterly unaudited financial statements. Such reports may be sent directly or, more commonly, through the Fund's administrator. Underlying fund investors are also provided with annual tax related disclosures and data.

Item 14 - Client Referrals and Other Compensation

Star Mountain's only clients will be private equity funds (or lending/other asset management funds) such as Star Mountain Stimulus Fund, LP. No fees are paid to refer private equity funds to Star Mountain. Please see Item 12 for a Discussion of Cappello Capital Corp. (an entity that markets interest in the Fund to underlying Fund investors).

Star Mountain has an investment committee that provides guidance, assistance, recommendations, and ideas to Star Mountain and its clients with respect to investment opportunities and asset management decisions. While the members of the investment committee are expected to be directly compensated by Star Mountain, in association with their efforts on the investment committee, members will also generally be made Members of Star Mountain Stimulus Fund GP, LLC (the general partner of the Fund, "GP") and/or purchase interest in the GP. Other personnel of Star Mountain may similarly be awarded or purchase interests in the GP. As a result of their membership interests in the GP, personnel of Star Mountain (including members of the investment committee) are expected to receive a percentage of the carried interest earned by the GP from the Fund and a share in the GP's profits. While this compensation does result in an incentive for Star Mountain personnel to align their interests with those of the GP, Star Mountain and the GP are entities under common control and the interests of the Fund and the GP (especially as to generating significant gains so as to pay carried interest) are also generally aligned.

Item 15 - Custody

All client funds and certificated securities of the advised Fund are held with a qualified custodian.

The Fund advised by Star Mountain is subject to an annual audit, and Star Mountain or the Fund administrator will distribute the Fund's audited financial statements to the Fund's investors within 180 days after the Fund's fiscal year end (which is the calendar year end). The auditor of the Fund is an independent public accountant registered with and subject to inspection by the Public Company Accounting Oversight Board.

Upon liquidation, the Fund will distribute its audited financial statements to its investors after the completion of such audit.

Item 16 - Investment Discretion

Star Mountain will only manage discretionary accounts for private equity funds. Star Mountain is granted discretionary authority by way of the investment management agreement with private equity funds.

Any material, fund-wide limitations to this discretion for the private equity funds will be contained in each of the private equity funds' documents, including the investment management agreement, the associated limited partnership agreement and/or the associated private placement memorandum.

Item 17 - Voting Client Securities

Star Mountain has not been delegated the authority to vote Fund securities. Instead, the general partner of the Fund (who is affiliated with Star Mountain) will vote all Fund securities, as may be appropriate.

Item 18 - Financial Information

Star Mountain does not require prepayment of its management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.

Star Mountain is unaware of any financial conditions that would be reasonably likely to impair its ability to meet its contractual obligations to the Fund and has not been the subject of a bankruptcy proceeding.