

**Item 1. Cover Page**

**Bain Capital Partners, 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 Bain Capital Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (617) 516-2318. 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 Bain Capital Partners, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://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**

Item 2 is not applicable.

### **Item 3. Table of Contents**

| <u>Item Number</u> | <u>Item</u>   | <u>Page</u> |
|--------------------|---|-------------|
| 1                  | Cover Page  | 1           |
| 2                  | Material Changes  | 2           |
| 3                  | Table of Contents   | 3           |
| 4                  | Advisory Business   | 4           |
| 5                  | Fees and Compensation   | 5           |
| 6                  | Performance-Based Fees and Side-By-Side Management                                    | 6           |
| 7                  | Types of Clients  | 6           |
| 8                  | Methods of Analysis, Investment Strategies and Risk of Loss                           | 6           |
| 9                  | Disciplinary Information  | 10          |
| 10                 | Other Financial Industry Activities and Affiliations                                  | 10          |
| 11                 | Code of Ethics, Participation or Interest in Client Transactions and Personal Trading | 16          |
| 12                 | Brokerage Practices   | 17          |
| 13                 | Review of Accounts  | 17          |
| 14                 | Client Referrals and Other Compensation   | 18          |
| 15                 | Custody   | 18          |
| 16                 | Investment Discretion   | 18          |
| 17                 | Voting Client Securities  | 18          |
| 18                 | Financial Information   | 19          |
| 19                 | Requirements for State-Registered Advisers  | 19          |

#### **Item 4. Advisory Business**

Bain Capital Partners, a Delaware limited liability company wholly owned by Bain Capital, LLC (“Bain Capital”), provides investment advisory services to pooled investment vehicles 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 “Bain Capital Partners Funds”)<sup>1</sup>. As the investment adviser of each Bain Capital Partners Fund, Bain Capital Partners, along with each Bain Capital Partners Fund’s General Partner (“General Partners”), identifies investment opportunities for, and participates in the acquisition, management, monitoring and disposition of investments of, each Bain Capital Partners Fund.

The primary focus of Bain Capital Partners’ investment advisory activity is researching and advising on private equity investments, including leveraged acquisitions and recapitalizations, investments in growth companies, turnarounds and traditional buyouts in a wide variety of industries. Such investments take the form of privately negotiated investment instruments including unregistered equity from both U.S. and non-U.S. issuers. Although the primary focus of each Bain Capital Partners Fund is on private equity investments, Bain Capital Partners may from time to time recommend other types of investments consistent with the respective Bain Capital Partners Fund’s investment strategy and objectives.

Bain Capital Partners provides investment advisory services to each of the Bain Capital Partners Funds pursuant to separate investment and advisory agreements (each, an “Advisory Agreement”). Investment advice is provided by Bain Capital Partners directly to the Bain Capital Partners Funds, subject to the direction and control of the affiliated General Partner of such Bain Capital Partners Fund.

Any restrictions on investments in certain types of securities are established by the General Partner of the applicable Bain Capital Partners Fund and are set forth in the documentation received by each limited partner prior to investment in such Bain Capital Partners Fund. Once invested in a Bain Capital Partners Fund, investors cannot impose restrictions on the types of securities in which such Bain Capital Partners Fund may invest. Currently there are no restrictions on the types of securities in which a Bain Capital Partners Fund may invest.

Bain Capital Partners has been in business since 1984. As of December 31, 2012, Bain Capital Partners manages a total of approximately \$36,380,000,000<sup>1</sup> of client assets, all of which is managed on a discretionary<sup>2</sup> basis.

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<sup>1</sup> Where applicable, includes wholly owned subsidiaries and AIVs related to transactions with Bain Capital Partners Funds.

<sup>2</sup> Bain Capital Partners does not have ultimate investment discretion with respect to the assets of any Bain Capital Partners Fund, as such discretion is retained by the applicable General Partner of each Bain Capital Partners Fund.

## **Item 5. Fees and Compensation**

As compensation for investment advisory services rendered to the Bain Capital Partners Funds, Bain Capital Partners receives from each Bain Capital Partners Fund an annual management fee payable quarterly in advance. Upon termination of an advisory agreement, appropriate treatment will be given to all management fees collected in advance. As described below, the management fee may be reduced or waived in some circumstances in connection with the receipt by Bain Capital Partners or its related persons of various fees paid by actual or prospective portfolio companies. The management fee is generally subject to waiver or reduction by Bain Capital Partners in its sole discretion, including in connection with investments made by the General Partners or its related persons.

To the extent provided in the Investment and Advisory Agreements and the partnership agreements of the Bain Capital Partners Funds, Bain Capital Partners will pay out of its management fees certain operating expenses, such as compensation expense related to its investment personnel and other personnel for non-fund-related and non-transaction-related services, rent, utilities, office expenses and non-transaction-related travel expenses (other than carried interest described in Item 6 below) and other routine administrative expenses relating to the services and facilities provided by Bain Capital Partners to the Bain Capital Partners Funds. Each Bain Capital Partners Fund will bear all other expenses relating to it to the extent not borne by its portfolio companies, including expenses of legal, accounting, research and other professional services to the Bain Capital Partners Funds, whether performed by internal staff of Bain Capital Partners, affiliates or entities established by Bain Capital Partners or by third parties, and filing and similar fees paid on behalf of the Bain Capital Partners Funds, and consulting and investment banking services to the Bain Capital Partners Funds performed by third parties, custody, transfer, registration, third-party administrative and similar expenses, brokerage and finders' expenses, insurance, advisory board, interest, transaction-related travel expenses, taxes and extraordinary expenses, and other similar fees and expenses. Some of these expenses borne by the Bain Capital Partners Funds may relate to costs associated with unexecuted transactions.

### *Other Fees*

Bain Capital Partners and its affiliates will typically perform management, advisory, investment banking, financial advisory and other services ("Related Services") for, and will receive fees from, actual or prospective portfolio companies or other deal related investment vehicles of the Bain Capital Partners Funds, including such fees in connection with mergers, acquisitions, add-on acquisitions, refinancings, public offerings, sales and similar transactions. These fees may be significant and may, in some instances, exceed the management fee. Such fees may be paid in cash, in securities of portfolio companies or investment vehicles (or rights thereto) or otherwise. Additionally, a portfolio company may reimburse Bain Capital Partners, LLC for expenses incurred by Bain Capital Partners, LLC in connection with its performance of services for such portfolio company.

Although such fees are in addition to the management fees paid by the Bain Capital Partners Funds, Bain Capital Partners will in some circumstances reduce future management fees in connection with the receipt of these fees. The calculation of such reduction varies from fund to

fund and is described in the applicable fund documents. Such reductions will be credited on a regular basis. To the extent any such credit would reduce the management fee for a given quarter below zero, such credit will be carried forward for future application. These fees are disclosed in the annual financial statements of the applicable Bain Capital Partners Fund.

Although Bain Capital Partners does not generally utilize the services of broker-dealers for transaction related services, in the event that it chooses to use a broker-dealer for limited purposes relating to a particular Bain Capital Partners Fund, such Bain Capital Partners Fund will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below.

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

A portion of each Bain Capital Partners Fund's net investment profit is allocated to the capital account of its General Partner as "carried interest." Each General Partner of a Bain Capital Partners Fund is a related person of Bain Capital Partners.

#### **Item 7. Types of Clients**

Bain Capital Partners currently provides investment advisory services to the Bain Capital Partners Funds. Investment advice is provided directly to the Bain Capital Partners Funds, subject to the direction and control of the General Partner of such Bain Capital Partners Fund, and not individually to the limited partners of such Bain Capital Partners Fund.

Interests in the Bain Capital Partners Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in Bain Capital Partners Funds include high net worth individuals, banks, thrift institutions, pension and profit-sharing plans, sovereign wealth funds, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other business entities.

Although Bain Capital Partners does not impose minimum dollar values on creating a Bain Capital Partners Fund, legal eligibility requirements must be met. Minimum investment commitments may be established for limited partners in Bain Capital Partners Funds. The General Partner of each Bain Capital Partners Fund, in its sole discretion, may permit investments that are less than the required minimum investment commitment set forth in the applicable fund documents of such Bain Capital Partners Fund.

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

##### **Methods of Analysis and Investment Strategies**

Prior to making an investment, Bain Capital Partners carries out an extensive fundamental analysis of a target investment's position and prospects. A vital element of this analysis is the

development of an operating plan that, if the investment is approved, will form the basis for the portfolio company's operating targets.

The dimensions of such due diligence analysis generally include the following:

*Market Definition.* Market definition delineates the boundaries where competitive advantage can be established and sustained. Market definition is based on the economics of the business, sharing with other businesses, and the dynamics of customer behavior.

*Market Segmentation.* Within a defined market, market segments present vulnerabilities as well as opportunities.

*Competitive Position.* Often at the heart of strategic due diligence is a thorough analysis of each competitor's relative cost position, market and segment shares, technology, management, financial capability, and implicit future strategy.

*Cost Analysis.* Bain Capital Partners seeks to break down a business's cost structure into elements, which are driven by common factors, referred to as "cost drivers." Armed with an understanding of the factors that will drive a business's cost position, actions can be targeted that will reduce costs and improve margins, eliminate unnecessary costs, and build sustainable advantage and value.

*Capabilities and Assets.* Generally, a business enjoys, or can develop, distinctive capabilities that set it apart from other participants in its industry. The value and potential of these capabilities can be measured. These capabilities may include brand franchise, distribution strength, shelf space, and technology.

*Management.* Bain Capital Partners evaluates members of the management team, works to ensure that economic incentives post-closing are aligned with the business plan, and takes whatever steps to support the management team. Where required, Bain Capital Partners professionals have temporarily filled operating positions while a high quality manager is being recruited.

*Regulatory, Environmental, Tax, Legal, Accounting.* Bain Capital Partners, and an experienced team of outside professionals, perform a full review of potential regulatory, environmental, tax, legal, and accounting contingencies, as needed, prior to making an investment.

*Harvest Analysis.* Before making an investment, Bain Capital Partners fully explores the alternative options for future liquidity. Businesses with limited liquidity alternatives are discounted more heavily.

## **Risks**

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

In addition, material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by Bain Capital Partners Funds in connection with those strategies and methods, include the following:

#### *Leveraged Investments*

While investments in highly leveraged companies offer the opportunity for capital appreciation, such investments also involve a high degree of risk. Some of the Bain Capital Partners Funds' investments may involve high degrees of leverage, as a result of which recessions, operating problems and other general business and economic risks may have a more pronounced effect on the profitability or survival of the Bain Capital Partners Funds' portfolio companies. A Bain Capital Partners Fund's ability to achieve attractive rates of return on investments will depend on the ability of its portfolio companies to access sufficient sources of debt at attractive rates, including high yield debt. However, availability of capital from the debt markets is subject to volatility from time to time, and there may be times when a Bain Capital Partners Fund might not be able to access those markets at attractive rates, or at all, when completing an investment. Also, increased interest rates generally increase portfolio company interest expenses. In the event any such portfolio company cannot generate adequate cash flow to meet debt service, the applicable Bain Capital Partners Fund may suffer a partial or total loss of capital invested in the portfolio company.

#### *Illiquidity of Investments*

The Bain Capital Partners Funds' investments may consist of securities that are subject to restrictions on sale under U.S. securities laws. Generally, a Bain Capital Partners Fund will not be able to sell these securities publicly in the U.S. without the expense and time required to register the securities under the Securities Act of 1933, as amended (the "Securities Act") or will be able to sell the securities only under Rule 144 or other rules under the Securities Act that permit only limited sales under specified conditions. When restricted securities are sold to the public, the applicable Bain Capital Partners Fund may be deemed a controlling person, or possibly an "underwriter," with respect thereto for the purpose of the Securities Act and be subject to liability as such under that Act.

The sale of investments may be subject to restrictions imposed by the applicable securities laws of the countries in which a Bain Capital Partners Fund invests. In addition, practical limitations may inhibit a Bain Capital Partners Fund's ability to liquidate certain of its investments in the portfolio companies since the issuer will be privately held and the Bain Capital Partners Fund may own a relatively large percentage of the issuer's equity 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 limitations on liquidity of a Bain Capital Partners Fund's investments could prevent a successful sale thereof, result in delay of any sale, or reduce the amount of proceeds that might otherwise be realized.

#### *Geographic Concentration Risk*



Certain Bain Capital Partners Funds (the “Geographically Focused Funds”) will focus their investments in a particular geographic region and therefore will be particularly vulnerable to events affecting companies in such region. The economy of a particular country in which a Geographically Focused Fund may invest is influenced by economic and market considerations in other countries in the relevant region. Investors’ reactions to events in one country can have adverse effects on the securities of companies and the value of property and related assets in other countries in which a Geographically Focused Fund may invest. The performance of a Geographically Focused Fund may be worse than the performance of other funds that invest more broadly geographically.

#### *General Risks Associated with Non-U.S. Investments*

Investment in non-U.S. issuers or securities principally traded outside of the United States may involve certain special risks due to non-U.S. economic, political and legal climates, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of taxes on dividends, interest payments, or capital gains, the need for approval by government or other authorities to make investments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities. Furthermore, there may be less information publically available about a non-U.S. issuer than about a U.S. issuer, and issuers of non-U.S. securities are subject to different, often less comprehensive accounting reporting and disclosure requirements than U.S. issuers. The securities of some non-U.S. governments and companies and non-U.S. securities markets are less liquid and at times more volatile than comparable U.S. securities and securities markets. Non-U.S. brokerage commissions and other fees are also generally higher than in the United States. There are also special tax considerations that apply to investments in securities of non-U.S. issuers and securities principally traded outside of the United States. Moreover, the expenses normally associated with non-U.S. investments often exceed those associated with U.S. investments.

#### *Financial Market Fluctuations*

General fluctuations in the market prices of securities may affect the value of the investments held by the Bain Capital Partners Funds. Instability in the securities markets may also increase the risks inherent in the Bain Capital Partners Funds’ investments. While current market conditions may create opportunities for the Bain Capital Partners Funds to make investments at prices that the General Partners of the Bain Capital Partners Funds and Bain Capital Partners believe are attractive, it creates a number of risks. There can be no assurance that the market will, in the future, become more liquid than it is at present and it may well continue to be volatile for the foreseeable future. The Bain Capital Partners Funds may be adversely affected to the extent that they seek to dispose of any of their portfolio investments into an illiquid or volatile market, and the Bain Capital Partners Funds may find themselves unable to dispose of an investment at a price that the General Partners of the Bain Capital Partners Funds and Bain Capital Partners believe reflect the investment’s fair value. The duration and ultimate effect of current market conditions and whether such conditions may worsen cannot be predicted. The

ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities in the public high yield debt market or otherwise.

### *Privatizations*

Bain Capital Partners Funds may invest in state-owned enterprises that have been, or will be, transferred from government ownership to private ownership. There can be no assurance that any privatizations will be undertaken or, if undertaken, successfully completed. Changes in political or economic factors would result in changes in government policies towards privatization, and it is possible that governments may decide to return projects and companies to state ownership. In such scenarios, the level of compensation that would be provided to the private companies concerned cannot be accurately predicted, but could be substantially less than the amount invested in such companies. Recent privatizations and exits from these transactions have triggered relatively extreme political and regulatory reactions, and so Bain Capital Partners Funds may not succeed profitably investing in state-owned enterprises.

### *Legal and Regulatory Risks*

Legal, tax and regulatory changes could occur during the term of the Bain Capital Partners Funds that may adversely affect the Bain Capital Partners Funds. The regulatory environment for private investment funds is evolving, and changes in the regulation of private investment funds may adversely affect the value of investments held by the Bain Capital Partners Funds and the ability of the Bain Capital Partners Funds to obtain the leverage they might otherwise obtain or to pursue their trading strategies. New laws or revised regulations imposed by the U.S. Securities and Exchange Commission (the “SEC”), other governmental regulatory authorities, self-regulatory organizations or industry bodies that supervise the financial markets that could adversely affect Bain Capital Partners Funds may be adopted in the future. The Bain Capital Partners Funds may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by these regulatory authorities or self-regulatory organizations.

### *Accounting, Reporting and Disclosure Standards*

Different, often less comprehensive, accounting, reporting and disclosure requirements and practices apply to issuers in certain foreign countries than is the case with U.S. issuers. As a result, information available to the Bain Capital Partners Funds may be less reliable and less detailed than information available in more developed countries, and the Bain Capital Partners Funds’ due diligence reviews may provide less information than reviews conducted in more developed countries.

### *Currency Risk; Hedging*

It is expected that some of the Bain Capital Partners Funds’ investments, and the income received by the Bain Capital Partners Funds with respect to such investments, will be denominated in non-U.S. currencies. Bain Capital Partners Funds’ books, however, will be maintained, and contributions to and distributions from the Fund will generally be made, in U.S. dollars. Accordingly, changes in currency exchange rates, costs of conversion and exchange control regulations may adversely affect the dollar value of the Bain Capital Partners Funds’ investments and the amounts of distributions, if any, to be made by the Bain Capital Partners

Funds. Currency exchange rates may fluctuate significantly over short periods of time and may also be affected unpredictably by intervention by governments or central banks (or the failure to intervene) or by currency controls or political developments in one or more jurisdictions. The Bain Capital Partners Funds may incur costs or experience substantial delays when, or be prohibited from, converting one currency into another.

The Bain Capital Partners Funds may, but are not required to, engage in currency hedging transactions. There can be no assurance, however, that the Bain Capital Partners Funds will engage in such hedging transaction at any given time or from time to time, or that such hedging transactions will be available or be available at a reasonable cost, or that such hedging transactions will be effective and actually eliminate the applicable currency risk. Such hedging transactions may even exacerbate any negative impact on the Bain Capital Partners Funds resulting from changes in currency exchange rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Bain Capital Partners Funds may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Bain Capital Partners Funds than if they had not entered into such hedging transactions.

#### *Reliance on Management*

Decisions with respect to the management of each Bain Capital Partners Fund will be made by the General Partner of such Bain Capital Partners Fund with the advice of Bain Capital Partners. The success of a Bain Capital Partners Fund will depend on the ability of its General Partner and Bain Capital Partners to identify and consummate investments, to improve the operating performance of portfolio companies and to dispose of investments of such Bain Capital Partners Fund at a profit. The loss of the services of one or more members of the professional staff of Bain Capital Partners or of the partners of the General Partner of a Bain Capital Partners Fund could have an adverse impact on such Bain Capital Partners Fund's ability to realize its investment objective. In addition, it is expected that all of the officers and employees responsible for managing a particular Bain Capital Partners Fund will continue to have responsibilities with respect to other funds and accounts managed by Bain Capital Partners. Thus such persons will have demands made on their time for the investment, monitoring, exit strategy and other functions of other funds and accounts.

#### *Third-Party Involvement*

The Bain Capital Partners Funds may co-invest with third-parties through partnerships, joint ventures or other entities. Such investments may involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals which are inconsistent with those of the Bain Capital Partners Funds, or may be in a position to take action contrary to the investment objective of the Bain Capital Partners Funds. In addition, the Bain Capital Partners Funds may in certain circumstances be liable for actions of its third-party co-venturer or partner.

Different risks may exist with respect to investments in different Bain Capital Partners Funds.

The risks associated with an investment in any particular Bain Capital Partners Fund may be substantially impacted by the nature and timing of the market.

## **Item 9. Disciplinary Information**

No material items exist as of this time.

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

### **Related General Partners**

Various limited partnerships (the “General Partners”) serve as General Partners of the Bain Capital Partners Funds, and Bain Capital Investors, LLC is the General Partner of each of the General Partners. The investment committee of Bain Capital Investors, LLC is comprised of Managing Directors of Bain Capital Partners.

### **Affiliated Advisers**

Bain Capital Partners currently has four affiliated advisers based in the U.S., each of which focuses primarily on a different area of investment management, although such areas may overlap from time to time (such advisers, together with Bain Capital Partners, the “U.S. Affiliate Advisers”). Each U.S. Affiliate Adviser is registered as an investment adviser with the Securities and Exchange Commission. The U.S. Affiliate Advisers currently include, in addition to Bain Capital Partners:

- Brookside Capital, LLC, the public equity affiliate of Bain Capital, whose primary objective is investing in securities of publicly traded companies that offer opportunities to realize substantial long-term capital appreciation;
- Sankaty Advisors, LLC, which uses fundamental credit analysis to identify attractive investment opportunities and seeks superior risk adjusted returns, primarily in credit products and fixed-income investments;
- Bain Capital Venture Partners, LLC, the venture capital arm of Bain Capital, which focuses on seed through late-stage growth equity investing in software, hardware, information, healthcare, and technology-driven business services companies; and
- Absolute Return Capital, LLC, which manages assets in fixed income, equity and commodity markets to produce attractive risk-adjusted returns while maintaining low correlation to traditional investments.

In addition to the U.S. Affiliate Advisers, Bain Capital, Ltd. and Sankaty Advisors Ltd., both affiliates of Bain Capital, are licensed as investment advisers with the United Kingdom Financial Services Authority (together with the U.S. Affiliate Advisers, the “Affiliate Advisers”).

Each of the U.S. Affiliate Advisers' investment activities are conducted independently, but the U.S. Affiliate Advisers may provide an extensive personal network and access to vertical industry expertise. On occasion, the Bain Capital Partners Funds may also benefit from attractive non-traditional investment opportunities from U.S. Affiliate Advisers.

Bain Capital has established other non-investment advisory related entities that are affiliates of the U.S. Affiliate Advisers. These entities do not provide investment advisory services and have been organized primarily to provide services incidental to the services of the U.S. Affiliate Advisers, such as servicing portfolio companies of the Funds (as defined below).

### **Conflicts of Interest**

Bain Capital and its affiliates, including Bain Capital Partners, engage in a broad range of activities, including investment activities for their own account (such as co-investment vehicles) and for the account of other investment funds or accounts and providing investment banking, advisory, management and other services to funds and operating companies, including portfolio companies of the Bain Capital Partners Funds.

As discussed above, Bain Capital currently has a number of Affiliate Advisers, including Bain Capital Partners, each of which focuses primarily on a different investment strategy, although such investment strategies overlap from time to time. The funds and accounts advised by Bain Capital Partners are referred to as the "Bain Capital Partners Funds" and the funds and accounts advised by the Affiliate Advisers (including the Bain Capital Partners Funds) are referred to as the "Funds." In the ordinary course of conducting its activities, the interests of a Bain Capital Partners Fund or its limited partners may conflict with the interests of Bain Capital Partners or its affiliates or one or more other Funds or with their respective affiliates.

### **Resolution of Conflicts**

Each of the Affiliate Advisers will deal with all conflicts of interest using its best judgment, but in its sole discretion. When conflicts arise among investment funds or accounts managed by Affiliate Advisers, the participating Affiliate Advisers will represent the interests of the investment funds or accounts they advise. In resolving conflicts, the Affiliate Advisers may consider various factors, including the interests of the Bain Capital Partners Funds and the other Funds. In the case of all conflicts involving the Bain Capital Partners Funds, the determination as to which factors are relevant, and the resolution of such conflicts, will be made in the sole discretion of Bain Capital Partners, except as required by the governing documents of the Bain Capital Partners Funds.

### **Sources of Conflicts of Interest**

The conflicts of interest encountered by a Bain Capital Partners Fund include those discussed below, although the discussion below does not describe all of the conflicts that may be faced by the Bain Capital Partners Funds. Other conflicts may be disclosed throughout this document and the document should be read in its entirety for other conflicts.

*Conflicts Relating to the General Partners of the Bain Capital Partners Funds and Bain Capital Partners*

As described above, Bain Capital Partners will typically receive fees in connection with its performance of Related Services. Such fees will be in addition to the management fee and the carried interest paid by such Bain Capital Partners Fund. Bain Capital Partners will determine the amount of these fees in its own discretion, subject to agreements with sellers, buyers and management teams, the boards of directors of or lenders to portfolio companies, and/or third-party co-investors in its transactions. Bain Capital Partners is not required by the partnership agreements of the Bain Capital Partners Funds to provide a Bain Capital Partners Fund or its limited partners with information regarding the amounts of these fees and reimbursements, although such fees and reimbursements will be disclosed to the extent required. Sometimes portfolio companies disclose fees for Related Services in materials such as debt offering memoranda. Although Bain Capital Partners receives these fees and reimbursements from actual or prospective portfolio companies or other investment vehicles of a Bain Capital Partners Fund, the opportunity to earn these fees and receive these reimbursements creates a conflict of interest between Bain Capital Partners, on the one hand, and such Bain Capital Partners Fund and its limited partners, on the other hand, because the amounts of such fees and reimbursements may be substantial, the Bain Capital Partners Fund and its limited partners do not have an interest in Bain Capital Partners and the rights of the Bain Capital Partners Fund and its limited partners to these fees and reimbursements is limited to the sharing arrangements described in the applicable fund documents.. Bain Capital Partners will determine, in good faith but in its discretion, the cost of obtaining services similar to the management, advisory and similar services it provides to portfolio companies of the Funds. Additionally, General Partner the opportunity to earn these fees and reimbursements, the formulation of the management fee at certain times during the life of the Bain Capital Partners Fund, and the existence of each Bain Capital Partners Fund's General Partner's carried interest may create an incentive for the General Partner of a Bain Capital Partners Fund to cause such Bain Capital Partners Fund to make more investments, and to make more speculative investments than it would otherwise make in the absence of such fees, such formulation of the management fee and such performance-based compensation.

It is expected that the Managing Directors, officers and employees of Bain Capital Partners responsible for managing a particular Bain Capital Partners Fund will have responsibilities with respect to other Bain Capital Partners Funds, including funds and accounts that may be raised in the future. Conflicts of interest may arise in allocating time, services or functions of these Managing Directors, officers and employees.

Bain Capital Partners generally may, in its discretion, recommend to the Bain Capital Partners Funds or to a portfolio company of the Bain Capital Partners Funds that it contracts for services with a portfolio company of the Funds or an entity with which Bain Capital Partners, another Affiliate Adviser, one of their affiliates or any of their personnel has a relationship or otherwise derives a financial or other benefit. When making such a recommendation, Bain Capital Partners may, because of its financial or other business interest, have an incentive to recommend the affiliate or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

### *Conflicts Relating to the Purchase and Sale of Investments*

The other Funds, parallel funds, any entities or accounts organized to make co-investments with the Bain Capital Partners Funds in selected transactions because of their size or nature, the General Partner of the Bain Capital Partners Fund and Managing Directors and other employees of Bain Capital Partners and its affiliates and certain related persons may invest in other transactions in which a Bain Capital Partners Fund participates on the basis described in the Bain Capital Partners Funds' partnership agreements. Other Funds may invest in assets eligible for purchase by a Bain Capital Partners Fund. The investment policies, fee arrangements, carried interest, investments owned by employees of Bain Capital Partners or the other Affiliate Advisers with respect to a Bain Capital Partners Fund, and other circumstances of the Bain Capital Partners Fund, may vary from those with respect to other Funds. To the extent the General Partner of a Bain Capital Partners Fund determines that it is desirable for all or any portion of an investment opportunity to be purchased by third parties, including without limitation Limited Partners, strategic partners, other investors or Persons acting as finders or brokers of transactions, such opportunity need not be made available to the Fund. These relationships may present conflicts of interest in determining how much, if any, of certain investment opportunities to offer to a Bain Capital Partners Fund.

Subject to any requirements of the governing instruments of the Funds, opportunities for investments will be allocated among the Funds in a manner that the Affiliate Advisers, as well as the respective General Partners of the Funds, believe in their sole discretion to be appropriate given factors they believe to be relevant. Such factors may include the investment objectives, geography, nature of the target's business, scale, transaction sourcing, liquidity, diversification, lender covenants and other limitations of the Funds and the amount of capital each then has available for such investment. Additionally, investments sourced by an Affiliate Adviser that are appropriate for Funds advised by such Affiliate Adviser will first be made available to such Funds. Bain Capital Partners also reserves the right to make independent decisions regarding recommendations of when a Bain Capital Partners Fund should purchase and sell investments, and the other Affiliate Advisers reserve similar rights with respect to the Funds that they advise. As a result, a Bain Capital Partners Fund may be purchasing an investment at a time when another Fund is selling the same or a similar investment, or vice versa. A Bain Capital Partners Fund may invest in opportunities that another Fund has declined, and likewise, such Bain Capital Partners Fund may decline to invest in opportunities in which another Fund has invested.

Conflicts may arise when a Bain Capital Partners Fund makes investments in conjunction with an investment being made by another Fund, or in a transaction in which another Fund has already made an investment. Investment opportunities may be appropriate for a Bain Capital Partners Fund and another Fund at the same, different or overlapping levels of a portfolio company's capital structure. Conflicts may also arise in determining the terms of investments, especially where the Affiliate Advisers control the structure of a transaction and its capitalization. For example, investments by a Bain Capital Partners Fund in transactions controlled by another Fund may be subject to investment terms, including with respect to liquidity or governance, that may be more restrictive than those preferable for such Bain Capital

Partners Fund if it were investing without a Fund. As another example, if a Fund is investing in debt securities, it will have an interest in structuring debt securities that have financial terms (such as interest rates, repayment terms, seniority, covenants and events of default) that are more restrictive than a Bain Capital Partners Fund or another Fund, as an equity owner, may desire. In addition, a conflict may arise in allocating an investment opportunity if the potential investment target could be acquired by a Bain Capital Partners Fund or a portfolio company of another Bain Capital Partners Fund. There can be no assurance that the return on a Bain Capital Partners Fund's investments will not be less than the returns obtained by other Funds participating in the transaction. Employees and related persons of the Affiliate Advisers have made or may make large capital investments in or alongside other Funds, and therefore may have additional conflicting interests in connection with joint investments. Each Affiliate Adviser will determine all matters relating to structuring transactions and capitalizing portfolio companies, including the amount and terms of securities and allocation of securities among the involved Funds, using its best judgment considering all factors it deems relevant, but in its sole discretion.

The appropriate allocation among the Funds of expenses and fees generated in the course of evaluating and making investments often may not be clear, especially where more than one fund participates. For instance, if a Bain Capital Partners Fund and another Fund are considering making an investment that is not consummated, allocation of the expenses generated for the account of such Funds (such as expenses of common counsel and other professionals) will be made in good faith. When the Affiliate Advisers incur expenses that were related to more than one Fund, they will typically allocate such expense among all Funds eligible to reimburse expenses of the applicable nature. In general, each relevant Affiliate Adviser will participate in the resolution of all such matters using its best judgment, considering all factors it deems relevant, but in its sole discretion.

#### *Conflicts Relating to Existing Investments*

Further conflicts may arise once a Bain Capital Partners Fund has made an investment in a company in which another Fund has also invested, particularly where the Fund and such Related Fund invest in different types of securities. For example, questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring, raise conflicts of interest. The involvement of Affiliated Advisers at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, the Bain Capital Partners Funds or other Funds may be prohibited from exercising voting or other rights, and may be subject to claims by other creditors with respect to the subordination of their interest. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Bain Capital Partners Fund or other Funds may or may not provide such additional capital, and if provided the Bain Capital Partners Fund and other Fund will supply such additional capital in such amounts, if any, as determined by Bain Capital Partners and the other relevant Affiliate Advisers in their sole discretion. Each Affiliate Adviser will resolve all such conflicts using its best judgment but in its sole discretion, subject in certain cases to approval by the advisory boards or investment committees of the participating investment funds.



Investments to finance follow-on acquisitions are a regular part of the business of the Funds. Follow-on investments present conflicts of interest, including determination of the equity component and other terms of the new financing, and, if the Fund making the follow-on investment has not previously invested in the relevant portfolio company, raise the risk of using such Fund's assets to support positions taken by other Funds. In addition, a Fund may participate in leveraging and recapitalization transactions involving portfolio companies in which other Funds have invested or will invest. Recapitalization transactions may present conflicts of interest, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms. Each Affiliate Adviser will resolve all such conflicts using its best judgment, but in its sole discretion, subject in certain cases to approval by the respective advisory boards or investment committees of the participating investment funds.

A Bain Capital Partners Fund and/or other Funds may in many cases own a significant or controlling percentage of the common equity of portfolio companies which, depending upon the amount of equity owned by them, any relevant contractual arrangements between such portfolio company and the participating funds and accounts and other relevant factual circumstances, could result in an extension of bankruptcy preference periods with respect to payments made to such Bain Capital Partners Fund and/or subordination of its claims to other creditors and/or recharacterization of debt claims into equity claims. In addition, because of their equity ownership, representation on the boards of directors, and/or contractual rights, a Bain Capital Partners Fund and other Funds may often be thought to control, participate in the management of or influence the conduct of portfolio companies. The effect of these relationships will vary in non-U.S. jurisdictions. These factors could expose the assets of the Bain Capital Partners Fund to claims by a portfolio company, its security holders, its creditors or governmental agencies.

A portion of a Fund's investments may consist of securities that are subject to restrictions on resale by such Fund because they were acquired in a "private placement" transaction or because such Fund is deemed to be an affiliate of the issuer of such securities. Generally, a Fund will be able to sell such securities only under Rule 144 under the Securities Act, which permits limited sales under specified conditions, or pursuant to a registration statement under the Securities Act. When restricted securities are sold to the public, the Fund may be deemed an "underwriter," or possibly a controlling person, with respect thereto for the purposes of the Securities Act and be subject to liability as such under that Act.

A Bain Capital Partners Fund may directly or indirectly control or be under common control with issuers of securities held by such Bain Capital Partners Fund, which were issued under an indenture qualified under the Trust Indenture Act of 1939, especially where a Fund is deemed to control the issuer of the securities. In such cases, the securities held by the Bain Capital Partners Fund would be required by the Trust Indenture Act to be disregarded for the purposes of determining whether the holders of the required principal amount of such issuer's securities have concurred in certain directions or consents.

The following factors may alleviate, but will not eliminate, conflicts of interest among a Bain Capital Partners Fund and the other Funds:

- A Bain Capital Partners Fund will not make any investment unless the General Partner of such Bain Capital Partners Fund believes that such investment is an appropriate investment considered solely from the viewpoint of the investors in the Bain Capital Partners Fund;
- Many important conflicts of interest will generally be resolved by set procedures contained in the allocation provisions set forth in the partnership agreements of the Bain Capital Partners Funds;
- The advisory board or investment committee of a Bain Capital Partners Fund and each other Fund, whose members are not affiliated with the General Partners of such Bain Capital Partners Fund, play an important role in resolving conflicts of interest by approving or disapproving the appropriateness of decisions that involve significant conflicts of interest referred to it by the appropriate Bain Capital Partners Fund's General Partner; and
- Where Bain Capital Partners or one or more of the other Affiliate Advisers deems appropriate in its sole discretion, unaffiliated third parties may be used to help resolve conflicts such as the use of an investment banker to opine as to the fairness of a purchase or sale price. In addition, the willingness of a third party to make an investment on the same terms as a Fund would demonstrate the fairness of the transaction to such Fund.

#### Other Conflicts of Interest

A Bain Capital Partners Fund and the other Funds will generally engage common legal counsel and other advisers to represent all of the Funds in a particular transaction, including a transaction in which the Funds have conflicting interests because they are investing in different securities of a single portfolio company. In the event of a significant dispute or divergence of interest between one or more Funds, such as in a work-out or other distressed situation, separate representation may become desirable, in which case Bain Capital Partners and the other Affiliate Advisers may hire separate counsel in their sole discretion, and in litigation and other circumstances, separate representation may be required. Partners of the law firms engaged to represent the Funds may be investors in the Funds, and may also represent one or more portfolio companies or limited partners of the Funds.

The Affiliate Advisers may have an incentive to recommend the products or services of certain investors in the Funds or their related businesses to the Funds or their portfolio companies, even though they may not necessarily be the best available to the Funds or the portfolio companies.

A Bain Capital Partners Fund and the other Funds may have tax-exempt, taxable, non-U.S. and other investors, whereas most members of the General Partners of the Bain Capital Partners Funds and other Funds are taxable at individual U.S. rates. Conflicts may exist with respect to various structuring, investment and other decisions because of divergent tax, economic or other interests, including conflicts among the interests of taxable and tax-exempt investors, conflicts among the interests of domestic and foreign investors, and conflicts between the interests of

investors and management. For these reasons, among others, decisions may be more beneficial for one investor than for another investor, particularly with respect to investors' individual tax situations.

The General Partners of a Bain Capital Partners Fund and the General Partners of the other Funds may from time to time utilize the services of limited partners and their affiliates on an arm's length basis, as they deem appropriate.

A Bain Capital Partners Fund and one or more other Funds may hold "plan assets" subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). With respect to those plan assets, if any, Bain Capital and certain affiliates may be classified as "fiduciaries" under ERISA. ERISA imposes certain general and specific responsibilities and restrictions on fiduciaries with respect to plan assets. As a result, a Bain Capital Partners Fund may be restricted from entering into certain transactions if the investment would violate ERISA with respect to a Bain Capital Partners Fund or any other Fund, or may be obligated to take certain actions or refrain from taking certain actions in order to avoid a violation of ERISA with respect to such Bain Capital Partners Fund or other Fund.

Different conflicts may exist with respect to investments in different Bain Capital Partners Funds.

Please contact the Bain Capital Compliance Department with any additional questions or concerns.

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

### **Code of Ethics**

Bain Capital Partners has adopted a Code of Ethics policy for its employees. The Policy describes employees standard of conduct and fiduciary duties and limits personal trading by its employees and their immediate family/household members in a wide range of securities, including common and preferred stock, debt instruments, securities that are convertible or exchangeable for equity or debt securities, and derivative instruments. Employees must report every account that they or their immediate family member use for trading securities covered by the policy and, if they directly or indirectly influence or control trading in the account, they must generally pre-clear covered securities transactions and have copies of trade confirmations and periodic account statements sent by their broker to the compliance department. Controlled trading by employees and their immediate family/household members is prohibited in a wide range of securities that appear on restricted lists and confidential watch lists, and additional steps are taken to ensure that employees and their immediate family/household members are not permitted to trade for their personal account in securities selected for the Bain Capital Partners Funds and to ensure employees do not engage in "front-running" of the Bain Capital Partners Funds' investment opportunities.

A detailed summary of the Code of Ethics is available to limited partners and prospective limited partners during the investment due diligence process. A copy of may be obtained by contacting the Bain Capital Partners Compliance department.

### **Related Person Investment**

For further detail regarding circumstances in which Bain Capital Partners or a related person (a) recommends to clients, or buys or sells for client accounts, securities in which Bain Capital Partners or a related person has a material financial interest, (b) invests in the same securities that Bain Capital Partners or a related person recommends to clients, or (c) recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that Bain Capital Partners or a related person buys or sells the same securities for Bain Capital Partners' own (or the related person's own) account, as well as related conflicts of interest, please see "Code of Ethics" and Item 10 above.

### **Item 12. Brokerage Practices**

Although Bain Capital Partners does not generally utilize the services of broker-dealers for transaction related services, in the event it chooses to use a broker-dealer, Bain Capital Partners seeks to obtain best execution of transactions. To the extent they aggregate orders for purchase and sale, Bain Capital Partners will aggregate such orders as it deems appropriate and in accordance with each Bain Capital Partners Fund's documents and in the best interest of each Bain Capital Partners Fund.

### **Item 13. Review of Accounts**

#### **Oversight and Monitoring**

The portfolio investments of each Bain Capital Partners Fund are continuously reviewed by a team of investment professionals. The team generally includes Managing Directors and other investment professionals of Bain Capital Partners. Bain Capital Partners closely monitors the portfolio companies of the Bain Capital Partners Funds and generally maintains an ongoing oversight position in such portfolio companies.

#### **Reporting**

Investors in the Bain Capital Partners Funds will typically receive, among other things, a copy of audited financial statements of the relevant Bain Capital Partners Fund within 120 days after the fiscal year end of such Bain Capital Partners Fund. In addition, investors in each Bain Capital Partners Fund will typically receive unaudited quarterly summary financial information regarding such Bain Capital Partners Fund following the end of each financial quarter. Investors in the Bain Capital Partners Funds also receive regular reporting updates through quarterly letters, investor meetings and other materials provided on the investor website.

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

For details regarding economic benefits provided to Bain Capital Partners by non-clients, including a description of related conflicts of interest, please see Item 10 above. In addition, Bain Capital Partners and its related persons may, in certain instances, receive discounts on products and services provided by portfolio companies.

#### **Item 15. Custody**

Custodial banks maintaining Bain Capital Partners Fund assets send statements to an independent representative who compares the account statement received from the custodial bank to the account statements Bain Capital Partners delivers to investors.

#### **Item 16. Investment Discretion**

Bain Capital Partners provides investment advisory services to each of the Bain Capital Partners Funds pursuant to the Advisory Agreements. Investment advice is provided by Bain Capital Partners directly to the Bain Capital Partners Funds, subject to the direction and control of the affiliated General Partner of such Bain Capital Partners Fund. Any restrictions on investments in certain types of securities are established by the General Partner of the applicable Bain Capital Partners Fund, and are set forth in the documentation received by each limited partner prior to investment in such Bain Capital Partners Fund.

#### **Item 17. Voting Client Securities**

Bain Capital Partners Funds are not able to direct the vote of their General Partner. The General Partners intend to vote proxies or similar corporate actions in the best interests of the applicable Bain Capital Partners Fund, taking into account such factors as it deems relevant in its sole discretion.

Bain Capital Partner's proxy voting policy is designed to ensure that if a material conflict of interest is identified in connection with a particular proxy vote, that the vote is not improperly influenced by the conflict.

A detailed summary of Bain Capital Partners' proxy voting policies and procedures are available to limited partners and prospective limited partners during the investment due diligence process. A copy of the proxy voting policies and procedures may be obtained by contacting Bain Capital Partners' Compliance Department.

Existing clients may obtain copies of relevant proxy logs, identifying how proxies were voted in connection with a Bain Capital Partners Fund, and copies of proxy voting policies and procedures upon written request to: Bain Capital Partners, LLC, John Hancock Tower, 200 Clarendon Street, Boston, MA 02116.

**Item 18. Financial Information**

Item 18 is not applicable to Bain Capital Partners.

**Item 19. Requirements for State-Registered Advisers**

Item 19 is not applicable to Bain Capital Partners.