

PART 2A OF FORM ADV: FIRM BROCHURE

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This brochure provides information about the qualifications and business practices of Peterson Partners, Inc., Whitman/Peterson, LLC and Peterson Ventures, LLC (together “Peterson”). If you have any questions about the contents of this brochure, please contact us at 801.365.0180 and/or Dan@petersonpartnerslp.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority, and references in this Brochure to Peterson as a “registered investment adviser” are not intended to imply a certain level of skill or training.

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

ITEM 2 – MATERIAL CHANGES

The date of Peterson's last annual update was February 14, 2012. Peterson has added two additional investment funds since the last update. The first, Peterson Ventures IV, LP, is a venture fund that started investing in May 2012. The second, Peterson Partners VII, LP, is a private equity fund that closed subscription on March 5, 2013. This fund has commitments of \$140 million and has not yet made an investment.

Peterson is also no longer providing services to the advisory client referred to as "The Account" in the last annual update. "The Account" changed ownership in November, 2012 and Peterson's services are no longer needed.

Future updates of this Brochure will include a section describing and summarizing specific material changes that have been made to this Brochure since our last delivery or posting on the SEC's public disclosure website.

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ITEM 4 – ADVISORY BUSINESS

Item 4.A	<p>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</p> <p>This Brochure relates to Peterson Partners, Inc. (the “PP Adviser”), a Utah corporation, which was founded in September 1995, Whitman/Peterson, LLC (the “RE Adviser”), a Delaware limited liability company, which was founded in January 2012, and Peterson Venture Partners, LLC, (the “PV Adviser”, and together with the PP Adviser and the RE Adviser, “Peterson”), a Utah limited liability company, which was founded in December 2008. Peterson is an investment advisory firm located in Salt Lake City, UT. Peterson provides discretionary investment advisory services to private investment funds (the “Funds”). Specifically:</p> <p>The PP Adviser provides discretionary investment advisory services to:</p> <ul style="list-style-type: none"> • Peterson Capital II, LLC, a Delaware limited liability company (“PC II”) – <i>It should be noted that PC II is no longer accepting new subscriptions.</i> • Peterson Partners III, L.P., a Delaware limited partnership (“PP III”) - <i>It should be noted that PP III is no longer accepting new subscriptions.</i> • Peterson Partners IV (A), LLLP, a Delaware limited liability limited partnership (“PP IVA”) - <i>It should be noted that PP IVA is no longer accepting new subscriptions.</i> • Peterson Partners V, L.P., a Delaware limited partnership (“PP V”) - <i>It should be noted that PP V is no longer accepting new subscriptions.</i> • Peterson Partners VI, L.P., a Delaware limited partnership (“PP VI”) – <i>It should be noted that PP VI is no longer accepting new subscriptions.</i> • Peterson Partners VII, L.P., a Delaware limited partnership (“PP VII”) – <i>It should be noted that PP VII is no longer accepting new subscriptions.</i> • Peterson Ventures IV, L.P., a Delaware limited partnership (“PV IV”) – <i>It should be noted that PV IV is no longer accepting new subscriptions.</i> <p>The RE Adviser provides discretionary investment advisory services to:</p> <ul style="list-style-type: none"> • Whitman/Peterson Partners, Ltd., a Cayman Islands exempted company (“WPP”). <p>The PV Adviser provides discretionary investment advisory services to:</p> <ul style="list-style-type: none"> • Peterson Ventures III, LLC, a Utah limited liability company (“PV III”) - <i>It should be noted that PV III is no longer accepting new subscriptions and the only investors in this Fund are affiliates of Peterson.</i> <p>Affiliates of Peterson serve as the general partners of certain of the Funds. Specifically: Peterson Management Partners, LLC (the “GP of PC II”) serves as the general partner to PC II; Peterson Partners III, LLC (the “GP of PP III”) serves as the general partner to PP III; Peterson Partners IVA, LLC (the “GP of PP IVA”) serves as the general partner to PP IVA; Peterson Partners V, LLC (the “GP of PP V”) serves as the general partner to PP V; Peterson Partners VI, LLC (the “GP of PP VI”) serves as the general partner to PP VI; Peterson Partners VII, LLC (the “GP of PP VII”) serves as the general partner to PP VII; and Peterson Ventures IV, LLC serves as the general partner to PV IV (the “GP of PV IV”). The GP of PC II, the GP of PP III, the GP of PP IVA, the GP of PP V, the GP of</p>
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	<p>PP VI, the GP of PP VII, and the GP of PV IV are collectively referred to as (the “General Partners”). Further, Whitman/Peterson Management, LLC, an affiliate of Peterson, will be paid the performance-based fees from the WPP Fund.</p> <p>It should be noted that each of the Funds has an Investment Committee that is comprised of officers of Peterson and/or other affiliated individuals. The relevant Investment Committee makes decisions regarding the acquisition and disposition of Portfolio Companies (as described below) for the Funds. Further, the RE Advisor has a non-binding Advisory Board that provides general guidance and direction of overall business issues, such as policy matter, the timing of new funds, but the Advisory Board has no input or authority on any specific investment recommendations for the Funds.</p> <p>Joel C. Peterson is the principal owner of the PP Adviser; Whitman Real Estate Holdings, LLC (which is ultimately principally owned by Robert W. Whitman) and JCP Real Estate I, LLC (which is ultimately principally owned by Joel C. Peterson) are the principal owners of the RE Advisor; and Daniel S. Peterson and Joel C. Peterson are the principal owners of the VC Adviser.</p>
Item 4.B	<p>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</p> <p>Peterson serves as investment advisor to private investment funds that are operating as private equity funds, a real estate fund and venture capital funds.</p> <p><u>Private Equity Funds:</u> With respect to PC II, PP III, PP IVA, PP V, PP VI, and PP VII, the PP Adviser’s strategy is to be the preferred capital partner to entrepreneurs and founders of businesses in making opportunistic private equity investments. Generally, the companies the PP Adviser invests with are companies (and thus such Funds hold) that have more than \$10 million in revenues, are cash flow positive and are poised for rapid and profitable growth. In addition to providing capital, Peterson helps company leaders as they consider and implement strategies in areas such as sales, personnel, and finance. Peterson expects that the companies that the Funds invest in (the “Portfolio Companies”) will typically have some or all of the following characteristics:</p> <p><u>PC II, PP III, PP V, PP VI, and PP VII:</u></p> <ul style="list-style-type: none"> • Proven business models and positive cash flow; • Talented management (or the PP Adviser and its network can bring such management to the Portfolio Company); • Straight-forward approaches to competing in business services, light manufacturing, distribution and other industry sectors; • High operating margins that generally derive from unique value-added services, a superior brand value proposition or an advantaged position in an embryonic or growing industry; • Revenues of less than \$50 million (solely in the case of PP III); • High growth prospects, through a combination of organic expansion and acquisition;

- Attractive valuations; and
- Potential for improvements in strategy and management (e.g., fragmented or under-managed industries).

PP IVA: PP IVA was formed to take advantage of investment opportunities that PP III is prohibited from making. PP IVA was created for the purpose of making equity oriented control, recapitalization, management buyout and growth/expansion investments in companies that do not meet the investment parameters established by the Small Business Administration for licensed Small Business Investment Company (“SBIC”). PP III intends to focus on small to middle market companies with superior growth prospects and management. PP IVA initially focused on companies that do not meet the investment criteria for licensed SBICs. Thereafter, PP IVA made investments in Portfolio Companies that meet the investment criteria for licensed SBICs through PP III.

Real Estate Fund:

WPP: The RE Adviser makes real estate and real estate related investments for WPP. The RE Adviser invests equity in real estate assets throughout the United States. WPP is focused on providing equity for apartment, hotel, and senior-housing assets. These are segments of the market where the operational intensity of the asset classes means that superb execution and operations can create significant investment value. In these segments, the RE Adviser with national and regional operating companies to leverage their operating presence and capabilities, and their capital projects expertise, to create value at the property level and to efficiently source, evaluate, and execute on the best opportunities nationally. The RE Adviser maintains deal-by-deal approval rights on each investment, has significant influence on the investment decisions, and performs portfolio and investment management services on behalf of the investors in WPP. The RE Adviser will typically receive an option to purchase an interest in the operating companies with whom they partner, in order to share in the value created at the operating-company level, through the RE Adviser’s partnership. In summary, the RE Adviser’s strategy is the following:

- 1) Target operating-intensive segments of the real-estate markets, where operations and capital-projects expertise can create a competitive advantage;
- 2) Purchase assets at a very attractive basis (which typically means buying assets that are in need of capital or operational improvements);
- 3) Partner with highly-capable operating companies who can source great opportunities and create value at the property-level;
- 4) Invest through deal structures that maximize returns; and
- 5) Obtain an option to purchase an interest in the partner’s operating company, to participate in the value the RE Adviser is helping create through its investments

Venture Capital Funds:

PV III/PV IV: The PV Adviser, in the case of PV III, and the PP Adviser in the case of PV IV pursues an investment strategy to partner with talented entrepreneurs and founders of companies to build growth businesses. PV III has invested in start-up and early-stage companies. PV III strives to be an effective partner to entrepreneurs as they enter territory which for them may be uncharted, but which the PV Adviser/PP Adviser reflect familiar terrain. PV III has invested in small cap venture capital entities. PV IV is primarily engaged in seed and early stage venture capital investing.

<p>Item 4.C</p>	<p>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</p> <p>Peterson neither tailors its advisory services to the individual needs of the investors in the Funds (the “Investors”), nor accepts investor-imposed investment restrictions. The investment focus of each fund is described in its partnership agreement and offering materials. Peterson carefully follows the investment focus of each fund and doesn’t change its approach over time.</p>
<p>Item 4.D</p>	<p>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</p> <p>Peterson does not participate in wrap fee programs.</p>
<p>Item 4.E</p>	<p>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date “as of” which you calculated the amounts.</p> <p>As of December 31, 2012, Peterson managed approximately \$427,535,793 of Advisory Client’s assets (calculated in regulatory assets under management), all on a discretionary basis. It should be noted that \$316,481,120 reflects the PP Adviser’s regulatory assets under management; \$96,387,387 reflects the RE Adviser’s regulatory assets under management; and \$14,667,286 reflects the PV Adviser’s regulatory assets under management. Peterson does not currently manage any client assets on a non-discretionary basis.</p>

ITEM 5 – FEES AND COMPENSATION

<p>Item 5.A</p>	<p>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</p> <p>Peterson is generally compensated for advisory services through asset-based management fees (the “Management Fee”). In addition, affiliates of Peterson may receive performance-based compensation.</p> <p>Peterson receives a quarterly management fee (which is payable in advance) from each Advisory Client in an amount equal to 1.0-2.0% per annum. The Management Fee is based on a percentage of capital commitments or funded capital contributions, as applicable.</p> <p>Affiliates of Peterson may be eligible to receive a percentage of investment proceeds on distributions (the “Carried Interest”). All distributions are split between Investors and affiliates of Peterson as set forth in the applicable Advisory Client’s governing documents. The Carried Interest is generally equal to 20-25% of realized gains, which applies once an Investor in the relevant Advisory Client has received a specific preferred return (the “Return”).</p> <p>In addition to the above fees, Peterson and/or the General Partners may retain fees from Portfolio Companies or potential Portfolio Companies, including directors fees, management fees, advisory fees, consulting fees, monitoring fees, brokers’ and finders’ fees, transaction fees, investment banking fees and net break-up fees (collectively, “Transaction Fees”). Peterson does not generally collect Transaction Fees except (i) in the case in which another fund is the lead investor and imposes such fees; and (ii) directors fees typically in the amount of \$10,000 per year per director.</p> <p>Peterson may elect to waive or reduce the management fees and/performance-based compensation for certain Investors, including affiliates of Peterson.</p> <p>It is critical that Investors refer to their respective Fund’s governing documents/investment management agreements for a complete understanding of how Peterson is compensated for its advisory services.</p>
<p>Item 5.B</p>	<p>Describe whether you deduct fees from <i>clients</i>’ assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</p> <p>Peterson deducts fees from each of the Funds’ assets. The Funds’ do not have the ability to choose to be billed directly for fees incurred.</p> <p>Please see the response to Item 5.A above for a summary of how often Peterson’s fees are deducted.</p> <p>It is critical that the Investors refer to the relevant confidential private offering memorandum and other governing documents for a complete understanding of how Peterson is compensated. The information contained herein is a summary only and is qualified in its entirety by such documents.</p>
<p>Item 5.C</p>	<p>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose</p>

	<p>that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</p> <p>In addition to the fees payable to Peterson and its affiliates as noted above, the Funds generally pay the following expenses (to the extent not reimbursed by a Portfolio Company):</p> <ul style="list-style-type: none"> • Organizational expenses (in whole or in part); • Legal, auditing, consulting and accounting expenses, advisors and professionals; • Expenses associated with the Funds' financial statements, tax returns and K-1's; • Expenses of the annual meetings of Investors; • Insurance and indemnity expenses; • Other expenses associated with the acquisition, holding and disposition of investments; • Third-party expenses in connections with transactions not consummated and for certain of the Funds, after the Fund and the target of such transaction have entered into a letter of intent or similar arrangement with respect to such transaction; • Extraordinary expenses (such as litigation, if any); • Expenses related to the development, investigation and monitoring of investments; • Expenses of any custodians, lenders, investment banks and other financing sources; • Taxes, fees or other governmental charges levied against the respective Fund; and • Any and all expenses incurred in connection with the dissolution, winding up or termination of the Funds. <p>In addition to the above expenses, WPP will bear the costs of:</p> <ul style="list-style-type: none"> • Any and all expense (including legal fees and expenses) incurred to comply with any law or regulation related to the activities of WPP; and • Any and all expenses related to defaults by Investors in the payment of any contributions. <p>Peterson will pay for all of its own normal day-to day operating expenses, such as compensation of its professional staff, and the cost of office space, office equipment, communications, utilities and other such normal overhead expenses.</p> <p>It is critical that Investors refer to the relevant confidential private offering memorandum and other governing documents for a complete understanding of the Funds' expenses. The information contained herein is a summary only and is qualified in its entirety by such documents.</p>
Item 5.D	<p>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</p> <p>As detailed above, the management fees are generally charged quarterly in advance.</p> <p>Investors may not withdraw from their respective Fund, and may not transfer any</p>

	of their interest, rights or obligations under the Fund without the prior written consent of the respective General Partner.
Item 5.E	<p>If you or any of your <i>supervised persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</p> <p>Not applicable.</p>
Item 5.E.1	<p>Explain that this practice presents a conflict of interest and gives you or your <i>supervised persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client's</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</p> <p>Not applicable.</p>
Item 5.E.2	<p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable.</p>
Item 5.3.3	<p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable.</p>
Item 5.E.4	<p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> <p>Not applicable.</p>

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As described in Item 5.A, above, Peterson (or its affiliates) accepts performance-based compensation from the Funds.

It should be noted that the possibility that the General Partners could receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for Peterson/the General Partners to riskier or more speculative investments on behalf of the Funds than would be the case in the absence of this arrangement.

Peterson recognizes that it is a fiduciary and as such must act in the best interests of the Funds. Further, Peterson recognizes that it must treat all Funds fairly and must refrain from favoring one Fund's interests over another's. Peterson regularly assesses the allocation of its resources, including investment personnel, among its Funds to ensure adherence to its fiduciary duties.

ITEM 7 – TYPES OF CLIENTS

Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

As described in Item 4.B, Peterson provides discretionary investment advisory services to the Funds, which are pooled investment vehicles operating as private investment funds.

Each Investor in the Funds must meet certain eligibility provisions. Interests in the Funds are generally offered to (A) U.S. investors who are (i) accredited investors within the meaning of Regulation D of the Securities Act of 1933, as amended (“Accredited Investors”); and (ii) qualified clients as defined in Rule 205-3 under the Advisers Act (“Qualified Clients”); and (iii) non-U.S. investors.

Investments in PP III and PP V are subject to a minimum initial commitment of \$1,000,000 per Investor. Investments in PP VI and PP VII are subject to a minimum initial commitment of \$2,000,000 per Investor. Investments in PP IVA and PV IV are subject to a minimum initial commitment of \$250,000 per Investor. Such minimum initial commitments are subject to waiver by the respective Funds’ General Partners. Investments in PC II, WPP, and PV III were not subject to a minimum initial commitment.

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

<p>Item 8.A</p>	<p>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</p> <p>As a general matter, Peterson utilizes the methods of analysis and investment strategies detailed in the offering and governing documents of a Fund. The information contained herein is a summary only and Investors in any Fund should refer to the respective Fund offering and governing documents (which should be carefully reviewed) for a complete overview of Peterson’s methods of analysis and investment strategies.</p> <p>Investment ideas are typically generated internally through research and analysis. In connection with identifying, evaluating and analyzing investment opportunities for the Funds, investment professionals of Peterson also generally draw upon their professional experience in relevant industries and contact with industry executives, established business relationships and independent consultants and advisors.</p> <p>The Funds take control and minority positions, either individually or as lead member of, or participant in, a consortium of investors. Target investments include both privately-held and public companies, generally via private transactions. A core part of the investment process often involves developing a relationship with the senior executives and key shareholders of an investee company. The Funds may obtain board representation, observer rights or other types of management or shareholder rights.</p> <p>An investment in the Funds may be deemed speculative and is not intended as a complete investment program. They are designed only for experienced and sophisticated persons who are able to bear the risk of substantial impairment or total loss of their investment in the Funds.</p> <p>It is critical that Investors refer to the relevant confidential private offering memorandum and other governing documents for a complete understanding of Peterson’s investment strategies and methods of analysis. The information contained herein is a summary only and is qualified in its entirety by such documents.</p>
<p>Item 8.B</p>	<p>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</p> <p><u><i>Risk of Dilution.</i></u> Partners admitted at subsequent closings will participate in existing investments of the respective Fund, diluting the interest of existing investors therein. Although such investors will contribute their pro rata share of previously made Fund draws (plus an additional amount thereon), unless the</p>

	<p>respective General Partner in its discretion determines that a pro rata capital contribution from investors at a subsequent closing would not appropriately reflect a material change in the value of the portfolio investments then held by the Fund together with interest as described herein, there can be no assurance that this payment will reflect the fair value of the Fund's existing investments at the time such additional investors subscribe for Interests.</p> <p><u>Highly Competitive Market for Investment Opportunities.</u> The activity of identifying, completing and realizing attractive private equity, real estate and venture capital investments is highly competitive and involves a high degree of uncertainty. The availability of investment opportunities generally will be subject to market conditions. Peterson will be competing for investments with other investors, as well as companies, public equity markets, venture capital markets, individuals, financial institutions and other investors. Further, over the past several years, an ever-increasing number of private equity funds/venture capital funds have been formed and many such existing funds have grown substantially in size, resulting in an unprecedented amount of capital available for private equity/venture capital investment. Consequently, it is possible that competition for appropriate investment opportunities may increase, thus reducing the number of investment opportunities available to the Funds and adversely affecting the terms upon which portfolio investments can be made.</p> <p><u>Consequences of Default.</u> In the event that an investor fails to fund any of its capital commitment when required, such investor's respective interest in the Fund and its investments may be reduced and such investor may be precluded from further investment in the Fund.</p> <p><u>Uncertainty of Financial Projections.</u> The General Partners will generally establish the pricing of transactions and the capital structure of Portfolio Companies on the basis of financial projections for such Portfolio Companies. Projected operating results will normally be based primarily on management judgments. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General economic, political and market conditions, which are not predictable, can have a material adverse impact on the reliability of such projections.</p> <p><u>Investments Longer than Term.</u> The Funds may make portfolio investments which may not be advantageously disposed of prior to the date the Funds will be dissolved, either by expiration of the Fund's term or otherwise. The Funds may have to sell, distribute or otherwise dispose of portfolio investments at a disadvantageous time as a result of dissolution. In addition, although upon the dissolution of the Funds, the General Partners (or the relevant liquidator) will be required to use its reasonable best efforts to reduce to cash and cash equivalents such assets of the Funds as the General Partners or such liquidator shall deem advisable to sell, subject to obtaining fair value for such assets and any tax or other legal considerations, there can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to the investors will occur.</p> <p>It is critical that Investors refer to the relevant confidential private offering memorandum and other governing documents for a complete understanding of the material risks involved in relation to Peterson's investment strategies and methods of analysis. The information contained herein is a summary</p>
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	<u>only and is qualified in its entirety by such documents.</u>
Item 8.C	<p>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</p> <p><u>The Funds may invest in Portfolio Companies that are early stage, or start-up, in nature and that do not have any revenues.</u> The Funds may invest a portion of its assets in the securities of less established or start-up companies. Investments in such early-stage companies may involve greater risks than are generally associated with investments in more established companies. Such companies may have shorter operating histories on which to judge future performance and may have negative cash flow and may have uncertain revenue potential. Less established companies are often undercapitalized and vulnerable to financial failure. Peterson's ability to invest in early stage companies may increase the risk of losses in Portfolio Companies and, as a result, increase the risk of an investment in the Interests.</p> <p><u>Nature of Direct Investments.</u> Investment in the Funds requires a long-term commitment, with no certainty of return. The Funds may invest in companies that are experiencing or are expected to experience severe financial difficulties, which difficulties may never be overcome. Many of the Funds' investments will be highly illiquid, and there can be no assurance that the Funds will be able to realize on such investments in a timely manner. Additionally, the Funds will generally acquire securities that cannot be sold except pursuant to a registration statement filed under the 1933 Act or in accordance with Rule 144 of the 1933 Act or another exemption under the 1933 Act. There may be little or no near-term cash flow available to the investors. In addition, in some cases the Funds may be prohibited by contract or legal or regulatory reasons from selling certain securities for a period of time. To the extent that there is no trading market for a portfolio investment, the Funds may be unable to liquidate that portfolio investment or may be unable to do so at a profit. Moreover, there can be no assurances that private purchasers of the Funds' portfolio investments will be found.</p> <p>Since the Funds may only make a limited number of portfolio investments and since many of the Funds' portfolio investments may involve a high degree of risk, poor performance by one or more of the portfolio investments could severely diminish the total returns to Investors. In addition, Investors have no assurance as to the degree of diversification of the Funds' portfolio investments, either by geographic region, industry or transaction type. To the extent the Funds concentrate portfolio investments in a particular issuer, industry, security or geographic region, its portfolio investments will become more susceptible to fluctuations in value resulting from adverse economic and business conditions with respect thereto.</p> <p><u>Minority Portfolio Investments; Non-Controlling Portfolio Investments; Co-Investment with Third Parties.</u> The Funds frequently invest in minority positions of companies and in companies for which the Funds have no right to appoint a director or otherwise exert significant influence or protect its position. In such cases, the Funds will be significantly reliant on the existing management and board of directors of such companies, which may include representation of other financial investors with whom the Funds are not affiliated and whose interests may conflict with the interests of the Funds.</p> <p>The Funds may also hold a non-controlling interest in certain Portfolio Companies and, therefore, may have a limited ability to protect its position in such Portfolio</p>

	<p>Companies, although as a condition of investment in a Portfolio Company, it is expected that appropriate shareholder rights generally will be sought to protect the Funds' interests.</p> <p>The Funds may co-invest with third parties through consortiums of private equity investors, joint ventures or other similar arrangements. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-venturer may have financial, legal or regulatory difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the Funds or may be in a position to take (or block) action in a manner contrary to the Funds' investment objectives. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.</p> <p><u><i>Investments in Restructurings.</i></u> The Funds may make portfolio investments in restructurings which involve Portfolio Companies that are experiencing or are expected to experience financial difficulties. These financial difficulties may never be overcome and may cause such Portfolio Companies to become subject to bankruptcy proceedings. Such portfolio investments could, in certain circumstances, subject the Funds to certain additional potential liabilities which may exceed the value of the Funds' original investment therein. For example, under certain circumstances, a lender who has inappropriately exercised control over the management and policies of a debtor may have its claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances, payments to the Funds and distributions by the Funds to the Investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy and insolvency laws. Furthermore, portfolio investments in restructurings may be adversely affected by laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims or recharacterize portfolio investments made in the form of debt as equity contributions.</p> <p><u><i>Investments in Less Established Companies.</i></u> The Funds may invest a portion of its assets in the securities of less established or start-up companies. Portfolio Investments in such early-stage companies may involve greater risks than are generally associated with investments in more established companies. To the extent there is any public market for the securities held by the Funds, such securities may be subject to more abrupt and erratic market price movements than those of larger, more established companies. Less established companies tend to have lower capitalizations and fewer resources, and therefore, often are more vulnerable to financial failure. Such companies also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. There can be no assurance that any such losses will be offset by gains (if any) realized on the Funds' other portfolio investments.</p> <p><u><i>Operating and Financial Risks of Portfolio Companies.</i></u> Companies in which the Funds invest could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, or an economic downturn. As a result, companies which the Funds expected to be stable may operate, or expect to operate, at a loss or have significant variations in</p>
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	<p>operating results, may require substantial additional capital to support their operations or to maintain their competitive position, or may otherwise have a weak financial condition or be experiencing financial distress. In some cases, the success of the Funds' investment strategy will depend, in part, on the ability of the Funds to restructure and effect improvements in the operations of a Portfolio Company. The activity of identifying and implementing restructuring programs and operating improvements at Portfolio Companies entails a high degree of uncertainty. There can be no assurance that the Funds will be able to successfully identify and implement such restructuring programs and improvements.</p> <p>It is critical that investors refer to the relevant confidential private offering memorandum, explanatory memorandum and other governing documents for a complete understanding of the material risks involved in relation to the types of securities that Peterson invests in on behalf of the Funds. The information contained herein is a summary only and is qualified in its entirety by such documents.</p>
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ITEM 9 – DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a *management person* has been *involved* in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the *management person's* favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the “date” of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a *client's* or prospective *client's* evaluation.

Item 9.A	<p>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> 1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any <i>felony</i>; (b) a <i>misdemeanor</i> that <i>involved</i> investments or an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses; 2. is the named subject of a pending criminal <i>proceeding</i> that involves an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses; 3. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation; or 4. was the subject of any <i>order</i>, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a <i>management person</i> from engaging in any <i>investment-related</i> activity, or from violating any <i>investment-related</i> statute, rule, or <i>order</i> <p>Not applicable.</p>
Item 9.B	<p>An administrative <i>proceeding</i> before the SEC, any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> 1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or 2. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i>

	<p>statute or regulation and was the subject of an <i>order</i> by the agency or authority</p> <ul style="list-style-type: none"> (a) denying, suspending, or revoking the authorization of your firm or a <i>management person</i> to act in an <i>investment-related</i> business; (b) barring or suspending your firm's or a <i>management person's</i> association with an <i>investment-related</i> business; (c) otherwise significantly limiting your firm's or a <i>management person's investment-related</i> activities; or (d) imposing a civil money penalty of more than \$2,500 on your firm or a <i>management person</i>. <p>Not applicable.</p>
Item 9.C	<p>A self-regulatory organization (SRO) proceeding in which your firm or a management person</p> <ul style="list-style-type: none"> 1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or 2. was <i>found</i> to have been <i>involved</i> in a violation of the <i>SRO's</i> rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from <i>investment-related</i> activities; or (iii) fined more than \$2,500. <p>Not applicable.</p>
	<p>On January 26, 2012, a former partner of the Company sued (a) each of the Peterson Partners private equity funds (including predecessor private equity funds), (b) their respective general partners and/or managers, (c) the Company, (d) Joel Peterson, and (e) Daniel Peterson, in Utah state court. The total damages asserted by the former partner in connection with this action are less than \$500,000. For reasons described below, the Company believes its maximum exposure under the pending litigation is less than \$125,000. The complaint does not name the real estate fund or the venture capital funds. It is the Company's belief that there is no basis for the action. The Company and all of the private equity funds for which it serves as Manager have dropped their counterclaims. However, one predecessor fund and certain of its members continue aggressively to pursue their counterclaims against the former partner. The Company believes that the outcome of the litigation will have no material impact on its operations. On November 16, 2012, an investment held by certain of the private equity funds managed by the Company was sold for a substantial profit. The proceeds from the sale enabled the Company to recover from the Limited Partners in one Fund it manages, approximately \$1.5m of fees it had deferred during the economic recession that began in 2008. Two former partners argued that those deferred fees belonged to the General Partner and not the Company. One of those former partners submitted his claims to arbitration, and on February 22, 2013, the arbitrator ruled 100% in favor of the Company, and found that all of the deferred fees rightly belonged to the Company—not the General Partner. The other three individual members of the General Partner—apart from the former partner who</p>

	<p>initiated litigation on January 26, 2012— have declined to pursue any claims relating to the deferred fees. Seventy-five percent of the damages asserted by the former partner who initiated litigation on January 26, 2012 relate to the now-adjudicated deferred fees. In light of the fact that the issue was already settled 100% in favor of the Company in a formal arbitration proceeding, the Company views its total exposure under the January 26, 2012 litigation to be less than \$125,000.</p>
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ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Item 10.A	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable.</p>
Item 10.B	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable.</p>
Item 10.C	<p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> 1. broker-dealer, municipal securities dealer, or government securities dealer or broker 2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund) 3. other investment adviser or financial planner 4. futures commission merchant, commodity pool operator, or commodity trading advisor 5. banking or thrift institution 6. accountant or accounting firm 7. lawyer or law firm 8. insurance company or agency 9. pension consultant 10. real estate broker or dealer 11. sponsor or syndicator of limited partnerships <p>Peterson serves as the manager to the Funds. Peterson, its employees or their related persons may also invest directly in the Funds. It should be noted that investments in the Funds made by such parties are subject to the same fees and liquidity as outside, unaffiliated investors.</p> <p>As previously noted, affiliates of Peterson serve as the general partners of the Funds. Specifically: Peterson Management Partners, LLC (the “GP of PC II”) serves as the general partner to PC II; Peterson Partners III, LLC (the “GP of PP III”) serves as the general partner to PP III; Peterson Partners IVA, LLC (the “GP of PP IVA”) serves as the general partner to PP IVA; Peterson Partners V, LLC (the “GP of PP V”) serves as the general partner to PP V; Peterson Partners VI, LLC (the “GP of PP VI”) serves as the general partner to PP VI; Peterson Partners VII, LLC (the “GP of PP VII”) serves as the general partner to PP VII; Peterson Venture Partners, LLC (the “GP of PV III”) serves as the general partner to PV III; and Peterson Ventures IV, LLC serves as the general partner to PV IV (the</p>

	<p>“GP of PV IV”). Further, Whitman/Peterson Management, LLC, an affiliate of Peterson, will be paid the performance-based fees from the WPP Fund.</p> <p>The Funds, on occasion, make investments in asset management businesses which offer investment products to clients. Specifically, certain of the Funds hold a controlling interest in a SEC registered investment adviser, Cloud Capital, LLC (“Cloud”) and certain employees serve as directors to Cloud in connection thereto. Certain employees of Peterson also have personal investments in Cloud. It should be noted that Cloud provides investment advisory services to individuals, banking or thrift institutions, pension and profit sharing plans and other entities. To the extent an investment opportunity is appropriate for a Peterson account and a Cloud client, such opportunity is first presented to the Peterson client.</p> <p>Pursuant to Peterson’s investment strategy, employees of Peterson may sit on the boards of Portfolio Companies. Serving in such a capacity may expose such persons, and by association Peterson and the Funds, to certain conflicts of interest.</p> <p>Peterson’s personnel may and have worked on other projects (other than for Peterson), including projects for their personal benefit, which may be investment advisory in nature. Such personnel will also serve as members of the boards of directors of various companies other than Portfolio Companies. Conflicts may arise in the allocation of management resources as a result of such other activities. Specifically, Joel C. Peterson serves on the boards of public companies, specifically as Chairman of the Board of JetBlue Airways and Board Member of Franklin Covey. His positions are not investment advisory in nature; however, Mr. Peterson does receive compensation for such services. Further, Robert W. Whitman is the Chief Executive Officer and a more than 5% shareholder in Franklin Covey. Mr. Whitman’s position at Franklin Covey is not investment advisory in nature; however, he does receive compensation for such services. Robert W. Whitman also sits on the board of, Energy Solutions, a publicly traded company. In such capacity, Mr. Whitman heads the audit committee and receives compensation for his services.</p> <p>Peterson maintains internal compliance policies that are intended to minimize the negative effects of such conflicts if they arise, however, there can be no assurance that permitting the board membership of an employee will not result in less favorable results for the Funds than if the management person was not permitted to serve in such capacity. Finally, it should be noted Funds and Investors are provided with disclosure with respect to these conflicts in the applicable Advisory Client’s offering documents.</p>
Item 10.D	<p>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</p> <p>Peterson does not recommend or select other investments advisers for the Funds. However, as detailed above, Peterson makes investments in other investment advisers, one of which certain of the Funds has a controlling ownership interest and Peterson employees have personal investments.</p> <p>Please refer to Item 10.C above.</p>

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

<p>Item 11.A</p>	<p>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</p> <p>Peterson’s Code of Ethics (the “Code”) is designed to meet the requirements of Rule 204A-1 of the Advisers Act. The Code applies to Peterson’s access persons and sets forth a standard of business conduct that takes into account Peterson’s status as a fiduciary and requires access persons to place the interests of Peterson’s clients above their own interests. The Code requires access persons to comply with applicable federal securities laws. Further, access persons are required to promptly bring violations of the Code to the attention of Peterson’s Chief Compliance Officer. All access persons are provided with a copy of the Code and are required to acknowledge receipt of the Code on at least an annual basis.</p> <p>The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by access persons. Peterson’s access persons must provide Peterson’s Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an access person. In addition, Peterson’s access persons must provide annual holdings reports and quarterly transaction reports in accordance with Rule 204A-1. The Code ensures the protection of non-public information about the activities of the Funds and the investors.</p> <p>Current and prospective clients and Fund investors may obtain a copy of Peterson’s Code by contacting the Chief Compliance Officer, Daniel Peterson, at 801.365.0180.</p>
<p>Item 11.B</p>	<p>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Examples: (1) You or a <i>related person</i>, as principal, buys securities from (or sells securities to) your <i>clients</i>; (2) you or a <i>related person</i> acts as general partner in a partnership in which you solicit <i>client</i> investments; or (3) you or a <i>related person</i> acts as an investment adviser to an investment company that you recommend to <i>clients</i></p> <p>As noted herein, Peterson serves as adviser to the Funds and receives compensation for such services. Peterson, its employees and its related persons may invest directly in the Funds. The fact that Peterson, its employees and its related persons may have a financial ownership interest in the Funds creates a potential conflict in that it could cause Peterson to make different investment decisions than if they did not have such a financial ownership interest. Further, Peterson charges the Funds fees based on a percentage of assets under management via the management fee and, in some instances, based on performance. The management fee is payable without regard to the overall success or income earned by the Funds and therefore may create an incentive on</p>

	<p>the part of Peterson to raise or otherwise increase assets under management to a higher level than would be the case if Peterson were receiving a lower or no management fee. In instances where an Advisory Client is charged a performance-based fee, Peterson may also have an incentive to make investments that are riskier or more speculative than it otherwise would.</p> <p>Certain of the Funds have investments in other Funds managed by Peterson. As such, the investing Advisory Client is not charged any management or performance based fees by the other Peterson Advisory Client, nor will the investing Advisory Client be charged any organizational, offering, accounting, administration, legal or other fees or expenses incurred of the other Advisory Client, other than those expenses directly related to an investment by the investing Advisory Client. Such investments present a conflict of interest.</p> <p>Peterson may utilize the services of the Portfolio Companies for its own business operations, specifically using a Portfolio Company's services in providing 401k and other benefit services to Peterson. Fees and expenses for such services are negotiated on an arms-length basis. However, since certain of the Funds have an investment with such Portfolio Company, using such service presents a conflict of interest.</p> <p>There may be occasions where Joel C. Peterson loans funds to the PP Adviser and then such funds are dispersed to certain of the Funds for a short period of time. The respective Fund pays back the PP Adviser, including the amount of interest Mr. Peterson is personally charged by the respective bank. Mr. Peterson has historically been able to obtain more favorable terms on a personal line of credit than the Fund would have been able to obtain on its own. The PP Adviser has structured the borrowing in this manner to seek to benefit the respective Fund and the Investors and not for the benefit of Mr. Peterson. The Fund (and thus the Investors) are paying a lower interest rate and can avoid a non-use fee under this scenario.</p> <p>Complete fee disclosures are provided to Investors in the form of a confidential private offering memorandum and investment advisory agreements. Prospective Investors should carefully review such documents before investing in the Funds. Further, as noted above in Item 11.A, Peterson has established a Code of Ethics that sets forth a standard of business conduct that takes into account Peterson's status as a fiduciary and requires access persons to place the interests of the Funds above their own interests.</p> <p>Please also refer to Item 11.A above.</p>
Item 11.C	<p>If you or a <i>related person</i> invests in the same securities (or related securities, <i>e.g.</i>, warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</p> <p>As noted herein, Peterson, its employees and its related persons may invest directly in the Funds. Further, such parties may also make investments in the types of securities that the Funds invest in.</p> <p>Peterson's employees may also invest personally in the underlying Portfolio</p>

	<p>Companies that Peterson recommends to its clients. As investors of the same Portfolio Companies (and their related products), such employees would be participating in any capital gains (or losses) along with the Funds. As previously noted, certain of the Funds hold a controlling interest in Cloud. Certain employees of Peterson also have personal investments in Cloud.</p> <p>We do not as a general practice recommend that a Fund invest in companies in which we or our affiliates have a material ownership interest. In one instance, Joel C. Peterson was gifted founders shares in a Fund portfolio company by the founder of the company prior to the Fund's investment. Joel C. Peterson and the founder of the company have a long-standing business relationship and the shares were awarded to thank Joel for his involvement in the early stages of the company's development.</p> <p>In situations where actual or potential conflicts of interest between us and our affiliates and one or more Funds are identified, procedures contained in the limited partnership agreements, subscription agreements and offering memoranda of the affected Funds (collectively, the "Documents") generally provide for submission of the proposed transaction to an advisory committee for review and resolution. The specific procedures for each Fund we advise are set forth in each Fund's Documents.</p> <p>The following factors may alleviate, but will not eliminate, conflicts of interest between and among Funds and our affiliates.</p> <ul style="list-style-type: none"> • A fund will not make any investment unless we and the Fund's general partner believe that such investment is an appropriate investment considered solely from the viewpoint of such Fund. • Many important conflicts of interest may be resolved pursuant to procedures, restrictions or other provisions contained in the Documents of the affected Funds. <p>It should also be noted that Joel C. Peterson does a large amount of personal investing through his family office. This office invests in various security investments including Peterson's Funds. The family office investments are varied in nature and include many different types of investment products, from public securities and mutual funds to privately owned ancient Chinese art. The investment strategy is diverse in nature.</p> <p>Peterson seeks to monitor the potential conflicts of interests within the firm as it relates to employee's personal trading (including investments in the Funds). Each employee's transaction is strictly required to be made in accordance with Peterson's Code of Ethics. In this regard, employees are subject to pre-clearance and periodic reporting requirements of their holdings and securities transactions under the firm's Code of Ethics. As previously noted, Peterson's Code of Ethics requires Petersons' access persons to obtain prior written approval from the Chief Compliance Officer before engaging in any transactions in limited offerings. The Chief Compliance Officer reviews access persons' personal transaction reports to make sure each access person is conducting his or her personal securities</p>
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	<p>transactions in a manner that is consistent with the Code of Ethics.</p> <p>Please also refer to Item 11.A and Item 11.B. above.</p>
Item 11.D	<p>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Please refer to Item 11.A, Item 11.B. and Item 11.C above.</p>

ITEM 12 – BROKERAGE PRACTICES

<p>Item 12.A.1</p>	<p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <ol style="list-style-type: none"> 1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create. <ol style="list-style-type: none"> a. Explain that when you use <i>client</i> brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services. b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your <i>clients’</i> interest in receiving most favorable execution. c. If you may cause <i>clients</i> to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact. d. Disclose whether you use soft dollar benefits to service all of your <i>clients’</i> accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to <i>client</i> accounts proportionately to the soft dollar credits the accounts generate. e. Describe the types of products and services you or any of your <i>related persons</i> acquired with <i>client</i> brokerage commissions (or markups or markdowns) within your last fiscal year. f. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for soft dollar benefits you received. <p>Peterson invests in private transactions that are not executed on an exchange and does not utilize brokers. Notwithstanding the above, in the past, Peterson has utilized brokers and investment banks in connection with the sale of Portfolio Companies. This is typically done on a limited basis to remove restrictions from the securities and to help liquidate the securities in the open market. Any such purchases or sales will be executed in accordance with best execution.</p> <p>Peterson and its affiliates do not utilize “soft dollars.”</p>
<p>Item 12.A.2</p>	<p><u>Brokerage for Client Referrals.</u> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of</p>

	<p>interest it creates.</p> <ol style="list-style-type: none"> Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients</i>' interest in receiving most favorable execution. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals. <p>Not applicable.</p>
Item 12.A.3	<p><u>Directed Brokerage.</u></p> <ol style="list-style-type: none"> If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices. <p>Not applicable.</p>
Item 12.B	<p>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</p> <p>Peterson has a fiduciary obligation to treat its Funds fairly and must ensure that investment opportunities are allocated among Funds in a fair and equitable manner.</p> <p>In general, from the date of closing of a Fund, until the expiration of the initial commitment period, Peterson will allocate investment opportunities (other than follow-on investment opportunities related to the investments of another Fund) that are within the scope of the Fund's investment objectives, solely to such Fund. In the event that a closing on behalf of a new Fund occurs prior to the expiration of such commitment period of an existing Fund, Peterson will allocate those investment opportunities that meet the investment objectives of both Funds on a basis which it believes is fair and equitable and with the approval of the Investment Committee(s) to the respective Funds. Peterson will maintain a record of those instances in which it allocates investment opportunities between or</p>

	<p>among Funds and the methodology of such allocation. In particular, in situations where the allocation is done on a basis that is not pro-rata, the reasons why an allocation was made other than on a pro rata basis will be documented. Further, as previously noted herein, to the extent an investment opportunity is appropriate for a Peterson account and a Cloud client, such opportunity is first presented to the Peterson client.</p> <p>Peterson does not generally aggregate purchases or sales of publicly traded securities for the Funds. As a general matter, the purchase and sale of securities for client accounts generally are not aggregated given that, subject to certain limited exceptions, Peterson typically has, at any particular point in time, only one Fund that is making investments in new Portfolio Companies. In the limited circumstances where more than two Funds own or acquire interests in the same Portfolio Company, Peterson would evaluate on a case-by-case basis whether aggregating the purchase and sale of securities for the various Funds is appropriate under the circumstances.</p>
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ITEM 13 – REVIEW OF ACCOUNTS

Item 13.A	<p>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the <i>supervised persons</i> who conduct the review.</p> <p>The Funds’ portfolios are under continuous review. The Funds’ portfolios are reviewed by the respective Funds’ Investment Committee. The Account’s portfolio is reviewed by the Chief Compliance Officer. After investments are made, the Investment Committees and the Chief Compliance Officer remain actively involved with the Portfolio Companies in an effort to ensure and accelerate value creation for the Funds.</p> <p>Further, Peterson’s Chief Compliance Officer (or his designee), periodically reviews the investment portfolios to ensure consistency with applicable laws and regulations.</p>
Item 13.B	<p>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</p> <p>Please see Item 13.A above. The Funds’ are under continuous review.</p>
Item 13.C	<p>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</p> <p>Generally, all Investors in the Funds receive the following written reports: annual financial statements which have been audited by independent public accountants</p> <ul style="list-style-type: none"> • annual tax information necessary for each investor’s tax returns (including K-1s) • descriptive information with respect to each new Portfolio Company investment or the occurrence of any material event relating to any previous Portfolio Company investment quarterly

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Item 14.A	<p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable.</p>
Item 14.B	<p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>supervised person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>Although not currently in practice, Peterson may enter into written arrangements with third parties to act as solicitors for its investment management business. All such compensation will be fully disclosed to each client consistent with applicable law. All such referral activities will be conducted in accordance with SEC Rule 206(4)-3 under the Advisers Act, as well as relevant SEC guidance.</p>

ITEM 15 – CUSTODY

If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.

Peterson and the General Partners are deemed to have custody of the Funds' assets pursuant to Advisers Act Rule 206(4)-2.

As Peterson's investment program primarily involves investments in private companies, Peterson generally will be exempt from the requirement that securities be maintained with a "qualified custodian." Peterson anticipates that the majority of its investments in private companies will involve securities that are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated, to the extent ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with prior consent of the issuer or holders of the outstanding securities of the issuer.

It should be noted that Peterson maintains the cash assets of the Funds with Zions First National Bank, N.A. (One South Main Street, Salt Lake City, UT 84133).

To the extent that Peterson's investments in private companies involve securities that are certificated, but also are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering and (ii) transferable only with prior consent of the issuer or holders of the outstanding securities of the issuer, Peterson will maintain such certificates with a qualified custodian.

To ensure compliance with Rule 206(4)-2 under the Advisers Act, Peterson provides audited financial statements to Investors/the Account within 120 days of the end of the relevant Funds' fiscal year (i.e., generally by April 30). Investors should carefully review the audited financial statements of the Funds upon receipt.

ITEM 16 – INVESTMENT DISCRETION

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Peterson has discretionary authority to manage the Funds. Peterson is authorized to make purchase and sale decisions for the Funds.

As explained in Item 8 above, each Fund's investment strategy is set forth in detail in such Fund's offering memorandum. Investors in the Funds do not have the ability to impose limitations on Peterson's discretionary authority. Prospective Investors are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum, along with all other relevant offering materials, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective Investors should also consult with their legal, tax, or other advisors prior to making any investment. Prospective Investors must also execute a subscription agreement, in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, prospective Investors in the Funds must execute a limited partnership agreement.

ITEM 17 – VOTING CLIENT SECURITIES

<p>Item 17.A</p>	<p>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</p> <p>Peterson has authority to vote client securities. Although, based upon Peterson’s business as a private equity, real estate and venture capital fund manager (and general lack of involvement in publicly-traded securities) it is not expected that much proxy voting, if any, will occur. Where applicable Peterson has adopted and implemented policies and procedures reasonably designed to ensure that public company proxies as well as Portfolio Company solicitations received by Peterson on behalf of a client (together, “proxies”) are voted in the best interests of its clients and to recognize and resolve any material conflicts of interest that may arise in the course of such voting.</p> <p>Peterson will vote proxies in the best interests of the relevant client. Prior to voting a proxy addressed to a Peterson client, the Chief Compliance Officer (or his designated person) will consult with the respective Fund’s Investment Committee. Such individuals, in conjunction with the Chief Compliance Officer (or his designated person), will review the proxy to determine if there are any conflicts of interest. If a conflict is identified, such individuals then make a determination as to whether the conflict is material or not. If no material conflict is identified pursuant to these procedures, the proxy will be voted in accordance with the best interest of the relevant Peterson client.</p> <p>If a material conflict is identified, such individuals will determine what course of action is in the best interests of the affected Peterson client (which may include utilizing an independent third party to vote such proxies).</p> <p>Investors do not have the ability to direct proxy votes. Investors may obtain additional information regarding how Peterson voted proxies and may obtain a copy of Peterson’s proxy voting policies and procedures by contacting the Chief Compliance Officer, Daniel Peterson, at 801.365.0180.</p>
<p>Item 17.B</p>	<p>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</p> <p>Not applicable.</p>

ITEM 18 – FINANCIAL INFORMATION

Item 18.A	<p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> 1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity. 2. Show parenthetically the market or fair value of securities included at cost. 3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X. <p>Not applicable.</p>
Item 18.B	<p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>Peterson is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to the Funds.</p>
Item 18.C	<p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Not applicable.</p>