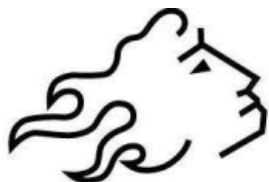


Firm Brochure

March 2013



PROMETHEUS

P A R T N E R S

PROMETHEUS PARTNERS ADVISORS, LLC

1340 Hamlet Avenue • Clearwater, Florida 33756 • Phone: (727) 443-5656

Email: compliance@prometheuspartners.com • www.prometheuspartners.com

This brochure provides information about the qualifications and business practices of Prometheus Partners Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at compliance@prometheuspartners.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Prometheus Partners Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

Not applicable.



Firm Brochure

March 2013

Table of Contents

Advisory Business.....	4
Fees and Compensation.....	4
Performance-Based Fees and Side-By-Side Management.....	6
Types of Clients	6
Methods of Analysis, Investment Strategies and Risk of Loss	6
Disciplinary Information	8
Other Financial Industry Activities and Affiliations	8
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	8
Brokerage Practices	9
Review of Accounts	9
Client Referrals and Other Compensation	9
Custody.....	10
Investment Discretion	10
Voting Client Securities	10
Financial Information	10

Advisory Business

Prometheus Partners Advisors, LLC (“*Prometheus*,” “*we*” or “*us*”) provides discretionary investment advisory services to private equity funds it or its affiliates sponsor (each, a “*Fund*” and collectively, the “*Funds*”). We are headquartered in Clearwater, Florida, and are 100% owned by Nicholas Peters. While some of our personnel are employed by our affiliates which serve as general partners or managers of the Funds, all such personnel are supervised by us in their investment advisory functions.

We provide discretionary investment advisory services to the Funds that invest directly in privately-held companies (“*Portfolio Companies*”). The Funds are primarily focused on leveraged buyouts of smaller middle market nationally-franchised restaurant businesses operating under three well-known franchise brands (the “*Brands*”).

Our advisory services include the identification, evaluation and selection of investment opportunities for the Funds; performance of due diligence in connection with the Funds’ potential investments; negotiation of investment terms; and monitoring each Fund’s performance. Prometheus manages the Funds in accordance with the terms of each Fund’s organizational and governing documents (“*Governing Documents*”). Accordingly, our services are tailored to each Fund, depending on its terms and investment objectives.

Our principals have decades of experience investing in the enduring top tier nationally-franchised restaurant Brands. We have assembled a high-quality operations, construction, and development team, which consists of former senior executives of the three Brands in which the Funds invest. This team has the operational experience to drive margins while growing the businesses internally and through accretive acquisitions, coupled with an efficient overhead, given the size and scale of the restaurant operations over which the back office can be spread. We are also the only group with a dedicated acquisition team in the three Brands, and we have over 15 years of experience investing in nationally franchised restaurants.

Our unique position as an approved franchisee of the Brands, which rarely permit new franchisees, coupled with control of the Funds with dedicated capital, provides us with deal flow in our markets throughout the Southeast.

As of January 1, 2013, we managed approximately \$170.4 million of assets on a discretionary basis.

Fees and Compensation

We generally receive management fees and performance-based compensation such as carried interest from the Funds. We may also receive fees for providing services to Portfolio Companies. We may, for example, earn transaction fees from Portfolio Companies as compensation for services (collectively, “*Transaction Fees*”). These Transaction Fees may include closing fees, transaction fees and/or other similar fees received in connection with the Funds’ purchase of a Portfolio Company. We also earn management fees from Portfolio Companies (collectively, “*Portfolio Company Management Fees*”). These fees may include management fees and/or similar fees received in connection with the management and monitoring of Portfolio Companies. Each Fund’s Governing Documents establish the fees paid by the Fund, which may be reduced by a specified portion of the Transaction Fees and Management Fees we receive.

The Funds also bear certain out-of-pocket expenses incurred by us in connection with the services we provide as discussed below.

Common Types of Fees

Management Fees

Annual fund management fees are typically 2% of the investors’ committed capital during the Fund’s investment period, and afterward, the fee is typically applied only to the amount of the Fund’s initial cost basis in Portfolio Company investments that have not yet been exited or the amount to which any such Portfolio Company has been permanently written down. To the extent provided in the Governing Document, the annual management fee may be reduced in certain circumstances.

Fund management fees are generally paid by a Fund by requiring investors to make capital contributions, or withholding such fees from investment proceeds that would otherwise be distributable to the investors of the Fund. Fund management fees are payable quarterly in advance.

Performance-Based Arrangements

Distributions to Fund investors are subject to the carried interest we earn as provided in each Fund’s Governing Documents. These amounts, if any, represent a share of distributions made by a Fund in excess of the investors’ invested capital preferred return, and fees

and expenses.

Carried interest allocations are calculated based on a percentage of profits in excess of invested capital, and are usually subject to preferred return hurdles.

Fund management fees and carried interests are subject to modification, waiver or reduction. Furthermore, in addition to Fund investors, we, our affiliates and equity owners, and certain of their respective professionals may invest alongside the Funds in Portfolio Companies (as permitted in the Governing Documents). Fund management fees or carried interest allocations on such investments may be substantially reduced or, as is more typical, waived altogether for these investors. Direct co-investments in certain Portfolio Companies by our affiliates may present a conflict of interest in that a Fund's investment may be influenced by our affiliate's direct interest in the Portfolio Company. While we believe such affiliates' interests are aligned with the Funds' interests, to address this conflict of interest, we have adopted procedures which ensure consultation with these co-investors regarding major decisions. Most of the co-investors are also Fund investors which help to minimize conflicts. Furthermore, Governing Document provisions, which expressly permit such co-investments, impose duties on us to treat Fund clients fairly.

Other Fees

To the extent we receive fees from Portfolio Companies, including Transaction Fees and/or Portfolio Company Management Fees, a portion of such fees paid to us may reduce our management fees, as provided in each Fund's Governing Documents. The governing agreement of each Fund provides the basis on whether such fees or which fees reduce fund management fees and in what proportion.

We may have a conflict of interest to the extent that we earn a fee from an acquisition or disposition refinancing or recapitalization by a Portfolio Company. However, we believe that the management fee offset provisions described above and the substantial equity commitment by us and our affiliates in the Funds and their underlying Portfolio Companies substantially mitigate this potential conflict. Any fees paid to us by a Portfolio Company are established on terms that we believe are no less favorable to the Fund or the Portfolio Company than would be obtained in a transaction with an unaffiliated party.

Common Types of Expenses

Organizational Expenses

Typically, legal, accounting, filing, graphics design and printing, travel and other expenses incurred in connection with organizing and establishing a Fund are borne by the investors in the Fund, as described in the Fund's offering materials. Often, these expenses are capped in the Governing Documents. Any organizational expenses incurred in excess of such cap are borne by us.

Broken Deal Expenses

The Funds generally are required to bear out-of-pocket costs and expenses occurred in connection with deals that are not completed. These expenses may be capped in the Governing Documents. Any broken deal expenses incurred in excess of such cap are borne by us.

Typically, these expenses include (i) legal, accounting, advisory, consulting or other third-party expenses in connection with making an investment that is not ultimately consummated, and any related travel and accommodation expenses, (ii) all fees (including commitment fees), costs and expenses of lenders and other financing sources, and (iii) any deposits which are forfeited in connection with a proposed investment that is not ultimately made.

Other Expenses

There are additional general categories of expenses that may be borne by the Funds. The Funds generally are required to pay all costs and expenses related to their operation, which can include (i) all costs and expenses attributable to acquiring, holding and disposing of portfolio investments; (ii) legal, accounting, auditing, consulting and other fees and expenses (including expenses associated with negotiating, consummating and disposing of portfolio investments, insurance, and the preparation of Fund financial statements, tax returns and forms K-1); (iii) expenses of the investor advisory board incurred in their performance of its duties; (iv) litigation and indemnification costs and expenses, judgments and settlements; and (v) any taxes, fees and other governmental charges levied against the Fund.

Performance-Based Fees and Side-By-Side Management

As provided in each Fund's Governing Documents, we receive a carried interest or other performance-based fees from the Funds.

Types of Clients

Our clients are the Funds, as described above.

Methods of Analysis, Investment Strategies and Risk of Loss

Each Fund addresses a specific investment opportunity or group of opportunities, primarily focused on investing in smaller middle market leveraged buyouts of nationally-franchised restaurant businesses under the Brands. Investors in each Fund receive a Private Placement Memorandum and certain due diligence supplements or similar documents that describe such Fund's investment strategy, methods of analysis and risks of loss in detail, and then execute a subscription agreement and partnership agreement. The Private Placement Memorandum for each Fund contains more extensive disclosure.

All investments involve a risk of loss that the Funds and their investors should be prepared to bear. A fundamental premise of private equity investing is the acceptance of illiquidity and a higher degree of risk in expectation of returns. Certain of the more significant risks are discussed briefly below:

- *Leverage.* Portfolio Companies may have a significant amount of debt. Such investments involve a high degree of risk in that adverse fluctuations in their cash flows, increased interest rates, downturns in the economy or in the industry in which they operate may impair their ability to meet their obligations and significantly reduce or eliminate the value of the investment made by the Fund. These companies may also be subject to restrictive financial and operating covenants, which may impair their ability to finance their future operations and capital needs.
- *Investments in Junior Securities.* Fund investments are often the most junior securities of a Portfolio Company's capital structure and are, therefore, subject to the greatest risk of loss.
- *Lack of Liquidity of Investments.* There can be no assurance that a Fund will be able to dispose of its investments by sale or other disposition at attractive prices or otherwise be able to complete a realization or an "exit" strategy. Further, most Fund investments will initially not have any readily available public market. Funds will generally not be able to sell the securities of such companies unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, dispositions of investments may also be subject to contractual and other limitations on transfer or other restrictions that would interfere with the subsequent sale of such investments or adversely affect the terms that could be obtained upon any disposition thereof. Achieving liquidity or a public market listing for and ultimately disposing of such investments may require a lengthy time period and could result in in-kind distributions to Fund investors.
- *Contingent Liabilities on Disposition of Investments.* In connection with the disposition of a Portfolio Company, a Fund may be required to make representations and warranties about the business and financial affairs of such Portfolio Company typical of those made in connection with the sale of a business. The Fund may also be required to indemnify the purchasers of the Portfolio Company to the extent that any of the representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Fund's general partner may establish reserves or escrow accounts. In that regard, Fund investors may be required to return amounts distributed to them to fund the Fund's obligations, including indemnity obligations. Furthermore, under state law, each Fund investor that receives a distribution in violation of such law will, under certain circumstances, be obligated to recontribute such distribution to the Fund.
- *Uncertainty of Financial Projections.* It is anticipated that we or an affiliate will establish the capital structure of Portfolio Companies on the basis of financial projections. These projections will be based on assumptions and information provided by and judgments made by the management of the respective Portfolio Companies. These projections will only be estimates of future results and, therefore, there can be no assurance that the results projected will be obtained. Actual results may vary significantly from those projected. General economic conditions and other exogenous factors, none of which are predictable, can have a materially adverse impact on the projections' reliability.

- *Financial Market Fluctuations.* General fluctuations in the market price of securities may affect the value of the investments held by the Funds. Instability in the securities markets may also increase the risks inherent in the Funds' investments. 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.
- *Uncertain Results of Acquisition Strategies.* As part of a buy-and-build strategy, Portfolio Companies will seek add-on acquisitions. There can be no assurance that the Portfolio Companies will be able to acquire businesses on satisfactory terms or that any business acquired by a Portfolio Company will be integrated successfully into that company's operations or be able to operate profitably. Future acquisitions could require additional financing, which could result in an increase in a Portfolio Company's indebtedness.
- *Reliance on Portfolio Company Management.* The day-to-day operations of each Portfolio Company will be the responsibility of such Portfolio Company's management team. Although we are responsible for monitoring the performance of each of the Portfolio Companies and seek to invest in Portfolio Companies with strong management, there can be no assurance that the existing management team, or any successor, will be able to operate the company in accordance with the Fund's plans.
- *Competition.* The activity of identifying, completing and realizing on attractive investments has from time to time been highly competitive and involves a high degree of uncertainty. The Funds compete for investments with many other investment vehicles and strategic investors which may have investment objectives and strategies identical or similar to the Fund's investment objectives or strategies and may possess substantially greater resources than the Fund. There can be no assurance that any Fund will be able to locate suitable investments which satisfy its rate of return objective or realize upon their values or that it will be able to fully invest its capital.
- *Financial Fraud.* Instances of fraud and other deceptive practices committed by the senior management of Portfolio Companies may undermine our due diligence efforts with respect to such companies, and if such fraud is discovered, negatively affect the valuation of the Fund's investments. In addition, when discovered, financial fraud may contribute to overall market volatility that can negatively impact the Fund's investment program.
- *Additional Capital.* Portfolio Companies may require additional financing to satisfy their working capital requirements. The amount of additional financing needed will depend upon the maturity and objectives of the particular Portfolio Company. Each round of financing (whether from the Fund or other investors) is typically intended to provide a Portfolio Company with enough capital to reach the next major valuation milestone. If the funds provided are not sufficient, such Portfolio Company may need to raise additional capital at a price unfavorable to existing investors, including the Fund. In addition, a Fund may make additional debt and equity investments or exercise warrants or other convertible securities in such Portfolio Company in order to preserve the Fund's proportionate ownership when a subsequent financing is planned or to protect the Fund's investment when such Portfolio Company's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of the Fund or any Portfolio Company. There can be no assurance that the Portfolio Companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.
- *Business and Market Risks.* The investments made by the Funds may involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the Portfolio Company, changes in market conditions, and changes in laws, regulations, fiscal policies or political conditions, including the risks of war and the effects of terrorist attacks. Regulations generally, including tax laws and regulation, could increase the cost of acquiring, holding or divesting Portfolio Companies, the profitability of the enterprises and the costs of operating the Fund. The returns generated from investments of the Funds may not adequately compensate Fund investors for the business and financial risk assumed.
- *Board Membership of Portfolio Companies.* Funds typically receive the right to appoint representatives to the board of directors of the Portfolio Companies. Serving on the board of directors of a Portfolio Company exposes the Fund's representatives, and ultimately the Fund, to potential liability. Although Portfolio Companies may have insurance to protect directors and officers from such liability, such insurance may not be obtained by all Portfolio Companies and may be insufficient if obtained. Further, to the extent that any of our members serve as directors of Portfolio Companies, they may have duties to persons other than the Fund.
- *Control Person Liability.* Funds are expected to have controlling interests in most of their Portfolio Companies. The exercise of control over such companies may impose risks of liability for environmental damage, product defects, pension and other fringe benefits, failure to supervise management, violation of laws and governmental regulations (including securities laws) and other types of liability for which the limited liability generally characteristic of business ownership may be ignored. If these liabilities were to arise, a Fund may suffer a significant loss.

- *Dependence on Brand Strength of Franchisors.* The Funds invest in top tier restaurant businesses that are franchisees of major restaurant franchise Brands. The success of the Funds' investments in such Portfolio Companies is significantly dependent on the decisions and strength of the Brand. To the extent that the franchisor's brand experiences negative publicity (whether factually accurate or inaccurate), the franchisee in which the Fund has invested could suffer a significant loss.

Disciplinary Information

Not applicable.

Other Financial Industry Activities and Affiliations

Certain of our members and employees may spend substantially all of their business time and attention on multiple Funds (as required by the Governing Documents). As a result, the performance by these individuals of their obligations to one Fund could conflict with their responsibilities to other Funds.

Certain limitations generally apply with respect to our ability to begin organizing or accepting capital commitments for other funds if such funds have investment objectives that are substantially similar to those of an existing Fund, including until such existing Fund has invested a specified percentage of its capital commitments. These limitations are intended to help alleviate the conflicts respecting the allocation of investment opportunities between an existing Fund and a newly established Fund. Such limitations do not completely alleviate allocation conflicts, and Fund investors should understand that to the extent a Fund has uncommitted capital, the potential for a conflict exists.

An investor in a Fund may participate in a direct Portfolio Company co-investment in which a Fund is invested.

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

Code of Ethics

We have implemented a Code of Ethics ("Code"), which establishes certain standards of business conduct that govern the activities of our employees and officers, including the standard that clients' interests must be placed first at all times.

The Code requires our "access persons" (officers and supervised persons with access to client information) to report their personal securities transactions and political contributions to us on a quarterly basis and their securities holdings upon commencement of employment (or upon becoming an access person) and annually thereafter. Our employees are restricted from investing in the equity securities of the Brands. The Code requires all employees and officers to comply with applicable federal securities laws and to promptly report any violation of the to our Chief Compliance Officer.

A copy of the Code will be provided upon request to any investor or prospective investor in a Fund. A copy of the Code may also be obtained by writing to: Prometheus Partners Advisors, LLC, Attn: Chief Compliance Officer, 1430 Hamlet Avenue, Clearwater, Florida 33756.

We and our principals seek to ensure that we and our members, employees and affiliates do not personally benefit from information related to Fund investments. Under the respective Governing Documents of the Funds, each Fund's general partner is required to present to the respective Fund all nationally-franchised restaurant investment opportunities in the Brands that come to the attention of such members during the respective Fund's investment period. Furthermore, access persons and their affiliates may only co-invest in underlying Portfolio Company opportunities to the extent that either (i) it is required by the franchisor of a Portfolio Company or (ii) the co-investment opportunity is not fully subscribed by the investors of the Fund, at which time notice must be provided to the respective Fund's advisory committee. Additionally, during the respective Fund's investment period, access persons and their affiliates must obtain approval from the Fund's advisory committee to pursue nationally-franchised restaurant investment opportunities in the Brands.

Participation or Interest in Client Transactions

Certain of our related persons (i.e., members and some employees) will indirectly receive a portion of the carried interest we earn. The carried interest allocation may vary among the Funds. While we intend to allocate investment opportunities among the Funds in a manner that we believe is fair and equitable, the possibility of receiving carried interest and the variation of the structure of carried interest among the Funds may create an incentive for us to favor one Fund over another Fund.

Brokerage Practices

As the investment adviser of the Funds, we have the discretion to determine the purchase of the underlying Portfolio Company. Investments in underlying Portfolio Companies are privately negotiated by us. We do not utilize broker-dealers in connection with such investments.

Review of Accounts

The Funds and their respective Portfolio Companies are continuously reviewed by our team of investment professionals. Our investment team is led by Mr. Nicholas Peters, CEO & Managing Member. We continually monitor operations, overall performance, financial performance, asset plans, development plans, and the strategic direction of each Portfolio Company owned by the Funds through regular interaction with the management teams of each business.

In addition to the regular ongoing Portfolio Company involvement, our investment professionals also conduct monthly corporate finance portfolio reviews with the management teams, as well as more extensive quarterly strategic reviews involvement management and our operational advisory board. At each of these meetings, our investment team reviews the performance of the Portfolio Companies, highlighting any performance issues or concerns with each company and providing strategic direction. These meetings typically include reviews of financial performance, operational performance, customer metrics, management bench, insurance claims, capex plans (including asset action strategy and development plans), covenant compliance, leverage and debt paydowns, and distribution projections.

Additionally, our principals also actively participate within the franchise community of each of the Brands in which the Funds invest, sitting on boards and committees of the various franchise associations, representing the Portfolio Companies at the association meetings, and interacting regularly and maintaining relationships with the franchisors and Brand executive teams. This level of involvement allows us to actively review the performance of the Brands in which the Funds invest.

Each Fund provides to its investors the following written reports:

- Annual Audited Financial Statements of the Fund;
- Quarterly Unaudited Financial Statements of the Fund;
- Quarterly Unaudited Capital Account Statements specific to each investor;
- Quarterly Operating Company Performance Summaries on the Portfolio Companies of the Fund;
- Annual Audited Financial Statements of the Portfolio Companies; and
- U.S. Income Tax information (K-1s) annually.

We also provide Fund investors regular updates on the activities of the Funds and their underlying Portfolio Companies, as well as distribution reports (as appropriate to the Fund) regarding projected distributions and comparisons of actual vs. projected distributions.

Additionally, we will typically hold face-to-face meetings each year with each investor in a Fund to review the performance of the Fund and the underlying investments, and to discuss and address any potential conflicts of interest.

Client Referrals and Other Compensation

No firms or other persons solicit advisory clients for us.

Custody

While we do not actually have possession of any Fund securities or funds, we are deemed to have custody of the Funds' assets. Custody of the Funds' assets is maintained in compliance with applicable rules and regulations provided in the Investment Advisers Act of 1940 ("*Advisers Act*"). In addition, the financial statements of each Fund are audited and distributed to its investors within 120 days of the fiscal year-end of the Fund by a PCAOB-registered accounting firm. We have implemented written policies and procedures to ensure compliance with the Advisers Act custody requirements. We periodically review the effectiveness of our custody controls.

Fund investors should compare any statements received from a Fund custodian to those we provide them.

Investment Discretion

Subject to the investment objectives and limitations of each Fund, as provided in such Fund's offering materials and Governing Documents, we, as manager, have the discretion to determine the underlying Portfolio Companies in which such Fund invests and the amounts of such investments.

Our investment decisions are made in accordance with our investment policy, which takes into account multiple criteria, including the investment objectives and strategy of the Fund; such Fund's size and amount of capital available for investment; such Fund's diversification requirements; available investment opportunities appropriate for such Fund; and current and anticipated market conditions.

Voting Client Securities

Funds do not typically receive distributions of public securities or otherwise hold public securities, and therefore it is unlikely we would ever vote a proxy on a client's behalf. In the event any Fund were to receive a distribution of securities in-kind, the Fund would immediately sell those securities for cash under the terms of the Fund's Governing Documents. In the event we do need to vote a security because of our authority as manager of a Fund, we will seek to ensure that we vote to maximize the position's economic value or by determining whether a particular vote was in the best interests of the Fund.

We have adopted proxy voting policies and procedures (the "*Proxy Policy*") to address how we will vote any proxies for a Fund. The Proxy Policy seeks to ensure that we vote proxies (or similar instruments) in the best interest of the Funds, including when there may be material conflicts of interest in voting proxies. We generally believe our interests are aligned with each Fund's investors through our significant investments in the Funds and our carried interest from the Funds. In the event, however, there is or may be a conflict of interest between us and the Fund in voting proxies, we may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives provided in the Proxy Policy.

Clients may obtain a copy of our Proxy Policy or information about how we voted by writing to: Prometheus Partners Advisors, LLC, Attn: Chief Compliance Officer, 1340 Hamlet Avenue, Clearwater, Florida 33756.

Financial Information

Not applicable.