

SCM Advisers (USA) AG

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March 11, 2013

This brochure (the “Brochure”) provides information about the qualifications and business practices of SCM Advisers (USA) AG (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at +41 43 499 49 49. 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.

The Adviser is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information based on which you may determine to hire or retain an adviser.

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

Item 2 – Material Changes

There are no material changes to be reported since the Adviser's last posting of this Brochure on February 14, 2012.

A copy of this Brochure may be requested without charge by contacting the Adviser's Chief Compliance Officer, at +41 43 499 49 49.

Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 -Table of Contents	iii
Item 4 – Advisory Business.....	1
Item 5 – Fees and Compensation	1
Item 6 – Performance-Based Fees and Side-By-Side Management.....	2
Item 7 – Types of Clients	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	3
Item 9 – Disciplinary Information.....	5
Item 10 – Other Financial Industry Activities and Affiliations	5
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading....	6
Item 12 – Brokerage Practices.....	7
Item 13 – Review of Accounts.....	7
Item 14 – Client Referrals and Other Compensation	8
Item 15 – Custody	8
Item 16 – Investment Discretion.....	8
Item 17 – Voting Client Securities	8
Item 18 – Financial Information.....	9
Brochure Supplements	

Item 4 – Advisory Business

The Adviser is an investment advisory firm focusing exclusively on fund investments in private markets, including private equity, real estate and infrastructure. It offers customized advisory services to institutional investors. The Adviser may also serve as investment adviser to (i) investment entities established to provide services tailored to specific client's needs ("Separate Accounts"), and (ii) pooled investment funds ("Funds-of-Funds") formed by the Adviser and its affiliates.

The advisory services provided by the Adviser may include: (i) development of investment strategy and asset allocation, (ii) program planning and implementation, (iii) evaluation of specific investment opportunities, and/or (iv) monitoring of and reporting on investments made (including performance evaluations, monitoring and reconciling of cash flows, reviewing asset allocations, and preparing respective reports). The Adviser's services are based on each client's specific needs and may vary from client to client. In the respective advisory agreements with the Adviser, clients may impose restrictions on investing in certain securities or types of securities.

In the case of a Funds-of-Funds or other investment funds formed by the Adviser or its affiliates, while the Adviser or an affiliate may initially help determine an investor's eligibility to invest, the individual needs of fund investors are not a basis of investment decisions by the Adviser. The Adviser tailors its advice to the specific investment objectives and restrictions of each fund pursuant to the investment guidelines and restrictions set forth in each fund's confidential private placement memorandum, limited partnership agreement, and/or other governing document(s) (together, the "Offering Documents").

The Adviser was established in 2012 as a wholly owned subsidiary of SCM Strategic Capital Management AG, a Swiss corporation founded in 1996. As its founder, Dr. Stefan Hepp owns more than 50% of the shares in SCM Strategic Capital Management AG.

The Adviser manages on a discretionary basis the assets of Funds-of-Funds with aggregate assets of USD 270,600,000. This amount reflects all investors' capital commitments, including contractually committed capital that has not yet been contributed to these Funds-of-Funds. The Adviser also provides non-discretionary advice to public pension and profit-sharing plans regarding the selection of investments.

In accordance with common industry practice, the general partner of a fund may enter into "side letters" or similar agreements with certain investors pursuant to which the general partner grants the investor specific rights, benefits, or privileges that are not made available to investors generally.

Item 5 – Fees and Compensation

All fees are subject to negotiation and are reflected in the client's written advisory agreement with the Adviser and/or in the Offering Documents.

The Adviser typically receives an advisory fee that is based on the amount of assets advised or is a fixed fee for certain types of services. In some cases, the Adviser may also receive a performance-based fee for its investment advisory services (as described in Item 6). The advisory fees for advising Funds-of-Funds

are typically paid from the management fee received by the managing entity (e.g. general partner) of the respective Fund-of-Funds. Clients are billed for fees incurred. Fees are typically payable quarterly, either in advance or in arrears. If fees are payable in advance and the advisory agreement is terminated before the end of the billing period, the client can obtain a refund on a pro-rated basis.

The Adviser's fees for advising Funds-of-Funds and Separate Accounts are generally exclusive of organizational expenses, operating costs and expenses (including the cost of external administrators, custodians legal and tax counsels, as applicable), wire transfer fees, and other related costs and expenses which may be charged directly to the respective Fund-of-Fund or Separate Account in connection with their respective formation and operation.

The Adviser typically recommends its clients to invest in pooled investment funds ("Target Funds"). The managers, advisers and/or general partners of such Target Funds generally assess management/advisory fees and/or carried interest that are in addition to the advisory fee charged by the Adviser.

For more detailed information and a complete description of the fees and costs associated with any of the Funds-of-Funds advised and/or sponsored by the Adviser or its affiliates, please contact SCM Advisers (USA) AG at +41 43 499 49 49 to request a copy of the relevant fund's confidential Offering Documents.

Item 6 – Performance-Based Fees and Side-By-Side Management

In some cases, the Adviser has entered into performance-based fee arrangements in connection with Funds-of-Funds. Such arrangements may be based on realized capital gains and income from the assets of the respective Funds-of-Funds and are described in more detail in the limited partnership agreements governing these Funds-of-Funds. The Adviser will structure any performance or incentive allocation arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the "Advisers Act") in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

Performance-based fee arrangements may create an incentive for the Adviser to recommend investments that may be riskier or more speculative than those which would be recommended under a different arrangement. Such arrangements may also create an incentive to favor higher-fee paying Funds-of-Funds over other clients of the Adviser in the allocation of investment opportunities. The Adviser has implemented procedures designed to ensure that all clients are treated fairly and equally, and to prevent this potential conflict from influencing the allocation of investment opportunities amongst its clients.

Item 7 – Types of Clients

As described in Item 4 above, the Adviser may offer investment advisory services to institutional investors, including but not limited to, public and corporate pension and profit-sharing plans, charitable institutions, foundations, endowments and municipalities. It may also serve as investment adviser to Separate

Accounts and Funds-of-Funds.

Separate Accounts managed by the Adviser would typically require a USD 100 million minimum investment. For investments in Funds-of-Funds sponsored by the Adviser or its affiliates, a USD 5 million minimum investment is generally required.

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

Methods of Analysis and Investment Strategies

The investment strategy for a specific client is based upon such client's investments objectives and restrictions. The relevant investment strategy, objectives and restrictions are agreed upon in writing with each client.

In performing investment advisory activities, the Adviser takes into account analysis performed by its affiliates, including in particular SCM Strategic Capital Management AG. While the services offered by the Adviser may vary from client to client depending on a client's specific needs, the investment analysis by the Adviser and its affiliates generally involves a three-stage manager selection process including (i) a pre-selection, (ii) a business due diligence and (iii) legal/tax due diligence.

In the pre-selection phase, the relevant markets are screened for new investment opportunities which, if considered potentially attractive, are subjected to a preliminary analysis. Based on the results of the pre-selection phase, the Adviser's investment team can make an informed decision on whether or not the project should be pursued further. Investment opportunities selected for further analysis undergo an enhanced business due diligence that is founded on a formalized due diligence process and culminates in the production of a written business due diligence report ("BDD Report"). Such BDD Report highlights a manager's (i) organization/team, (ii) track record and (iii) investment strategy and is presented to and discussed by the Adviser's investment committee ("Investment Committee").

For selected opportunities, and where agreed upon with the client, a subsequent legal due diligence may be performed in cooperation with an external law firm. Typically, such legal due diligence focuses on whether the Target Fund's legal terms and conditions (i) are in line with market standards for funds of a comparable nature, (ii) could have a negative impact on the client's limited liability or (iii) involve hidden fees. Depending on the specific requirements of a client and subject to the terms of the relevant advisory agreement with such client, an additional tax due diligence may be conducted in cooperation with an external law firm to evaluate the tax implications of investing in a certain Target Fund. The results of the legal and/or tax due diligence (if any) are summarized in a written legal due diligence report ("LDD Report") which is presented to the Investment Committee.

Based on the BDD Report and the LDD Report (if any), the Investment Committee may either (i) issue an investment recommendation to its clients (in case of non-discretionary mandates), (ii) make the final investment decision (in case of discretionary mandates), (iii) request follow-ups on specific issues from the team that has performed the due diligence, or (iv) reject the investment opportunity.

Investment analysis is primarily based upon the original research performed by the Adviser and its affiliates. The Adviser and its affiliates may also review research reports generated by third parties, conduct interviews with investment managers and/or perform on-site inspections. The Adviser and its

affiliates may also hire research/consulting firms on a fee- for-service basis (non-soft dollar) to obtain access to research databases.

Risk of Loss

Investing directly or indirectly (i.e. through Fund-of-Funds or Separate Accounts) in Target Funds or other investments selected by the Adviser involves risk of loss up to and including the loss of a client's entire investment (including any amounts contractually committed that have not yet been paid-in).

Before investing in any Target Fund selected by the Adviser or in any Fund-of-Funds or Separate Account advised by the Adviser or its affiliates, prospective clients and investors should ensure that they (i) understand the risks associated with such investments which generally include, but are not limited to, the risks outlined below, and (ii) have the financial ability and willingness to accept such risks.

Identification of investment opportunities and expenses. The success of the Adviser depends, amongst others, on the availability and identification of suitable investment opportunities (e.g., Target Funds). The availability of investment opportunities will be subject to market conditions and other factors outside the control of the Adviser. There can be no assurance that the Adviser or its affiliates will be able to identify sufficient attractive investment opportunities to meet the investment objective of its clients.

Political, economic and legal risks. Separate Accounts and Fund-of-Funds advised by the adviser, and/or Target Funds selected by the Adviser, may make portfolio investments in a number of countries exposing investors to the risk of adverse political developments, including nationalization, confiscation without fair compensation, and acts of terrorism or war and of changes in governmental policies. Furthermore, foreign jurisdictions may impose restrictions to prevent capital flight, which could make it difficult or impossible to exchange or repatriate foreign currency. In addition, laws and regulations of foreign countries may impose restrictions or approvals which would not exist in the investor's country of origin and may require financing and structuring alternatives which differ significantly from those customarily used in the investor's country of origin. No assurance can be given that a political or economic climate, or particular legal or regulatory risks, might not adversely affect a portfolio investment.

Leverage. The use of leverage magnifies both the favorable and unfavorable effects on equity values of portfolio investments made by Fund-of-Funds, Target Funds or by Separate Accounts. Portfolio investments may be, have, or acquire highly leveraged capital structures, increasing their exposure to adverse economic factors such as rising interest rates, reduced cash flows, fluctuations in exchange rates, inflation, downturns in the economy or deterioration in the condition of the company or its industry.

Currency risk. Investments in or by Separate Accounts and Fund-of-Funds or in Target Funds selected by the Adviser may be denominated in and may make portfolio investments in a number of different currencies. Any returns on, and the value of such investments may, therefore, be materially affected by exchange rate fluctuations, local exchange control, limited liquidity of the relevant foreign exchange markets, the convertibility of the currencies in question and/or other factors.

Financial market fluctuations. Fluctuations in the market prices of securities may affect the value of portfolio investments and may increase the risks inherent in such investments. A portfolio company's ability to refinance its debts and remain solvent may depend on the ability to sell new securities in the capital markets, to borrow from banks or otherwise, which may be impracticable or impossible in certain market environments.

Illiquid investments. Investments in Target Funds, Funds-of-Funds or Separate Accounts will generally be

subject to legal or other restrictions on transfer or may have no liquid market. As a consequence, the client may not be able to sell its investments when it desires to do so or to realize what it perceives to be the fair value upon a sale.

Management and strategy risk. The ability of each client's portfolio to meet its investment objective is related to the Adviser's investment strategies. The investment process used by the Adviser could fail to achieve a client's investment objective and cause investments to lose value.

Taxation risks. An investment in Target Funds, Funds-of-Funds or Separate Accounts involves complex income and other tax considerations that will differ for each prospective investor. Each prospective investor should consult its tax adviser with respect to the income and other tax consequences of an investment.

Dependence on key personnel. The ability of the Adviser to provide advisory services depends on its personnel and the personnel of its affiliates. The Adviser will be relying extensively on the experience, relationships and expertise of such personnel. There can be no assurance that the same personnel will remain employed with the Adviser or its affiliates or otherwise continue to be able to carry on their current duties throughout the term of an advisory agreement with a client.

The Offering Documents for each Fund-of-Funds and any other investment fund formed by the Adviser or its affiliates contain additional disclosures regarding material risks associated with such investments, and should be reviewed in conjunction with this Brochure. The advisory agreement with any Separate Account holder contains disclosures regarding similar material risks.

Item 9 – Disciplinary Information

SEC-registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that are material to a client's or prospective client's evaluation of an investment adviser or the integrity of the adviser's management team.

SCM Advisers (USA) AG and its management persons have no such legal or disciplinary events to report.

Item 10 – Other Financial Industry Activities and Affiliations

Some of the Adviser's managing persons and employees are also engaged in providing services to affiliates of the Adviser and their clients. These activities may include serving as directors, officers or other employees of the Adviser's affiliates, serving on investment committees, providing research and performing due diligence analyses, providing monitoring and/or reporting services and structuring and/or marketing various private funds or other investment products sponsored by the Adviser's affiliates.

As described in Item 4, the Adviser is affiliated with and wholly owned by SCM Strategic Capital Management AG, an investment adviser domiciled in Switzerland.

The Adviser is also affiliated with SCM Strategic Capital Management Asia Limited ("SCM HK"), an

investment adviser regulated by the Securities and Futures Commission ("SFC") in Hong Kong (CE Number: AUN 105), and SCM Strategic Capital Management (Luxembourg) S.à r.l. ("SCM Lux"), a management company authorized by the Commission de Surveillance du Secteur Financier ("CSSF") in Luxembourg. Both SCM HK and SCM Lux are wholly owned by SCM Strategic Capital Management AG.

Furthermore, the Adviser is under common control with SCM International Private Equity Select GP LLC, SCM Global Real Estate Select GP LLC and SCM PE IV General Partner S.à r.l., all of which are entities wholly owned by SCM Strategic Capital Management AG and are serving as general partners of Funds-of-Funds.

While the relationships above may create conflicts of interests between the Adviser and affiliated entities, the Adviser has adopted procedures to address such conflicts that, among other things, ensure the fair distribution of investment opportunities amongst its clients.

The Adviser does not receive any cash or other economic benefit from any non-client in connection with providing advice to its clients.

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

In an effort to avoid conflicts of interest and protect its clients from improper behavior, the Adviser has adopted a code of ethics (the "Code of Ethics"). The Code of Ethics is provided to all of the Adviser's supervised persons annually and receipt and compliance thereof is acknowledged in writing annually.

The Code of Ethics describes the Adviser's high standards of business conduct and fiduciary duty to its clients. It includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items.

The Code of Ethics is also designed to assure that the activities and interests of the employees of the Adviser will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. The Code of Ethics deems certain classes of securities "exempt transactions", based upon a determination that these would not materially interfere with the best interest of the Adviser's clients. Employee trading in non-exempt securities is monitored under the Code of Ethics and to reasonably prevent conflicts of interest between the Adviser and its clients.

The Adviser does not generally effect any principal or agency cross securities transactions for client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Principal trades and agency cross transactions may create a conflict of interest between the Adviser and its

clients. In the limited circumstances where the Adviser enters into a principal transaction it will do so in accordance with Section 206(3) of the Advisers Act. All such transactions must receive client consent for each transaction, be effected on arms' length terms and, with respect to commissions paid, be generally competitive with those paid to non-related broker-dealers. In the limited circumstances where the Adviser enters into an agency cross transaction, it requires the approval of its Chief Compliance Officer prior to initiating the trade.

The Adviser anticipates that, in appropriate circumstances either now or in the future, and consistent with each client's investment objectives, it may cause accounts over which it has management authority to effect, and will recommend to investment advisory clients, the purchase or sale of securities in which the Adviser, its affiliates and/or other clients, directly or indirectly, have a position of interest.

The Code is available to clients and prospective clients upon request by contacting the Adviser's Chief Compliance Officer, at +41 43 499 49 49.

Item 12 – Brokerage Practices

Given that the Adviser focuses exclusively on private markets fund investments, there are no relevant brokerage practices to be reported in this Item.

In circumstances where the Adviser must use a broker-dealer (either now or in the future), the Adviser may generally have discretionary authority to select a broker-dealer to execute the transaction on behalf of its client and to negotiate the commissions to be paid. In such circumstances, the Adviser will seek to place any orders on the best available terms, taking into account the relevant market at the time of the transactions of the kind and size concerned. When evaluating trades to ensure best execution, the Adviser would take into account, for example, the price of the financial instrument, transaction costs, speed, likelihood of execution and settlement size, nature and other considerations relevant to the execution of the order. The best possible result for a particular transaction would be determined by the relative importance given by the Adviser to these factors.

Item 13 – Review of Accounts

Whether and to what extent client accounts or programs are monitored by the Adviser depends on each client's needs and is reflected in the respective advisory agreements.

To the extent applicable in each case, client accounts are monitored regularly on various levels. For example, investment limits and restrictions are generally monitored via an internal control system in connection with each new investment. Likewise, cash flows from and to Target Funds are monitored in connection with each respective transaction. Investment performance and asset allocation are generally reviewed on a quarterly or semi-annual basis.

Various professionals of the Adviser and its affiliates participate in such reviews, from analysts to senior management.

To the extent applicable, clients typically receive quarterly or semi-annual as well as annual written reports

that reflect the performance of their respective investments, changes in account value and account activity.

Item 14 – Client Referrals and Other Compensation

The Adviser does not compensate other persons for referrals of clients to the Adviser. Furthermore, the Adviser does not receive an economic benefit from any third-party for providing investment advice or other advisory services to our Clients. Affiliates of the adviser may, however, compensate third-parties for client referrals.

Item 15 – Custody

The Adviser's clients may receive quarterly or semi-annual statements from the qualified custodian that holds and maintains a portion of the client's investment assets (in particular cash positions). The Adviser urges clients to carefully review such statements and compare such official custodial records with any statements or reports the Adviser may provide a client. Clients with questions relating to any statements or reports are encouraged to contact the Adviser.

The audited financial statements of Funds-of-Funds are prepared in accordance with U.S. GAAP and distributed to all Fund-of-Funds investors within 180 days of the end of the Fund-of-Fund's fiscal year. Upon final liquidation, the Fund-of-Funds will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP to all investors promptly upon completion of the audit. In addition, the Adviser delivers a quarterly investment report to the Fund-of-Funds.

Item 16 – Investment Discretion

Where the Adviser receives discretionary authority at the outset of an advisory relationship to select the investments to be bought and sold (e.g., Target Funds), and the amount to be subscribed for or disposed of, such discretion is exercised in a manner consistent with the stated investment objectives for the particular client account as expressed in the client's written agreement with the Adviser.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, the Adviser generally lacks any authority to and does not vote client securities. While a fund or Fund-of-Fund's general partner is primarily responsible for its management and operations, the Adviser may be delegated the right to vote securities on behalf of a fund or Fund-of-Funds. Thus, the Adviser has implemented policies and procedures to govern the proxy voting process.

The Adviser generally adheres to the proxy voting policies and procedures but may, from time to time, determine that is in the client's best interest to depart from them. The rationale for any such departure will be memorialized in writing by the Adviser's Chief Compliance Officer.

Clients or prospective clients may request a copy of the firm's proxy voting policies by contacting the Adviser's Chief Compliance Officer, at +41 43 499 49 49.

Item 18 – Financial Information

SEC-registered investment advisers are required in this Item to provide clients with financial information or disclosures about the Adviser's financial condition. The Adviser is unaware of any financial commitment that impairs its ability to meet its contractual and/or fiduciary commitments to its clients and has not been the subject of a bankruptcy proceeding.