

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Lineage Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 617-778-0660 or gretchen@lineagecap.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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Lineage Capital, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 163020.

Item 2 Material Changes

This is an initial filing of Form ADV Part 2A, therefore there are no material changes.

Item 3	Table of Contents	Page
Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	4
Item 6	Performance-Based Fees and Side-By-Side Management	4
Item 7	Types of Clients	5
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	5
Item 9	Disciplinary Information	7
Item 10	Other Financial Industry Activities and Affiliations	7
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	7
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	8
Item 19	Requirements for State-Registered Advisers	8

Item 4 Advisory Business

Lineage Capital, LLC ("Lineage") manages private equity funds, namely Lineage Capital, L.P. and Lineage Investors, LLC (collectively the "Funds" or the "Clients"), that invest in operating companies. The Funds are structured as limited partnership or limited liability company pooled investment vehicles, in which the investors purchase interests in private placement transactions and Lineage serves as the general partner (through its affiliate Lineage Partners, LLC) or manager.

Lineage was formed in 2003 as a Delaware limited liability company and its principal shareholders are Thomas Brook Parker ("Mr. Parker"), Mark Elia Sullivan ("Mr. Sullivan") and William John McKinley ("Mr. McKinley").

The investment advice provided by Lineage is generally limited to private equity investments. Such investments are further subject to restrictions set forth in the governing Fund documents.

Lineage has \$163,424,933 of discretionary assets under management as of April 25, 2013.

Item 5 Fees and Compensation

Lineage may receive management fees as compensation for the investment advice and administrative services it provides to the Funds as described in the governing Fund documents. Generally, the annual management fee is equal to 2% of committed capital during the investment period, subject to reduction by certain offsets. Thereafter, Lineage is paid an annual management fee equal to 2% of invested capital, subject to reduction by certain offsets. The management fee is paid semi-annually in advance and is not negotiable by investors of the Funds. Certain of the Funds do not pay or no longer pay management fees.

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

An affiliate of Lineage has entered into a performance based fee arrangement with a Fund. The arrangement entitles Lineage to a percentage of profits of the Fund, customarily referred to as "carried interest" which is 20% and is contingent on the Fund achieving certain investment performance hurdles.

Clients should be aware that a performance-based fee arrangement may create an incentive for Lineage to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Furthermore, as not all Clients pay performance-based fees, Lineage has an incentive to favor accounts that do pay such fees because compensation received from these Clients is more directly tied to the performance of their accounts.

Item 7 Types of Clients

Lineage provides portfolio management services to its Clients, the two Funds. The Funds' investors are generally individual investors that meet the "accredited investor" standard, sophisticated institutional investors and funds of funds.

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

Lineage invests in growing companies in diverse industries throughout the United States with an exclusive focus on owner-managed businesses in the lower middle market. Lineage's investment strategy is to identify established, stable businesses with consistent cash flows and then work with the management teams to develop initiatives to enhance and grow the base business. The Funds generally hold a majority, but may sometimes own a minority, of the equity securities of the businesses in which they invest.

Investing in private equity involves significant risks, including risk of loss. Participation in the Funds requires the ability and willingness to accept high risks and lack of liquidity as well as other risks which are disclosed in the private placement memorandum. These include but are not limited to:

Business Risk. The Funds' investment portfolios will consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk which can result in substantial losses.

Investment in Junior Securities. The securities in which the Funds will invest may be among the most junior in a portfolio company's capital structure and thus subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

Concentration of Investments. The Funds will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, the Funds' investment portfolios could become highly concentrated, and its aggregate return may be affected substantially by the performance of a few holdings.

Illiquidity: Lack of Current Distributions. An investment in the Funds should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the initial investment. Prior to such time, there often will be little or no current return on the investments. Furthermore, the expenses of operating the Funds (including the annual management fee) may exceed its income,

thereby requiring that the difference be paid from the Fund's capital.

Limited Transferability of Interests. There will be no public market for the limited partnership / member interests in the Funds, and none is expected to develop. There are substantial restrictions upon the transferability of partnership / member interests under the governing documents and applicable securities laws. In general, withdrawals of partnership / member interests are not permitted. In addition, partnership / member interests are not redeemable.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of the Funds' investments, and hence, most of the Funds' investments will be difficult to value. Certain investments may be distributed in kind to the limited partners / members of the Funds.

Reliance on the General Partner / Manager and Portfolio Company Management. Control over the operation of the Funds will be vested entirely with the Funds' general partner / manager, and the Funds' future profitability will depend largely upon the business and investment acumen of the Funds' general partner / manager. Limited partners / members of the Funds generally have no right or power to take part in the management of the Funds, and as a result, the investment performance of the Funds will depend entirely on the actions of the general partner / manager. Although the general partner / manager will monitor the performance of each Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis.

Projections. Projected operating results of a company in which the Funds invest normally will be based primarily on financial projections prepared by each company's management. In all cases, projections are only estimates of future results which are based upon assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections.

Significant Default Penalties. The governing documents contain significant penalties in the event a limited partner / member defaults on its commitment or other payment obligations. In addition to possibly losing its right to potential distributions from the Fund, a defaulting limited partner / member may also lose its right to make additional capital contributions to the Fund.

General Partner's Carried Interest. The fact that the general partner's carried interest is based on a percentage of net profits may create an incentive for the general partner to cause the Fund to make riskier or more speculative investments than would otherwise be the case.

Director Liability. The Funds often receive the right to appoint a representative to the

board of directors of the companies in which they invest. Serving on the board of directors of a portfolio company exposes the Funds' representatives, and ultimately the Funds, to potential liability. Although portfolio companies often 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.

Item 9 Disciplinary Information

Lineage has no information to report for this Item.

Item 10 Other Financial Industry Activities and Affiliations

Lineage has no information to report for this Item.

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

Lineage has adopted a Code of Ethics ("Code") designed to comply with Rule 204A-1 under the Investment Advisors Act of 1940. The Code establishes rules of conduct for employees and addresses employee personal securities trading, misuse of confidential information, misuse of material non-public information and political contributions. Lineage's reputation for fair and honest dealing has taken a considerable time to build. The Code reminds employees of the ethical standards maintained by Lineage and its affiliates. All employees are required to acknowledge receipt of the Code annually. A copy of the Code of Ethics is available upon request.

Item 12 Brokerage Practices

Subject to the investment guidelines in the Funds' governing documents, Lineage has the power and authority to carry out the investment mandates, including the purchase and sale of Fund investments, selection of brokers, and the negotiation of broker compensation. In suggesting brokers for any transaction, Lineage considers a number of factors, including reputation, industry expertise, efficiency of execution, ability to execute difficult or complex transactions, and other matters involved in the receipt of brokerage services. Lineage does not enter into any soft-dollar arrangements and does not receive any soft-dollar benefits. Lineage has no directed brokerage arrangements.

Item 13 Review of Accounts

Any investment for a Fund is evaluated by the Investment Committee, composed of Mr. Parker, Mr. Sullivan, Mr. McKinley and another minority general partner member, to assure it satisfies the particular investment criteria and limitations applicable to such Fund under its governing documents. After an investment is made by a Fund, Lineage continuously monitors the financial, operational and strategic performance of the

portfolio company. Any decision to sell securities held by a Fund is made by Mr. Parker, Mr. Sullivan and Mr. McKinley.

Portfolio reports are prepared by Lineage for all Funds. Such reports are furnished to the Funds and to investors in the Funds as provided for in the governing documents. These reports are provided quarterly and/or annually.

Item 14 Client Referrals and Other Compensation

Lineage does not pay nor is it compensated for client referrals.

Item 15 Custody

Lineage and its affiliates may be deemed to have custody of accounts in their capacity as general partner and manager of the Funds. First Republic Bank acts as a qualified custodian for the Clients' cash accounts, and to the extent any securities are in certificate form, for such securities. Investors of the Funds do not receive statements directly from the custodian, however, an independent public accountant conducts an annual audit of each Fund and audited financial statements (prepared in accordance with generally accepted accounting principals) are distributed to each investor within 120 days of the end of each fiscal year.

Item 16 Investment Discretion

Lineage generally has discretionary power and authority over the types and amounts of investments to buy or sell on behalf of the Funds, subject to any limitations set forth in the governing Fund documents.

Item 17 Voting Client Securities

Lineage does not vote proxies.

Item 18 Financial Information

Lineage is not impaired in its ability to meet its contractual commitments with its Clients. There are no known pending matters that are likely to materially affect its ability to provide service to the Funds.

Item 19 Requirements for State-Registered Advisers

Not applicable.