

# Investment Advisor Brochure

(Form ADV – Part 2A/2B)

## Saturn Management LLC

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Date of Brochure: March 29, 2013

This brochure provides information about the qualifications and business practices of Saturn Management LLC ("Saturn Management"). If you have any questions about the contents of this brochure, please contact us at (617) 574-3330 and/or Edward A. Lafferty at [elafferty@saturnasset.com](mailto:elafferty@saturnasset.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.

Additional information about Saturn Management also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 2. MATERIAL CHANGES

This Item addresses any material changes that may have occurred in the period from Saturn Management's previously filed Form ADV Part 2A/2B to Saturn Management's current filing. As Saturn Management registered with the SEC on March 29, 2013, it has not yet filed an amended form, and, therefore, this section is not currently applicable to it.

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#### ITEM 4. ADVISORY BUSINESS

Saturn Management LLC and certain of its affiliated limited liability companies (“Saturn LLC” or collectively “Saturn LLCs”) provide investment advice and guidance to several venture capital funds that primarily make long term investments in early stage companies (“Portfolio Company” or “Portfolio Companies”). The funds are Saturn Partners Limited Partnership I (“SPLP I”), SPLP I Opportunity LP (“SPLP I OLP”), Saturn Partners Limited Partnership II (“SPLP II”), SPLP II Opportunity LP (“SPLP II OLP”), Saturn Partners Limited Partnership III (“SPLP III”) and SPLP III Opportunity LP (“SPLP III OLP”) (“Fund” or collectively the “Funds”). Each Saturn LLC is the general partner and investment adviser to a particular Fund, and the numbering of each Saturn LLC corresponds to the fund that it advises, e.g. Saturn Partners II LLC is the general partner for SPLP II. Under the terms of each Fund’s partnership agreement, each Saturn LLC has exclusive responsibility for managing the business and affairs of their respective Fund. These responsibilities can be delegated, and, through this authority, each Saturn LLC has separately contracted with Saturn Management LLC (“Saturn Management”), a fund manager and also an affiliate, to provide investment advice and administrative support to the Funds under the direction of each Saturn LLC. Through these arrangements, the Funds make long-term investments in Portfolio Companies. The Funds are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and their securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

The Saturn LLCs, Saturn Management and the Funds are headquartered in Boston, Massachusetts, and have the same officers and management. The Saturn LLCs and Saturn Management are principally owned by Jeffrey S. McCormick (“McCormick”), and, for the purpose of this brochure, Saturn shall mean the Saturn LLCs and Saturn Management, acting in their advisory role to the Funds. Saturn’s management team consists of McCormick, Susan M. N. Antonio, Edward A. Lafferty, Robert J. Chicoski and William L. Guttman, Ph.D. (“Saturn Team”). The Saturn Team collectively has over a century of experience in all facets of early stage investing including venture capital, entrepreneurship, public and private finance, mergers and acquisitions, business development and operations and financial management. Most members of the Saturn Team have worked together for at least a decade, managing or advising one or more of the Funds and advising and financing Portfolio Companies. They use this expertise to assist the Portfolio Companies in navigating the many challenges presented in the early stages of development and growth.

Saturn’s investment advice is provided directly to the Funds, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the applicable governing documents of each Fund.

The Saturn Team actively participates in advising the Funds' Portfolio Companies, as needed, and may represent the Funds on the Portfolio Companies' boards of directors. The Saturn Team assists Portfolio Companies in several ways including:

1. advising on technology and intellectual property strategy and development;
2. evaluating market potential and competition;
3. developing product development strategies;
4. recruiting board members and senior executives;
5. making introductions to strategic partners and customers and nurturing these relationships;
6. building relationships between Portfolio Companies and potential sources of additional financing, including co-investors;
7. consulting on management, technical and professional issues;
8. developing strategies for Portfolio Company expansion, growth and liquidity;
9. building financial models, managing operations, marketing products and services;
10. complying with financial, legal and regulatory requirements; and
11. negotiating and executing exit strategies.

The Saturn Team has built a diverse network of trusted investors, industry professionals, technical and professional advisors, scholars and strategic partners. The Saturn Team will also use its network of relationships to provide the Funds' Portfolio Companies with access to management expertise, market intelligence, technical advice, strategic relationships and additional sources of capital.

#### ITEM 5. FEES AND EXPENSES

As compensation for advisory services rendered to the Funds, Saturn may receive a management fee from each Fund (each, a "Management Fee"). Management Fees paid by a Fund are indirectly borne by investors in such Fund.

In addition, members of the Saturn Team may serve on boards of directors and perform management, advisory and other services ("Related Services") for, and receive fees from, actual or perspective Portfolio Companies. Although these fees are in addition to Management Fees, Saturn will in some circumstances reduce the amount of Management Fees paid by the applicable Fund in connection with the receipt of such fees. The amount and manner of such reduction is set forth in the governing documents of the applicable Fund. Additionally, a Portfolio Company may reimburse the Saturn for expenses (including without limitation, travel expenses, lodging or out of pocket costs) incurred by Saturn's employees in connection with the

performance of services for each Portfolio Company and such reimbursements are not subject to the sharing arrangements described above.

The precise amount of, and the manner and calculation of the Management Fee for each Fund are established by Saturn, as agreed with the investors in the applicable Fund and are set forth in each Fund's governing documents. The Management Fees and other fees and distributions described above are generally subject to waiver or reduction by Saturn Management in its sole discretion, both voluntarily and on a negotiated basis. The fee structures described above may be modified from time to time. Fees may differ from one Fund to another.

Generally, Management Fees are payable, quarterly in advance on the first day of each quarter based on capital commitments or capital contributions, as applicable, at the end of the preceding quarter and will be treated as an expense of the Fund. If the advisory relationship is terminated before the quarter end, Saturn will refund this fee on a pro rata basis. The Management Fee for partial quarters will be prorated.

To the extent provided in the governing documents of the Funds, Saturn will pay out of Management Fees certain normal overhead expenses of Saturn, including compensation for its employees, rent, utilities and other such expense (not including Carried Interest described in Item 6). Each Fund, in addition to the expenses contemplated by the applicable governing document, will be responsible for all other expenses of such Fund that may not be reimbursed by Portfolio Companies including, legal, consulting, financing and accounting fees and certain transactional costs.

In connection with the sale of limited partnership interests in future funds, Saturn Capital, Inc. ("SCI"), a registered broker-dealer and Saturn affiliate, will act as placement agent (See also Item 10). Also, for each Fund's direct investments in certain Portfolio Companies, SCI may earn placement fees or payments made in lieu thereof in the form of cash and securities. These activities could present a potential conflict of interest for Saturn and SCI, as it may create an incentive for SCI to secure more commissions that are appropriate through excessive trading. However, this potential conflict is lessened by having the fees received by SCI for any commission sales and direct Fund investments reduced from the Management Fees payable by the Fund. The Fund will retain the security fees associated with such direct Fund investments after the principal closing date. Funds may also incur certain custodian fees.

#### ITEM 6. PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT

With respect to each Fund, a portion of the profits is allocated to the capital account of and is distributed to its general partner, if any, as carried interest (the "Carried Interest"). Each general partner of a Fund is a related person of Saturn. Carried Interest paid by a Fund is indirectly borne by investors in such Fund.

The payment by some, but not all, Funds of Carried Interest and the payment of Carried Interest at varying rates (including varying effective ranges based on the past performance of a Fund) may create an incentive for Saturn to disproportionately allocate time, services or functions to Funds paying Carried Interest or Funds paying Carried Interest at a higher rate, or allocate investment opportunities to such Funds. Generally and except as may be otherwise set forth in the governing documents of the Funds, this conflict is mitigated by (i) limitations on the ability of Saturn to establish new investment funds (ii) contractual provisions and procedures setting forth investment allocation requirements and (iii) investment limitations in each Fund's governing documents.

## ITEM 7. TYPES OF CLIENTS

As noted in Item I, Saturn provides investment advice and guidance to several Funds that invest in Portfolio Companies. Investment advice is provided directly to the Funds and not individually to investors in a Fund.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the 1940 Act. Investors in the Funds are generally "qualified purchasers" or "knowledgeable employees" as identified in the 1940 Act (and rules promulgated thereunder), and may include, among others, public and private pensions, foundations, financial institutions and insurance companies, family offices or university endowments.

Saturn Partners Limited Partnership: SPLP I, a \$25 million venture capital fund that invested predominately in emerging companies and special situation opportunities in the electronic commerce, healthcare, digital media and consumer products industries, was closed in 2001. Since inception, SPLP I invested \$22.1 million in 9 portfolio companies and is now fully invested.

SPLP I Opportunity LP: SPLP I OLP, a venture capital fund, was established to give Fund investors the opportunity to invest \$8.8 million in the Series B Preferred Units of Knopp Biosciences LLC. SPLP I OLP is now fully invested.

Saturn Partners Limited Partnership II: SPLP II is a \$33 million venture capital fund that invested predominately in software and information technology, biotechnology and advanced materials companies. SPLP II was closed in March 2009. Since inception, SPLP II has invested \$30.4 million in 13 portfolio companies and is now fully invested.

SPLP II Opportunity LP: SPLP II OLP, a venture capital fund, was established to give Fund investors the opportunity to invest \$2.2 million in the common stock of Good Technology Corporation. SPLP II OLP is now fully invested.

Saturn Partners Limited Partnership III: SPLP III is up to a \$100 million venture capital fund that is investing predominately in software and information technology, specialty energy, biotechnology and advanced materials. The Fund may also invest in follow-on investments of

SPLP II portfolio companies and special opportunities which are believed to have potential for significant growth software and information technology, biotechnology and advanced materials companies.

SPLP III Opportunity LP: SPLP III OLP, a venture capital fund, was established to give SPLP III and Fund investors the opportunity to invest \$8.0 million in Class 1 Senior Units of Knopp Biosciences LLC. SPLP III OLP is now fully invested.

#### ITEM 8. METHOD OF ANALYSIS, INVESTMENT STRATEGY AND RISK OF LOSS

Saturn's investment objective for each Fund is to provide superior returns to investors by sourcing and leading proprietary investments in Portfolio Companies. Saturn often invests in companies seeking capital to bridge the gap between angel and institutional later stage venture funding. The Saturn Team continues to believe that companies at this stage provide a rich range of investment opportunities.

Saturn focuses on investments in software and information technology, specialty energy, biotechnology and advanced materials. Saturn may also invest in innovative technologies in other niche markets and in special opportunities that have potential for significant growth.

Saturn invests in companies that have the following characteristics:

1. Strong Management: committed team with deep industry knowledge capable of executing the company's business plan and adapting it to address shifts in technology, markets or competition;
2. Technological Barrier: proprietary or innovative technology which creates a barrier to market entry or first mover advantage;
3. Competitive Advantage: product or service that addresses a critical need in a growing market or provides a solution which creates a new market opportunity;
4. Sound Strategy: achievable business plan with clear path to profitability and viable strategies to achieve liquidity; and
5. Interest Alignment commitment to growth and success reinforced by a capital structure that aligns the interests of management with those of the shareholders.



The Saturn Team understands early stage investing and has experience establishing priorities, setting and adhering to funding and technology development milestones and identifying and managing risks. Saturn's ability to leverage its extensive experience and expertise is expected to provide a key competitive advantage to each Fund, and it believes each Fund needs to be a value-added investor to generate significant returns. Therefore, the Saturn Team will seek to add value to the Fund's investments in the following ways:

1. advising Portfolio Companies on technology and intellectual property strategy development, including identification and sourcing of technologies from universities;
2. evaluating market potential and competition;
3. developing product development strategies;
4. recruiting board members and senior executives for Portfolio Companies;
5. introducing Portfolio Companies to strategic customers and partners and nurturing these relationships;
6. building relationships between Portfolio Companies and potential sources of additional financing, including co-investors;
7. consulting on management, technical and professional issues; and
8. developing strategies for Portfolio Company expansion, growth and liquidity.

The nature and extent of the Saturn Team's involvement with each Portfolio Company will vary according to the Portfolio Company's requirements. In some cases, members of the Saturn Team will assume a role on the Portfolio Company's board of directors or take an active role in the day-to-day management of a Portfolio Company as an interim officer, senior manager or "entrepreneur in residence". In other cases, the Saturn Team may draw upon its extensive network of investors, advisors and other strategic partners to recruit management and/or add professional expertise to Portfolio Companies.

When the Saturn Team deems the circumstances appropriate, they advise the Funds to maintain a sufficient amount of reserve capital so they can make follow-on investments beyond early stage investments. These follow-on investments are intended to leverage earlier Fund investments in Portfolio Companies, minimize dilution and provide the potential for greater returns on investment.

Saturn focuses on geographic areas that are rich with start-up opportunities but under-served by venture capital and early stage investors. This strategy has led to Saturn's success in the Mid-Atlantic region particularly, Pittsburgh, PA. In these markets, Portfolio Companies tend to be fairly priced because there is less competition than in over served markets like Silicon Valley.

## **Risk Factors**

The Saturn Team cautions that investing in the Funds involves significant risks, and no assurance can be given that the investment objective of each Fund will in fact be achieved. Prospective investors should consider all of these risks before investing in the Funds.

### **General risks related to the Fund's investments in Portfolio Companies**

The investment performance of the Funds depends upon the overall performance of the Portfolio Companies in which it invests. Venture capital investments, and in particular early stage investments, often require multiple rounds of capital infusion before the company reaches maturity. No assurance can be given that the Portfolio Companies will attract financing in addition to financing provided by the Funds or achieve profitable operations. Therefore, no assurance can be given that the Portfolio Companies will provide the Funds with a return on the Funds' investment.

Investing in companies at an early stage of development involves significant risk. Among other things, early stage companies:

1. have little or no history of operations;
2. often operate at a financial loss and experience substantial variations in operating results from period to period;
3. may not have well defined business plans, products or strategies;
4. may be dependent upon unproven or speculative concepts or technologies;
5. may have inexperienced and untested management and employees;
6. may be dependent upon the expertise and initiative of a single or a few key individuals; and
7. may lack the financial, management and other resources necessary to address problems that arise.

Although the Funds intend to invest in Portfolio Companies with strong operating management teams that have a successful track record, there can be no assurance that the existing management team, or any new one, will be able to operate a Portfolio Company successfully. Furthermore, although the Saturn Team will monitor the performance of each Portfolio Company, it will be primarily the responsibility of the Portfolio Company's management to operate the Portfolio Company on a day-to-day basis.

Additionally, the performance of the Portfolio Companies and the value of each Fund's interests in the Portfolio Companies may be adversely affected by numerous factors that generally affect business enterprises, including, but not limited to, for example, the following:

1. business and economic conditions throughout the world generally and particularly in the industry sectors and geographic regions in which the Portfolio Companies are based;
2. the supply of and demand for the goods and services produced, provided or sold by Portfolio Companies;
3. changes and advances in technology that may, among other things, render goods and services sold by the Portfolio Companies obsolete; and
4. actual and potential competition from other companies.

The Funds may be exposed to various other risks that are discussed in detail in the Risk Factors Section of each Funds' Private Placement Memorandum. These include but are not limited to the following:

- Saturn Team's active participation in the management of Portfolio Companies;
- Funds' Units Limited Transferability;
- Illiquid fund investments in Portfolio Companies;
- Long term nature of investment;
- International Investments;
- Availability and Competition for Investments;
- Reliance on the Saturn Team;
- Reliance on Key Personnel;
- Distributions of Assets other than Cash;
- Distributions of Operating Income Unlikely;
- Investment Company Act Considerations;
- Risk of Loss of Limited Liability;
- Saturn Team Co-investment;
- Potential Conflicts of Interest;
- Future and Past Results; and
- Tax Risks.

## ITEM 9. DISCIPLINARY INFORMATION

Neither Saturn, nor its officers and employees have any disciplinary record. This includes criminal or civil actions, SEC, SRO, federal or state administrative proceedings and foreign regulatory actions.

## ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Saturn Capital, Inc. ("SCI"): SCI, a Massachusetts corporation and a Saturn affiliate, is a broker-dealer registered with the SEC and FINRA who may act as placement agent or in a similar capacity for some of the Fund's Portfolio Companies. SCI may also act as a placement agent or in a similar capacity for companies that are not Portfolio Companies. McCormick and Edward A. Lafferty are both SCI officers and are registered with FINRA as the SCI supervisor and CCO, respectively.

SCI also may act as the placement agent for the sale of limited partnership interests in future Funds.

Saturn Management LLC ("Saturn Management"): Saturn Management is responsible for monitoring, assisting, reviewing or otherwise participating with Saturn LLCs in the management of Portfolio Companies, exercising any rights of the Funds to hold, control, participate in the management of the Portfolio Companies, exercise any option, warrant, redemption and other rights of the Funds with respect to their interest and other related duties.

## ITEM 11. CODE OF ETHICS

11A. Saturn has a comprehensive Code of Ethics in its written compliance and supervisory policies that extend for eleven pages and address in detail all of the following subjects:

- Standard of Conduct
- Protection of Material Nonpublic Information
- Personal Securities Trading
- Delegation of Duty
- Initial Public Offerings and Private Placements
- Supervision and Review of the Code
- Reporting Violations

- Adviser Review and Enforcement and
- Recordkeeping.

This Code of Ethics is reviewed annually by the Saturn CCO and revisions are made to the Code, based upon this review. A copy of this Code will be provided to any Saturn client or prospective client upon their request.

11B. Saturn is subject to conflicts of interest arising out of its affiliation with SCI and the Funds. Saturn will attempt to resolve all conflicts of interest by exercising the good faith required of a fiduciary and believes that it will generally be able to resolve conflicts on an equitable basis. Certain Saturn related persons and Saturn affiliates may invest in the same securities that Saturn recommends to the Funds. Various contractual arrangements may exist between and among Saturn, the Funds and SCI, and Saturn and SCI may receive fees and commissions from the Funds for services rendered to them.

Any transactions involving Saturn, SCI and the Funds will be entered into without the benefit of arm's-length bargaining and may involve conflicts of interest. Saturn may receive payments of fees and expense reimbursements from the Funds and may engage in other business ventures for their own account or for the account of others. Such business ventures may include ventures similar to the business of the Funds, and the Funds will not be entitled to any interest in any such other ventures. Saturn and its affiliates are not prohibited from engaging in other ventures which may compete directly or indirectly with the business (or any portion thereof) of the Funds. Saturn will devote as much time to Fund affairs as it reasonably believes is necessary, and, in so doing, may devote more time to one or more Funds depending upon their particular requirements at that time.

Members of the Saturn Team (their affiliates, members of their families and/or their family trusts) may make collective capital contributions, either as a Limited Partner in a Fund or through their investment in each Fund's General Partner, representing at least 4% of the total capital contributions to each Funds. Saturn encourages these investments to align the interests with those of the Limited Partners.

## ITEM 12. BROKERAGE PRACTICES

12A and B. As noted in Item 10, SCI is a registered broker dealer and acts as a placement agent or in a similar capacity for its portfolio companies. SCI is an affiliate of the Funds and the officers of SCI are members or the Saturn Team and investors in the Funds. SCI targets emerging growth companies with initial capital infusions typically between \$1 million and \$5 million dollars. Since its inception, SCI has arranged direct equity financing totaling over \$100 million for 23 early stage companies. In these, SCI and Saturn do not utilize research or other soft dollar benefits.

In connection with each Fund's direct investments in certain Portfolio Companies, SCI may earn placement fees or payments made in lieu thereof in the form of cash and securities. Fees received by SCI and/or its designees for any direct Fund investment generally reduce the management fees payable by the Fund. The Fund will also retain the security fees associated with such direct Fund investments after the principal closing date of each Fund.

For each of the Funds, Saturn has sole discretion over the purchase and sale of investments in Portfolio Companies, and the broker or dealer, if any, used to effect transactions. In selecting a broker-dealer, Saturn will seek "best execution" of the transaction. "Best execution" means obtaining the lowest total cost (in purchasing) or highest total proceeds (in selling) taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer. Saturn does not select its executing broker-dealer based on client referrals and does not permit its clients to direct brokerage. Saturn does not aggregate its purchases or sales, as its investments for the Funds are made on a fund-by-fund basis.

In determining whether a particular broker or dealer is likely to provide best execution for a particular transaction, Saturn takes into consideration all factors that they deem relevant to the broker's or dealer's execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into consideration account market prices and trends, the reputation, experience and financial stability of the broker or dealer and the quality of services rendered by the broker dealer on prior transactions.

## ITEM 13. REVIEW OF ACCOUNTS

### **Oversight and Monitoring**

Saturn works closely with the Funds to ensure that their investment objective of securing superior returns by sourcing and placing proprietary investments in private companies is met. This involves continual monitoring and a diligent, ongoing analysis including advising Portfolio Companies on technology and intellectual property strategy, evaluating market potential and competitors and developing product strategies and internal process and controls. Saturn may play an active role in actual management of the Portfolio Companies and providing them with additional funding.

### **Reporting**

Within 30 - 45 days following the end of each calendar quarter, Saturn typically prepares and delivers to each investor a description of new investments that the Fund has made during the prior quarter. Within 60 days after the end of each calendar quarter (other than a fiscal year-end), Saturn typically prepares and delivers to each applicable Fund investor, quarterly financial statements, including the fair value of the Fund's investments as required in the Fund's governing documents. After the end of each fiscal year if required by each Fund's governing documents, Saturn causes an audit of the Fund to be made by an independent public accountant of the financial statements of the Fund for that year as may be required by each

Fund's governing documents. A copy of such audit is delivered to each such investor generally within 120 days after the end of each such Fund's fiscal year. This report generally includes a report on the Fund's activities during the year prepared by the relevant Fund's general partner, the Fund's general partner's good faith estimate of the fair value of the Fund's investments as of the end of the fiscal year and a statement showing the balances in each investor's capital account as of the end of such year.

#### ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

Saturn has built a diverse network of trusted investors, industry professionals, technical and professional advisors, scholars and strategic partners. It has used this network to identify and analyze potential investments by the Funds and will continue to use this network to generate and evaluate other investment opportunities. Saturn also uses this extensive network of relationships to provide the Funds' Portfolio Companies with access to management expertise, market intelligence, technical advice, strategic relationships and additional sources of capital. Although these individuals may sometimes be requested to provide certain services to the Portfolio Companies based on their expertise, Saturn does not directly or indirectly receive any compensation or fees for these referrals and recommendations and does not pay any of these individuals for their service. While this may involve a conflict of interest for Saturn as it may recommend certain individuals from this group who may not be as qualified as others outside it, Saturn is not compensated for these referrals and acts to ensure that these recommendations are merit based.

#### ITEM 15. CUSTODY

Saturn does have custody of client funds and ensures that any securities held by the Funds are held by a qualified custodian. The custodian sends quarterly account statements to Saturn.

#### ITEM 16. INVESTMENT DISCRETION

Saturn has complete investment discretion in managing the Funds which is secured through the signing of a Management Agreement and other governing documents of the Funds. Saturn does not provide advice individually to the investors in the Funds.

#### ITEM 17. VOTING CLIENT SECURITIES

Saturn has a fiduciary duty to the Funds to vote proxies of the Portfolio Companies in the best economic interests of the Funds. Saturn maintains written policies and procedures on the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about its proxy policies and practices. This includes the responsibility to monitor corporate actions, receive and vote proxies and disclose any potential conflicts of interest.

#### ITEM 18. FINANCIAL INFORMATION

This section is not applicable to Saturn.

#### ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

This section is not applicable to Saturn.



# Investment Advisor Brochure

Part 2B

Supplement

(Form ADV – Part 2A/2B)

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Date of Brochure: March 29, 2013

**This brochure supplement provides information about Jeffery S. McCormick, Susan M. N. Antonio, Edward A. Lafferty, Robert J. Chicowski and William L. Guttman, Ph.D. that supplements the Saturn Management LLC brochure. You should have received a copy of that brochure. Please contact us at (617) 574-3330 if you have not received the brochure or if you have any questions about the contents of the brochure.**

## **Jeffrey S. McCormick**

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Jeffrey S. McCormick has over twenty years' experience as an investment banker, entrepreneur and venture capitalist. He heads the investigation of investment opportunities and the structuring of securities offerings for Saturn. Mr. McCormick also works with Portfolio Companies arranging for financing, developing strategic relationships, formulating and articulating strategies for product development, marketing and distribution and developing business strategies that position companies for significant growth. Mr. McCormick is currently a member of the boards of directors for the following Portfolio Companies: Knopp Biosciences LLC, Applied CleanTech, Inc., Think Through Learning Inc., the Ride, Inc., SureLogic, Inc. and BioWish Technologies Lty Limited and non-portfolio company Market Me Suite, Inc.

From 1988 to 1992, Mr. McCormick was an acquisition and syndication specialist with Bariston Associates, Inc., a Boston firm that originates and manages private investments for individual and institutional clients. In this capacity he reviewed potential investment opportunities, including performing financial analysis and due diligence. While in graduate school, Mr. McCormick studied advanced molecular genetics and focused his research on HIV detection techniques. Mr. McCormick holds an MBA in finance and a BS in biology from Syracuse University. He also holds the following NASD designations: Series 7, 22, 24 and 63.

Mr. McCormick is also a Managing Partner of the following Funds: SPLP I, SPLP OLP I, SPLP II, SPLP OLP II, SPLP III and SPLP OLP III and is Chairman of the Investment Committees of SPLP I, SPLP II and SPLP III. He formed SPLP I in 2001, SPLP II in 2005, SPLP I OLP in 2009, SPLP III in 2011, SPLP OLP II in 2012 and SPLP OLP III in 2012. Mr. McCormick also founded SCI, a Saturn broker-dealer affiliate, and currently is its President.

Mr. McCormick has no disciplinary history and does not receive any additional compensation for his advisory services. Mr. McCormick is the supervisor of Saturn and his supervisory responsibilities are set forth in detail in the Saturn Compliance and Supervisory Manual.

**Susan M. N. Antonio**

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Susan M. N. Antonio joined Saturn in 2000 and has over twenty-five years of venture capital, business development, corporate and securities law, financial operating, tax and public accounting experience. She has extensive experience in the entrepreneurial area, and advises portfolio companies on the strategic, financial and legal issues associated with advancing early stage companies, commercializing technologies and monetizing value creation. Her responsibilities include analyzing, structuring and negotiating Portfolio Company investments, financings, strategic transactions and exit strategies. Ms. Antonio also directs the legal aspects of Saturn's fund administration and corporate operations. She is also a Partner and Investment Committee member of the Saturn affiliates SPLP I, SPLP II and SPLP III. Ms. Antonio is currently a member of the boards of directors for the following Portfolio Companies: COGO Optronics, Inc. and Think Through Learning Inc. (observer).

From 1996 to 2000, Ms. Antonio practiced law in the general corporate and securities area of Bingham McCutchen LLP, with emphasis on structuring and financing new ventures, public and private offerings of securities and mergers and acquisitions. From 1987 to 1993, Ms. Antonio held several senior financial operating positions in various early and middle stage development companies. From 1980 to 1987, Ms. Antonio worked as an auditor and tax practitioner in the public accounting profession, completing her tenure as a tax manager with Ernst & Young LLP in Boston. Ms. Antonio holds a Juris Doctor degree from the University of Miami School of Law, a MS degree in Taxation from Bentley University and a BS degree in Business Administration from Boston College.

Ms. Antonio has no disciplinary history, does not receive any additional compensation for her advisory services and is supervised by Mr. McCormick.

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Edward A. Lafferty joined Saturn in 2001 and has over fifteen years of experience in private equity and venture capital. He has participated in all stages of company development from business plan creation and early stage financing through IPO. Mr. Lafferty is responsible for the oversight of the Firm's finance and administration activities, information technology and reporting to investors and is its Chief Compliance Officer ("CCO"). He is also the CCO of SCI. He has also taken an active interim operating role in certain Portfolio Companies. In addition, he manages relationships with investors, advisors and financial institutions and interacts closely with Saturn's Portfolio Companies developing growth strategies, arranging financing, recruiting key employees and building relationships with strategic partners, customers and advisors. He is also a Partner and Investment Committee member of the Saturn affiliates SPLP II and SPLP III and Chief Financial Officer of SPLP I. Mr. Lafferty is currently a member of the boards of directors for the following Portfolio Companies: COGO Optronics, Inc. Applied CleanTech, Inc. and OPE, Inc. (d/b/a Core Outdoor Power) (observer).

From 1997 to 2001, Mr. Lafferty served as fund controller for Berkshire Partners, a Boston-based private equity firm. Earlier in his career, Mr. Lafferty assisted in the formation development and management of a number of entrepreneurial companies, most notably, Corporate Performance Systems and Millennium Consulting Group.

Mr. Lafferty received his MBA in Finance from Bentley University and his BS in Business Administration from Northeastern University. He has earned FINRA designations of Registered Representative (Series 7 and 63) and Financial Principal (Series 27).

Mr. Lafferty has no disciplinary history, does not receive any additional compensation for his advisory services and is supervised by Mr. McCormick.

**Robert J. Chicoski**

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Robert J. Chicoski joined Saturn in 2010 and has over fifteen years of experience as an entrepreneur, venture capitalist and advisor, with expertise in software and information technology and specialty energy. Mr. Chicoski provides deal flow to the Firm, investigates investment opportunities and works with portfolio companies to drive growth, improve performance and harvest opportunities. He is also a Partner and Investment Committee member of the Saturn affiliate SPLP III. Mr. Chicoski is currently a member of the boards of directors for the following Portfolio Companies: Paneve LLC and OPE, Inc. (d/b/a Core Outdoor Power).

Mr. Chicoski has helped build several early and expansion stage businesses as an investor and advisor, including World Energy Solutions, EPV Solar, Umagination Labs, Speyside Distillers and Tauntr. Prior to joining Saturn, from 2005 to 2009, Mr. Chicoski was Managing Director at Junction Investors Ltd., a family office focusing on direct venture capital investments in a variety of sectors and geographies. Since 2003, Mr. Chicoski has served as an advisor to several leading enterprises, including Pfizer, Massachusetts Institute of Technology, Harrah's Entertainment and Bank of America. From 1999 to 2002, Mr. Chicoski was Vice President then Chief Operating Officer of Industry To Industry, Inc. (i2i), a software and services business founded out of the World Economic Forum (Davos). Mr. Chicoski served as a management consultant at Deloitte Consulting from 1997 to 1999, with Eli Lilly and Reuters Instinet among his clients. From 1991 to 1994, Mr. Chicoski worked at the Federal Reserve Bank of Boston as research associate to current president Eric Rosengren. Mr. Chicoski served for a year in the Domestic Peace Corps (AmeriCorps Vista) prior to business school.

Mr. Chicoski holds an MBA from Harvard Business School, where he was a Horace W. Goldsmith Fellow, and a BA in Economics from Georgetown University.

Mr. Chicoski has no disciplinary history, does not receive any additional compensation for his advisory services and is supervised by Mr. McCormick.

**William Guttman**

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William Guttman, Ph. D. joined Saturn in 2006 and has extensive experience as a venture capitalist, entrepreneur and business advisor. He is a Distinguished Service Professor of Economics and Technology at the Heinz School of Public Policy at Carnegie Mellon University, and Chairman of iCarnegie, Carnegie Mellon's global education management company. He provides deal flow to the Funds and investigates and negotiates investment opportunities, particularly in the software and financial technology industry. Dr. Guttman is Special Advisor to the Provost at Carnegie-Mellon University. He was part of the founding group of Carnegie-Mellon's CyLab, one of the world's largest university-based research initiatives focused on dependability and security in software and networked systems. He also serves as Chairman of Carnegie-Mellon's education management company, iCarnegie, Inc. Dr. Guttman has helped build a number of technology companies, including Printcafe (NASDAQ: PCAF, acquired by NASDAQ: EFII), which he co-founded and served as Chairman and CEO.

Since 2001, Dr. Guttman has served as Chairman of the Board of Axioma, Inc., one of Wall Street's most successful developers of risk analytics software. He is a Venture Partner of TL Ventures and also serves on the boards of Saturn Portfolio Companies: American Made LLC, Axioma, Inc., Mismi, Inc., Express KCS, Inc., Panopto, Inc. and SureLogic. He also serves on non-Saturn boards of directors for the Aberdeen Group, Bantu, Inc. Clarifi, Inc. and Confluence, Inc. Dr. Guttman and/or an affiliate is currently engaged as a consultant for SPLP II investments: American Made LLC; Axioma, Inc., Express KCS, Inc., Panopto, Inc. and SureLogic, Inc.

Dr. Guttman has previously served in various advisory capacities for the United States, the World Bank, the International Monetary Fund, and the OECD. He is the author of Pacific Asian Capital Markets (OECD/Oxford & IBH), among numerous other publications and patents. He completed his Masters and Doctoral degrees at Balliol College, Oxford University, where he was a British Council Scholar.

Dr. Guttman has no disciplinary history, does not receive any additional compensation for his advisory services and is supervised by Mr. McCormick.

