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This brochure provides information about the qualifications and business practices of NCP Management Holdings, Inc. ("New Capital Partners" or "NCP"). If you have any questions about the contents of this brochure, please contact us at (205) 939-8400. 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 New Capital Partners is available on the SEC's website at www.adviserinfo.sec.gov.

New Capital Partners is registered as an investment adviser with the SEC. Such registration does not imply a certain level of skill or training.

March 31, 2014

Material Changes

Annual Update

New Capital Partners is providing this brochure as part of its annual updating amendment as an investment adviser with the Securities and Exchange Commission. This section discusses only material changes since the last annual brochure update on March 28, 2013 and includes the material changes discussed in the Other-than-annual Amendment brochure dated October 21, 2013.

Material Changes

Since the annual brochure update on March 28, 2013, certain principal owners, affiliates and employees of New Capital Partners have invested for their own accounts in the securities of portfolio companies in which Fund II, Fund II-A and Fund II-B (as hereinafter defined) also invest. As a result, this brochure contains updated information in the section of this brochure entitled “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.” Because such persons may have conflicting interests with respect to these investments, this policy change is being reported as a material change.

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Advisory Business

Firm Description

New Capital Partners was founded in 2000 in Birmingham, Alabama. NCP is a private-equity firm with offices in Birmingham, Alabama, and Dallas, Texas. NCP invests in high-growth companies primarily in the Southeastern United States and Texas. NCP is currently serving as an investment adviser to four pooled-investment funds organized as limited partnerships:

- 1) New Capital Partners Private Equity Fund, LP
- 2) New Capital Partners Private Equity Fund II, LP
- 3) New Capital Partners Private Equity Fund II-A, LP
- 4) New Capital Partners Private Equity Fund II-B, LP

Each of the Funds is sometimes referred to in this Brochure individually as a “Fund” and collectively as the “Funds”. From individual limited partners, the Funds raise specific capital commitments that are called over a limited investment period of ten years. The Funds listed above may be individually referred to as “Fund I”, “Fund II”, “Fund II-A” and “Fund II-B”, respectively.

Principal Owners

The principal owners of NCP are James K. Outland, serving as President of the organization and James B. Little, III, serving as Vice President and Secretary.

Types of Advisory Services

NCP provides advice and assistance to each Fund regarding the acquisition, management and disposition of Fund investments and also provides general back-office support. The relationship between each Fund and NCP is set forth in a Management Agreement entered into between NCP and each Fund (the “Management Agreement”).

The purpose of this brochure is to disclose information about NCP to NCP’s clients (which are the Funds). In connection with the offering of interests in each Fund, NCP has separately prepared a Confidential Private Placement Memorandum (the “PPM”) for each Fund. Persons considering whether to invest in any one or more of the Funds should have received and reviewed the applicable PPM, which sets forth in much greater detail specific information regarding the operation of, and the terms of an investment in, each Fund.

Tailored Relationships

The services provided by NCP to each Fund are described in the applicable PPM and in the applicable Management Agreement. While each Fund is initially structured in a manner intended to be compatible with the requirements of its possible investors, such investors do not have the ability to impose restrictions on the Fund’s investing in certain securities or types of securities.

Asset Management

As of March 31, 2014, NCP manages \$178,619,208 of client assets on a discretionary basis and \$0 of client assets on a non-discretionary basis.

Fees and Compensation

General Note Regarding Fees

This section of the brochure is intended to summarize the fee structure that NCP charges its clients (the Funds). This summary is less detailed than the summary set forth in each PPM. An investor in each Fund should review the applicable PPM in detail.

Management Fee

Each Fund pays NCP, on a quarterly basis, a management fee at an annual rate of 2.5% of each Fund's aggregate committed capital, as outlined in each PPM document (the "Management Fee"). The Management Fee is computed and paid in advance, on the first business day of each quarter. Management Fees are paid from cash received via Fund capital calls.

For Fund-II, Fund II-A and Fund II-B, after the initial investment period of 10 years, the Management Fee is reduced by 0.10% each year (not to be reduced lower than 2.0%) and the fee is computed using the cost basis of portfolio investments rather than the amount of committed capital.

Carried Interest

Each Fund has a provision for carried interest, described in detail below in the section "Performance-Based Fees", to be paid to NCP and certain of its affiliates.

Negotiability of Fees

As these fee amounts are stated in each PPM document, they are non-negotiable. NCP does not rebate any portion of such fees to investors in the Funds.

Termination of Advisory Agreement

If the advisory agreement is terminated, the Fund will release all uncalled capital commitments, return all called but unused capital and pay distributions of any liquidated assets. The advisory agreement does not call for the refunding of Management Fees, although such fees are paid in advance.

Other Fees

All other expenses are generally paid by the Fund and include: audit, tax and accounting fees and expenses; Fund-related insurance expenses; expenses related to any alternative investment vehicle or blocker corporation in which a Fund may invest as part of its investment strategy; organization expenses, investment expenses such as research/due diligence costs and related travel; legal, accounting and other professional fees associated with acquiring or exiting an investment; interest on indebtedness, if any; custodial fees and any other expenses reasonably related to the purchase, sale or transmittal of Fund assets.

NCP collects monthly management fees from certain portfolio companies for providing operational consulting and staffing services. These monthly management fees range from \$5,000 to \$11,000, and are calculated based upon the estimated operational service needs of the particular portfolio company.

Through its affiliate, Blue Xoam, LLC, NCP collects monthly management fees from certain portfolio companies for providing sales consulting and staffing services charged at a rate of \$1,350 per day for the actual daily services of our sales operating partner.

Through its affiliate, MarketMethods, LLC, NCP collects monthly management fees from certain portfolio companies for providing data purchasing, data collection and data analysis consulting and staffing services. These monthly management fees range from \$3,000 to \$5,000, and are calculated based upon the estimated data service needs of the particular portfolio company.

Performance-Based Fees

As described above under the heading “Carried Interest” in the section of this brochure entitled “Fees and Compensation”, NCP and/or certain affiliates are entitled to receive a performance-based fee. For Fund I, Fund II and Fund II-B, the performance fee is 20% of each Fund’s net proceeds on disposition of portfolio investment assets, together with dividends or interest earned on portfolio investments. The 20% performance-based fees are payable only after returning to investors the following: (1) the aggregate amount of commitments drawn to fund investments and fund fees and expenses and (2) a preferred return of 8% on the aggregate amount of commitments drawn.

For New Capital Partners Fund II-A, LP, and only for this Fund, the performance-based fee is adjusted from 15% to 20% and further to 25% based upon certain IRR thresholds. The specific details of these terms can be found in the Limited Partnership Agreement for Fund II-A.

At the end of the life of each Fund, in the event the general partner has been paid more than 20% of the aggregate of all profits and losses of the Fund, the general partner shall pay the limited partners such that the limited partners receive their appropriate 80% share of the aggregate of all gains and losses of the Fund.

Types of Clients

Description

NCP provides investment advice to the Funds, which are private pooled investment funds organized as limited partnerships.

Account Minimums

While NCP does not have minimum account size requirements for its clients, the minimum investment in Fund I is \$2,000,000 for institutional investors with no prescribed limit for individual investors. The minimum investment for Fund II, II-A and II-B is \$2,500,000 for institutional investors and \$500,000 for individual investors. As is the case with all Funds, each Fund's general partner may approve subscriptions of lesser amounts.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Under normal circumstances, all of NCP's strategies follow the same investment disciplines and methods. NCP principals use their deal flow network to actively seek specific opportunities for investment. NCP staff perform thorough due diligence to understand the sector and business model, how the entity generates income and creates value for investors, and the entity's sustainability over time. During due diligence, the management team is evaluated to determine how it thinks through issues, makes decisions, and whether it can work in a disciplined and methodical manner. NCP principals also determine other qualities of management such as prior experience, skill sets, management style, common sense, character, resourcefulness, drive, sense of urgency, work ethic and teamwork.

Investment Strategies

NCP invests in high growth companies primarily in the Southeastern United States and Texas, and opportunistically elsewhere. NCP seeks to acquire and/or partner with businesses and management teams who are focused on building sustainable businesses of exceptional value. NCP views investments as long-term ownership in a business enterprise. NCP's investment strategy and business operating philosophy is outlined as follows:

- Proven models. NCP seeks companies with a proven product or service, existing market adoption from key customers, and profitability.
- Growth at an inflection point. NCP seeks companies with the ability to be the number one company in a high-growth market. Before investing NCP collaborates with management on how the business will be professionally managed and agrees on a detailed execution plan to achieve

the company's goals and objectives. NCP portfolio companies grow in size and value by building on the foundation of one core goal – providing exceptional value and service to each company's customers.

- Management teams who value a partner. NCP is committed to constructively leveraging every resource available to help each portfolio company reach its full potential.
- Known industries. Each NCP principal has focused his career almost exclusively in healthcare services or financial services. This deep operational knowledge and rich network of industry relationships has proven invaluable in assisting NCP portfolio companies to build exceptional organizations.

NCP intends to follow an investment strategy that balances different stages of investment with a diversified portfolio of private company investments.

Risk Factors

No assurance can be given that NCP's methods of analysis and investment strategies will achieve favorable returns. The profitability of NCP's investments will depend to a great extent on how well the management team implements the detailed execution plan to achieve the company's goals and objectives. There is no guarantee that the investments of the Funds will be profitable or that distributions will be made to the limited partners. While venture capital investments offer the opportunity for significant gains, such investments also involve a high degree of business financial risk and can result in substantial losses. Furthermore, there is unpredictability as to changes in general economic conditions, which may affect the profitability of NCP's investment strategies. Also, the past investment performance of the principals provides no assurance of future results for these Funds. The Funds may participate in a limited number of investments and, as a consequence, the aggregate return of the Funds may be substantially adversely affected by the unfavorable performance of even a single investment. In addition, other investment advisors may use differing or additional methods of analysis that NCP does not use.

Risk of Loss

Investing in the Funds involves risk of loss that each Fund and the limited partner investors in each Fund should be prepared to bear.

Other Risks

The risks described above are intended to summarize certain material risks involved in NCP's methods of analysis and investment strategies. However, each limited partner making an investment in either of the Funds will receive a PPM, which is prepared by NCP and contains a more complete description of certain risks associated with an investment in the relevant Fund.

Disciplinary Information

NCP, its principals and its employees have not been involved in any applicable legal or disciplinary events that require disclosure.

Other Financial Industry Activities and Affiliations

As described elsewhere in this brochure, NCP provides investment advice to the Funds. Each Fund is a pooled investment fund.

NCP indirectly holds 50% of the equity interest of two Alabama and two Texas economic development CAPCOs, organized under those states' Certified Capital Company programs. More specific information about these arrangements can be found in the Fund II PPM, a copy of which each limited investor in Fund II, II-A and II-B should have received and reviewed. A copy of such PPM may be requested from the Chief Compliance Officer. NCP does not provide investment advisory services to the CAPCOs.

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

Code of Ethics

NCP has adopted a code of ethics in compliance with Rule 204A-1 of the Investment Advisers Act of 1940, as amended (the "Code of Ethics"). The Code of Ethics establishes rules of conduct for all employees of NCP and includes business conduct standards, conflicts of interest, compliance with laws, discrimination and harassment, confidentiality and reporting requirements. All managers, employees, officers and other supervised persons of NCP must be provided with and acknowledge receipt of the Code of Ethics. The Code of Ethics is based on the principles that the managers, officers, employees and other supervised persons have a fiduciary duty towards their clients (Funds, limited partner investors, portfolio companies) and must place client interests ahead of their own. A copy of the Code of Ethics will be provided to any client or prospective client upon request. Please contact Dana Levering, NCP's Chief Compliance Officer, at (205) 939-8400 to request a copy.

Participation or Interest in Client Transactions and Personal Trading

Certain principal owners, affiliates and employees of NCP may invest for their own accounts in the securities of portfolio companies in which Fund II, Fund II-A and Fund II-B also invest. Such transactions are subject to the policies and procedures set forth in the Code of Ethics. If such persons have made large capital investments alongside Fund II, Fund II-A and Fund II-B, such persons may have conflicting interests with respect to these investments.

In order to address any real or perceived conflicts of interest, the limited partnership agreements for each of Fund II, Fund II-A and Fund II-B provide that:

- such persons may invest for their own accounts in the securities of any portfolio company only on terms no better than those available to the applicable Fund, and only contemporaneously with the applicable Fund or after the applicable Fund has established an investment position in the securities of the portfolio company;
- the maximum amount that any such person may invest for their own accounts in the securities of any portfolio company shall be equal to the lesser of twenty percent of the amount invested by the applicable Funds, or \$1 million;
- investments that are made contemporaneously with the applicable Fund shall be divested contemporaneously with the applicable Fund unless otherwise approved by the applicable Fund's advisory board (unless a contemporaneous divestiture would be prohibited by applicable securities laws, rules or regulations).

The above-described restrictions do not apply to publicly-traded securities. In addition, the restrictions described above are intended only to summarize the detailed provisions of the applicable limited partnership agreements, which are described in more detail in the Fund II PPM. Fund investors should consult the Fund II PPM and the applicable limited partnership agreement(s) provided to such investors for more information concerning these restrictions.

In addition, please see the section of this brochure entitled "Other Financial Industry Activities and Affiliations." As described in that section, NCP indirectly holds 50% ownership in four state economic development CAPCOs.

Brokerage Practices

Since NCP does not trade registered securities, NCP does not maintain commitments with any broker-dealers for its Fund investments. Therefore, this item is not applicable to NCP.

Review of Accounts

Periodic Reviews

NCP periodically, on at least a quarterly basis, monitors the performance results and investment activity of each Fund via review of each investment's financial performance, as well as the financial performance of each Fund. On a weekly basis, NCP management, together with research and accounting staff

members, review portfolio company activity and consideration of potential new investments into the Funds.

Nature and Frequency of Reports

NCP provides an unaudited quarterly written report to each limited partner in each Fund that includes (i) a letter from NCP regarding the Fund's account performance and (ii) an account statement specific to each limited partner which identifies the amount of funds contributed and the uses of those contributions, as well as an estimated value of the ownership interest at the end of the reporting period.

On an annual basis, NCP provides each limited partner in each Fund with audited financial statements and information necessary for each limited partner to complete an annual federal income tax return.

Client Referrals and Other Compensation

NCP does not receive any incoming referral fees and does not pay any outgoing referral fees. Thus, this item is not applicable to NCP.

Custody

NCP is considered to have custody of the Funds' assets because it and/or certain of its affiliates are general partners of the Funds.

NCP uses Oakworth Capital Bank, a third-party entity, as its custodian for client accounts for safekeeping of Fund securities. The custodian will maintain the underlying records for the assets held in each Fund account and each Fund will be solely responsible for paying all fees and charges of the custodian as stated in a separate agreement between the Fund and the custodian. Also, because the Funds are audited annually, by a PCAOB-registered, independent public accountant and the financial statements are distributed to each Fund's limited partners within 120 days of year-end, NCP is not required to undergo an annual surprise audit and the Fund's qualified custodian is not required to deliver quarterly statements to individual limited partners.

NCP's clients (the Funds) will receive quarterly or more frequent account statements, as needed, directly from the qualified custodian for each Fund.

Investment Discretion

NCP enters into a Management Agreement with each client (Fund) which outlines the authority granted to NCP to make investments and other terms and conditions of the investment management relationship. NCP principals, acting as managing members of the general partner of the fund, have discretionary authority to make investments into each Fund.

Voting Client Securities

NCP's Investment Process, as outlined in the PPM for each Fund, states that the managers of the general partner (Mr. Outland and Mr. Little) will make final investment decisions. The Fund II PPM states that final investment decisions must be unanimous among those managers of the general partner (Mr. Outland and Mr. Little). Investment decisions for both Funds are made in accordance with NCP's Code of Ethics. NCP's investment decisions are documented via Investment Memorandum for each portfolio company acquisition. Clients may obtain additional information upon request of the Chief Compliance Officer.

Financial Information

NCP is not aware of any financial condition that would impair its ability to meet contractual obligations to clients (the Funds) and it has never been the subject of a bankruptcy petition.