

Item 1 – Cover Page

Firm Brochure
(Part 2A of Form ADV)

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This Brochure provides information about the qualifications and business practices of Battery Management Corp. (“Battery Management Corp.” and together with its affiliates “Battery Ventures”). If you have any questions about the contents of this Brochure, please contact us at 617-948-3600. 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 Battery Management Corp. also is available on the SEC’s website at www.adviserinfo.sec.gov. Registration with the SEC does not imply any level of skill or training.

March 2014

Item 2 – Material Changes

This is the initial Brochure of Battery Management Corp. and therefore this Item is not applicable.

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Item 4 – Advisory Business

Battery Ventures is a venture capital firm that invests principally in the technology markets. Operating from offices in Boston, Massachusetts, Menlo Park, California and Herzliya, Israel, Battery Ventures provides investment management services to pooled investment vehicles (the “BV Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended.

Battery Ventures has been in business since 1983. Battery Management Corp., which is 100% owned by Battery Management Company, LLC (“Battery Management LLC”), a Delaware limited liability company, was incorporated in March 1999.

Battery Management Corp. provides investment advisory services to the BV Funds with respect to the acquisition, management and disposition of primarily private companies across a range of sectors in the technology industry pursuant to Advisory Agreements between Battery Management Corp., Battery Management LLC, the BV Funds and general partner entities of each BV Fund (the “GP Entities”). The investment advice provided to the BV Funds is subject to the overall direction and control of the GP Entities.

Each BV Fund has specific investment guidelines and restrictions as set forth in the BV Fund’s operating and/or offering documents. Investors in the BV Funds do not have the ability to impose specific investment objectives or restrictions on the BV Funds.

As of December 31, 2013, Battery Management Corp. had approximately \$3,116,868,181 in assets under management, all of which are managed on a discretionary basis.¹

Item 5 – Fees and Compensation

Except as described below, Battery Management LLC receives an annual management fee from each BV Fund, payable quarterly in advance, pursuant to a Management Agreement with each BV Fund and the GP Entity of such BV Fund. Battery Management LLC pays a portion of the management fee to Battery Management Corp. for its services to the BV Funds.

The management fee payable to Battery Management LLC may be reduced or off-set to the extent Battery Management LLC or its affiliates receive director’s fees, consulting fees, monitoring fees, acquisition fees, disposition fees or other remuneration from a BV Fund’s portfolio companies for services to the portfolio companies.

¹ Battery Management Corp. does not have ultimate investment discretion with respect to the assets of any BV Fund. Such discretion is retained by the applicable GP Entity.

As described below in Item 6, the GP Entity of each BV Fund also typically receives a performance based profit allocation from the BV Fund. Management fees and profit allocations are automatically paid or allocated directly by the BV Funds under the terms of their operating documents.

The amount of the management fee and profit allocation for each BV Fund is set forth in the operating documents for such BV Fund and generally is not negotiable.

In addition to management fees and performance-based allocations, the BV Funds also pay or reimburse Battery Management Corp. or its affiliates for expenses relating to the BV Funds' formation, investment activities and ongoing operations. The operating documents for each BV Fund include details on the expenses that such BV Fund will bear.

The BV Funds set up for investment primarily by employees of Battery Ventures (the "BIP Funds") are not charged management fees or profit allocations and do not bear certain types of investment expenses that are otherwise charged to other BV Funds.

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

Except as described below, the GP Entity of each BV Fund typically receives a performance based profit allocation from the BV Fund, customarily referred to as a "carried interest". The carried interest is generally a percentage of the net profits generated by the BV Fund and the percentage allocated to the GP Entity varies among the BV Funds.

The BIP Funds are not charged a carried interest.

Performance-based fee arrangements with certain BV Funds may create an incentive for Battery Ventures to favor those BV Funds over other BV Funds in the allocation of investment opportunities. However, Battery Ventures has procedures designed to allocate investment opportunities among the BV Funds in a fair and equitable manner and to prevent this conflict from influencing the allocation of investment opportunities among the BV Funds.

Item 7 – Types of Clients

Battery Management Corp. provides investment advisory services to private investment funds, generally organized as limited partnerships. An affiliate of Battery Management Corp. serves as the GP Entity with respect to such BV Funds and has ultimate investment discretion. Investors in the BV Funds typically include public pension plans, corporate pension plans, university endowments, foundations, insurance companies, sovereign wealth funds, fund-of-funds, banks, family offices, other institutional investors and high-net worth individuals.

Battery Ventures sets a target for total capital commitments with respect to each BV Fund. Additionally, the GP Entity of each BV Fund typically sets a minimum capital contribution amount for investors.

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

Method of Analysis and Investment Strategy

Battery Ventures primarily employs five key investment strategies in managing the BV Funds; (i) technology industry focus and expertise, (ii) proactive deal generation, (iii) stage diversification, (iv) active investment approach and deal leadership, and (v) value-oriented investment bias. Battery Ventures is a global investor focused on key areas of innovation. These five strategies are applied to investing in technology and technology-related markets.

Battery Ventures takes a research-driven approach to investing and places a heavy emphasis on developing deep market knowledge in the industries in which it invests. It works to become a market expert in select, high potential technology areas. Internally, Battery Ventures organizes itself into a series of small groups or “pods” that are focused on these industries and meet regularly to discuss current industry trends, issues and opportunities.

All investment staff members have individual quarterly and annual quotas that measure the number of new investment opportunities generated. Numerous deal generation methods are utilized ranging from cold calling and networking with entrepreneurs and technologists, to mapping key players in major market trends and using Executive-In-Residence and Entrepreneurs-in-Residence programs to network with other talented entrepreneurs in key technology markets.

The BV Funds invest in opportunities across the stage spectrum, from seed and early stage opportunities to growth and buyout investments. This allows the BV Funds to capture opportunities in both emerging and mature markets and provides an attractive resource to management teams looking for insights on growth or the latest disruptive market trends.

Battery Ventures will often seek to place a person on the boards of the portfolio companies in which the BV Funds invest and frequently plays a material role in helping the portfolio companies develop market strategies and business plans.

Battery Ventures applies a thorough due diligence process to each potential investment. The risk and reward potential of each investment is analyzed in an effort to determine the true value represented by the opportunity and whether an investment is warranted. A separate investment committee (an “Investment Committee”) is formed for each deal at the time at which a preliminary financing term sheet is issued with respect to the proposed deal and significant due diligence begins. The Investment Committee for a deal is generally comprised of two (2) or

three (3) senior investment team members and it assists the deal team in considering the issues, risks and unique circumstances associated with the applicable deal. The Investment Committee typically meets three (3) to four (4) times before a final investment decision is made.

Each quarter, Battery Ventures reviews its entire portfolio of investments. The deal team sponsor for each portfolio company presents an update on the portfolio company in front of several other BV investment team members and financial professionals. Current portfolio company issues, market trends, financing needs and exit opportunities are reviewed with the group to assist the deal team sponsor in optimizing the return potential for each portfolio company investment.

Material Risks

An investment in a BV Fund involves a high degree of risk, and is suitable only for investors of substantial means who have no immediate need for liquidity of the amount invested and who can afford a risk of loss of all or a substantial part of such investment. Below is a summary of the material risks of the investment strategies employed by the BV Funds. For a description of the risks relating to a particular BV Fund please refer to the offering memorandum for such BV Fund.

Reliance on the GP Entities

Investors will not have a right or power to participate in the management of the BV Funds. Accordingly, no investor should purchase any interests in a BV Fund unless it is willing to entrust all aspects of management of the BV Fund to the respective GP Entity. Investors will not receive detailed financial information issued by portfolio companies in which the BV Funds invest which will be available to the BV Funds.

Competition for Investments

The BV Funds will compete with other entities for the acquisition of investments. Such competition may come from groups such as institutional investors, investment managers, industrial groups, and merchant banks which have greater resources than the BV Funds and are owned by large and well- capitalized investors. There may be intense competition for investments of the type in which the BV Funds intend to invest, and such competition may result in less favorable investment terms than would otherwise be the case. The BV Funds may be unable to find a sufficient number of attractive opportunities to meet their investment objectives. There can, therefore, be no assurance that investments of a BV Fund will meet all the investment objectives of the BV Fund, or that the BV Fund will be able to invest all of its available capital.

Unspecified Investments

The capital commitments received from the investors are invested into a blind pool. A BV Fund does not identify the particular investments it will make prior to launch. Accordingly, an investor in the BV Funds must rely upon the ability of the GP Entities in making investments consistent with the BV Funds' investment objectives and policies. An investor will not have the opportunity to individually evaluate the relevant economic, financial and other information that will be utilized by the GP Entities in their selection of investments or otherwise approve of such investments.

No Assurance of Investment Return

The BV Funds' task of identifying opportunities in private operating companies, managing such investments and realizing a significant return for investors is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage, and realize such investments successfully. There is no assurance that the BV Funds will be able to invest their capital on attractive terms or generate returns for their investors. There is no assurance that the BV Funds' investments will be profitable and there is a risk that the BV Funds' losses and expenses will exceed their income and gains. As such, there is no assurance of any distribution to the investors prior to, or upon, liquidation of the BV Funds.

Long-term and Illiquid Investment Within the BV Funds

An investment in the BV Funds is a long-term commitment. Interests in the BV Funds are highly illiquid and have no public market value. No secondary market for the interests exists, and no such market will be established or supported by the GP Entities. Furthermore, the sale or transfer of interests is subject to approval of the applicable GP Entity and other restrictions contained in the respective BV Fund's limited partnership agreement. Consequently, investors may not be able to liquidate an investment in the event of an emergency or for any other reason. An investment in the BV Funds is suitable only for persons and entities which have no need for liquidity with respect to their investment.

Early Stage Investments

Along with growth and buyout investments, certain BV Funds may invest in privately-held, early stage technology companies. These companies typically have minimal or no revenues and are usually not profitable. They require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or on acceptable terms. Further, the technologies and markets of such companies may not develop as anticipated, even after substantial expenditures of capital such companies may face intense competition, including competition from established companies

with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Typically, although the BV Funds may be represented on a portfolio company's board of directors, each portfolio company will be managed by its own officers (who generally will not be affiliated with Battery Ventures). Portfolio companies may have substantial variations in operating results from period to period and experience failures or substantial declines in value at any stage.

Risks in Effecting Operating Improvements

In some cases, the success of the BV Funds' investment strategies will depend, in part, on the ability of the BV Funds to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing restructuring programs and operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that the BV Funds will be able to successfully identify and implement such restructuring programs and improvements.

Lack of Diversification

The BV Funds are not subject to any diversification requirements and may invest in a limited number of companies, sectors, countries, or regions. To the extent a BV Fund concentrates its investments in a particular company, sector, country, or region, its investments will become more susceptible to fluctuations in value resulting from adverse business or economic conditions affecting that particular company, country, or region. As a consequence, the aggregate return of the BV Fund may be adversely affected by the unfavorable performance of one or a small number of companies, sectors, countries or regions in which the BV Fund has invested. In certain cases, the BV Funds may acquire majority or 100% interests in portfolio companies, which could further increase the vulnerability of each BV Fund's respective portfolio.

Availability of Investment Capital

Portfolio company investments may require several rounds of capital infusions before the portfolio company reaches maturity. If a venture capital investor does not have funds available to participate in subsequent rounds of financing, that shortfall may have a significant negative impact on both the portfolio company and the face value of the venture investor's original investment. Although it will be each BV Fund's policy to maintain sufficient liquidity to allow it to participate in follow-on rounds of financings, the BV Funds do not intend to provide all necessary follow-on financing. Accordingly, third-party sources of financing will be required. There is no assurance that such additional sources of financing will be available, or, if available, will be on terms beneficial to each BV Fund. Furthermore, each BV Fund's capital is limited

and may not be adequate to protect such BV Fund from dilution in multiple rounds of portfolio company financing.

Lack of Liquidity within Investment Portfolio

Each Fund's investment portfolio will consist of investments in private companies. The marketability and value of each such investment will depend upon many factors beyond the applicable GP Entity's control. Generally, the investments made by the BV Funds will be illiquid and difficult to value, and there may be little or no collateral to protect an investment once made. At the time of each BV Fund's investment, a portfolio company may lack one or more key attributes (e.g., proven technology, marketable product, complete management team, or strategic alliances) necessary for success. There may be no readily available market for the BV Funds' investments, many of which will be difficult to value, and the disposal of a portfolio investment by the BV Funds may be prohibited or delayed many years from the date of initial investment for legal and/or regulatory reasons. The public market for technology and other emerging growth companies is extremely volatile. Such volatility may adversely affect the development of portfolio companies, the ability of the BV Funds to dispose of investments, and the value of investment securities on the date of sale or distribution by the BV Funds.

Risks of Certain Dispositions

In connection with the disposition of an investment in a portfolio company or otherwise, the BV Funds may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business. It may also be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate, and under certain circumstances described in the limited partnership agreement, the GP Entities may make distributions of cash or securities to the investors that remain subject to recall for the payment (in whole or in part) of such contingent liabilities. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the BV Funds.

Limited Control

The BV Funds will often hold minority positions in portfolio companies with proportional board representation and, therefore, may have a limited ability to control various strategic decisions. While as a condition to an investment in a portfolio company, certain rights generally will be sought to protect each BV Fund's interests to the extent possible, these rights, when available, are generally in the nature of a veto versus the right to cause desired outcomes. As a result, the BV Funds may not be able to cause a portfolio company to take actions which such BV Fund believes would maximize the value of their investment or refrain from taking actions which such BV Fund believes will impair the value of its investment.

Controlling Investments

The BV Funds may own a significant portion of the securities of their portfolio companies, including ownership positions which may represent a majority of a portfolio company's voting securities. These investments may entitle the BV Funds to elect substantially all of a portfolio company's directors and exert significant influence over a portfolio company's business, operations, affairs and transactions. These capabilities could lead the BV Funds to be viewed as controlling a portfolio company or being considered a controlling stockholder. As a result, the BV Funds may be exposed to claims, lawsuits or investigations by minority stockholders, creditors, government or regulatory authorities or other persons. In the event any such claims were successful, the BV Funds may be held liable for any damages that are awarded or be required to fund any settlement with such parties. Even if such claims, lawsuits or investigations prove to be without merit, the BV Funds may be required to expend significant resources defending themselves and their affiliates. In addition, the BV Funds' reputations and goodwill may be harmed if they are considered a controlling stockholder of a portfolio company that is subject to negative publicity.

Use of Leverage

The BV Funds may invest in portfolio companies which are significantly debt-financed by third parties. While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a higher degree of risk. As a result of the use of leverage, economic downturns, operating problems, and other general business and economic risk may have a more pronounced effect on a company's profitability or survivability. Moreover, rising interest rates may significantly increase portfolio company interest expense, causing losses and/or the inability to service debt. In addition, cash flow from operations or investment that could otherwise be available to a leveraged portfolio company to fund growth may instead be diverted to repay the company's debt obligations. If a portfolio company cannot generate adequate cash flow to meet debt obligations, the BV Funds may suffer a partial or total loss of their invested capital. A portfolio company's obligations to these lenders will likely be senior to the BV Funds' investment in the company and may also be secured by the assets of the company. The BV Funds' junior status could result in a loss of investment by the BV Funds in liquidations or sale transactions. It may also be necessary from time to time for a leveraged portfolio company to seek refinancing or restructuring of its debt financing, and there can be no assurance that any needed refinancing or restructuring may be available on terms that are favorable to the BV Funds' investment in the portfolio company.

The BV Funds May Be Restricted From Trading Because of Service on the Board of Directors, Possession of Inside Information or Securities Laws Restrictions; Increased Risk of Claims

A partner, or a manager, member, officer, employee or other representative of an affiliate of the BV Funds will typically serve as a director of each of the BV Fund's portfolio companies. As a

result, the BV Funds (through their representatives or otherwise) may receive or be deemed to receive information that would restrict their ability to cause the BV Funds to buy or sell securities of a company for substantial periods of time when profit could otherwise be realized or loss avoided, which may adversely affect the BV Funds' flexibility in buying or selling securities. In addition, the ability of the BV Funds to execute trades in securities of these companies may also be restricted by securities laws, including but not limited to section 16 of the Securities Exchange Act of 1934, and Rule 144 promulgated under the Securities Act of 1933, as a result of the board participation or extent of ownership of the BV Funds and affiliated persons. In addition, board participation (and in particular board participation on portfolio companies with publicly traded securities) may subject the GP Entities and the BV Funds to claims they would not otherwise be subject to as an investor, including claims of breach of fiduciary duty, securities claims and other director-related claims. In general, the BV Funds will indemnify the GP Entities for such claims.

Impact of Economic Conditions

Current economic conditions have become difficult with the risk of a recession or economic slowdown. In the event of unfavorable general economic conditions, such as a recession or economic slowdown in the United States and other countries, the business, operating results, financial condition and prospects of many of the BV Funds' portfolio companies could be materially and adversely affected, as could the value of the BV Funds' investments in such companies. Additionally, a period of deteriorating general economic conditions could negatively impact a BV Fund's ability to dispose of its portfolio company investments by adversely affecting the market for acquisitions of and public offerings.

Non-U.S. Investments

Investments in non-U.S. securities involve certain factors not typically associated with investing in U.S. securities, including risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which each BV Fund's non-U.S. investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets; (iii) the absence of uniform accounting, auditing, and financial reporting standards, practices and disclosure requirements, and less government supervision and regulation; (iv) certain economic and political risks, including potential exchange control regulations and restrictions on non-U.S. investment and repatriation of capital, the risks of political, economic, or social instability and the possibility of expropriation or confiscatory taxation; and (v) the possible imposition of non-U.S. taxes on income and gains recognized with respect to such securities. While the GP Entity of each BV Fund intends, where deemed appropriate, to manage each BV Fund in a manner that will minimize exposure to the

foregoing risks (although such GP Entity does not in the ordinary course expect to hedge currency risks), there can be no assurance that adverse developments with respect to such risks will not adversely affect the assets of each BV Fund that are held in certain countries.

Other Activities

The members of the management team and their affiliates will devote only such portion of their time to the affairs of the BV Funds as they consider appropriate in their respective judgment to manage effectively the affairs of the BV Funds. Other activities of affiliates of the GP Entities with which such personnel are associated, or with which they may become associated in the future, may require them to devote substantial amounts of their time to matters unrelated to the business of the BV Funds.

Legal, Tax and Regulatory Risks

Legal, tax, and regulatory changes could occur during the term of the BV Funds that may adversely affect the BV Funds, their portfolio companies, or the investors. For example, changes in laws and regulations applicable to taxation of carried interest may result in certain types of investments and/or investment returns being treated differently and accordingly may influence the GP Entities' decisions as to how to best structure the investment profiles of the BV Funds. The BV Funds may have limited legal recourse in the event of a dispute, and remedies might have to be pursued in the courts of a variety of countries. There can be no assurance that regulations promulgated in countries where the BV Funds' invest will not adversely affect the BV Funds or their respective portfolio investments.

Risks Arising from Provision of Managerial Assistance

The BV Funds will seek to structure their investments so that they will each be a "venture capital operating company" within the meaning of regulations promulgated under ERISA, although there is no guarantee the BV Funds will be able to do so. This requires that the BV Funds obtain rights to participate substantially in and to influence the conduct of the management of a majority of each BV Fund's portfolio companies.

The BV Funds will seek the right to designate directors to serve on the boards of directors of portfolio companies. The designation of directors and other measures contemplated could expose the assets of the BV Funds to claims by a portfolio company, its security-holders, and its creditors. While the GP Entities intend to manage the BV Funds in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Indemnification

Each BV Fund will be required to indemnify their respective GP Entity, Battery Management LLC, their affiliates, and each of their respective members, officers, directors, employees,

shareholders, partners, and certain other persons who serve at the request of the GP Entity or Battery Management LLC on behalf of each BV Fund for liabilities incurred in connection with the affairs of such BV Fund. Members of the advisory committee will also be entitled to the benefit of certain indemnification and exculpation provisions as set forth in each limited partnership agreement. Such liabilities may be material. For example, in their capacity as directors of portfolio companies, the partners, managers, or affiliates of each GP Entity may be subject to derivative or other similar claims brought by security holders of such companies. The indemnification obligation of each BV Fund would be payable from the assets of such BV Fund, including the unpaid capital commitments of the investors. If the assets of a BV Fund are insufficient, the GP Entity of each such GP Fund may recall distributions previously made to the investors, subject to certain limitations set forth in the limited partnership agreement of each such BV Fund.

Item 9 – Disciplinary Information

Not applicable.

Item 10 – Other Financial Industry Activities and Affiliations

Neither Battery Management Corp. nor any of its management persons are registered, or have an application pending to register, as a (a) broker-dealer or a registered representative of a broker-dealer, or (b) futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Affiliated General Partners

The GP Entities are affiliates of Battery Management Corp. Pursuant to Advisory Agreements between Battery Management Corp., Battery Management LLC, the GP Entities and the BV Funds, Battery Management Corp. provides investment advisory services to the BV Funds.

Affiliated Advisers

Battery Ventures Israel, Ltd. is an affiliate of Battery Management Corp. and is primarily responsible for identifying prospective portfolio companies for investment in Israel and the surrounding region. Battery Ventures Israel, Ltd. is a wholly owned subsidiary of Battery Management LLC.

Battery Management Corp. provided capital to fund the formation and initial operation of Battery Global Advisors (“BGA”) and certain indirect owners of Battery Management Corp., collectively, continue to own a material portion of the equity interests in BGA. BGA provides investment advisory services to family office clients and to private funds. BGA currently sub-leases office space from Battery Management Corp. and has entered into a Service Agreement with Battery Management Corp. pursuant to which Battery Management Corp. provides certain

administrative and infrastructure support to BGA. In addition, BGA personnel interact with Battery Management Corp. personnel in a variety of contexts. Battery Management Corp. recognizes that these arrangements and interactions may create the potential for conflicts of interest between Battery Management Corp., its personnel, or its clients, on the one hand, and BGA, its personnel, or its clients, on the other hand. Accordingly, Battery Management Corp. has established certain policies and procedures to limit such conflicts of interests and to identify and resolve in the favor of its clients any actual conflicts of interest that may arise. Among other things, these policies and procedures are designed to ensure that Battery Management Corp.'s investment decisions and recommendations for clients are made independently from BGA and to control the sharing of information between Battery Management Corp. and BGA.

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

Battery Ventures has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to, among other things, restrictions on personal securities trading and requirements for reporting of personal securities transactions and holdings. All supervised persons at Battery Ventures must acknowledge the terms of the Code of Ethics annually. Battery Ventures will provide a copy of its Code of Ethics to any investor or prospective investor upon request.

Battery Ventures may on occasion engage in principal transactions subject to compliance with Section 206(3) of the Advisers Act. A principal transaction is defined as a transaction where an investment adviser sells a security to, or purchases a security from, a BV Fund while acting as principal for its own account.

Battery Ventures does not have an affiliated broker-dealer and therefore does not engage in agency cross-trading transactions. An agency cross-trading transaction is defined as a transaction where the investment adviser affects the sale or purchase of a security for a client while acting as broker for a person other than the client.

Occasionally, and under certain limited circumstances, one or more BV Funds may engage in internal cross-trading transactions. BV does not receive any compensation in addition to its regular advisory fees, and is not deemed to be a broker for purposes of Section 206(3) of the Advisers Act, in connection with any such transactions. An internal cross-trading transaction is defined as a transaction where the investment adviser effects a transaction between two or more of its funds.

Item 12 – Brokerage Practices

Battery Ventures selects brokers for the BV Funds based on a number of factors, including, but not limited to, the size and type of transaction, the markets for securities to be purchased or sold, execution, efficiency, settlement capability, financial condition of the broker-dealer, the quality of the broker-dealer's trade execution on a continuing basis and the reasonableness of brokerage commissions.

Battery Ventures will attempt to achieve the best overall price for the BV Funds, however, the lowest possible commission cost is not necessarily sought in that it may not result in the best quality execution of transactions effected for the BV Funds.

A “soft dollar” arrangement is an arrangement whereby an investment adviser directs client brokerage, or pays higher commissions, to a particular broker-dealer in return for research or other services from such broker-dealer. Battery Ventures currently does not have any formal or informal soft dollar arrangements by which it receives research or brokerage products or services. Battery Ventures may, however, receive proprietary research and certain other limited benefits from broker-dealers as an incident of doing business with such broker-dealers, but only where (i) there is no arrangement to direct a specific amount of commission business to such broker-dealers in exchange for such items and (ii) Battery Ventures does not “pay up” for such items in the form of higher commissions on BV Fund trades.

It is Battery Ventures' policy not to enter into directed brokerage arrangements. A “directed brokerage” arrangement is an arrangement whereby a client of an investment adviser instructs the adviser to direct a portion of its brokerage transactions to a particular broker-dealer.

Battery Ventures may aggregate client trades when such aggregation is expected to be in the best interest of all participating BV Funds.

Item 13 – Review of Accounts

Battery Ventures conducts quarterly portfolio reviews of each active deal across all of the BV Funds. With respect to each portfolio company, the review is conducted by members of senior management, the investment professional who is primarily responsible for that portfolio company and other investment professionals who are part of the same practice group. The quarterly portfolio reviews contribute to the quarter-end valuation of each BV Fund's assets.

Investors in the BV Funds receive annual audited financial statements. Battery Ventures also provides quarterly reports to investors in the BV Funds (except the BIP Funds). The quarterly reports provide summary financial and performance information, an overview of the portfolio and a brief description of each active portfolio company held by the applicable BV Fund.

Item 14 – Client Referrals and Other Compensation

Not applicable.

Item 15 – Custody

Subject to certain conditions, a BV Funds' uncertificated securities and private stock certificates are held by BV and not by a "qualified custodian". The other assets of each BV Fund typically are held in custody with third party qualified custodians.

Each BV Fund will be audited on an annual basis by an independent auditor and audited financial statements will be provided to all investors in each BV Fund within 120 days of such BV Fund's fiscal year end.

Item 16 – Investment Discretion

The GP Entities provide discretionary investment management services to the BV Funds subject to and in accordance with any investment guidelines and restrictions set out in the operating documents of the applicable BV Fund.

Battery Management Corp. provides investment advisory services to the BV Funds, pursuant to the Advisory Agreements between Battery Management Corp., Battery Management LLC, the BV Funds and the GP Entities.

Item 17 – Voting Client Securities

Battery Ventures is an active, engaged investor on behalf of the BV Funds and is often represented on the boards of directors of the portfolio companies. Because of this active role, Battery Ventures typically reviews and votes on proxy and shareholder consent matters on a case-by-case basis. In furtherance of the foregoing, it is Battery Ventures' policy to (i) stay apprised of developments that affect the portfolio companies, (ii) carefully review matters submitted to the BV Funds for a vote as holders of portfolio company securities, and (iii) vote on those matters on a case-by-case basis in a manner that Battery Ventures believes is in the best interests of the applicable BV Fund. The Battery Ventures investment professional who serves as a board member of the particular portfolio company in question is generally responsible, absent a conflict of interest, for deciding what is in the best interest of the applicable BV Fund when determining how proxies and shareholder consents should be voted based on all of the facts and circumstances known at that time. For these purposes, what is in the best interest of a BV Fund is defined primarily with reference to the impact that the issue being voted upon may have on the desirability of owning the portfolio company. Battery Ventures believes that this type of an individualized review of a proposed proxy or shareholder consent matter is preferable to the establishment of specific voting guidelines.

In connection with each proxy and shareholder consent, Battery Ventures will identify any potential conflicts of interest and inform and seek the guidance of the Chief Compliance Officer. In instances where a conflict of interest exists and is not able to be resolved, Battery Ventures may abstain from voting the proxy or shareholder consent.

Battery Ventures maintains records regarding the manner in which it (i) administers its Proxy Voting Policy, and (ii) votes proxies and shareholder consents for the BV Funds. An investor may obtain additional information regarding the Proxy Voting Policy, as well as information regarding how proxies or shareholder consents were voted on behalf of a BV Fund by sending a request to;

Battery Management Corp.
One Marina Park Drive, 11th Floor
Boston, MA 02210
Attn: Chief Compliance Officer
Fax; 617-948-3601

Item 18 – Financial Information

Not applicable.

Item 19 – Requirements for State-Registered Advisers

Not applicable.