

**ITEM 1
COVER PAGE**

PART 2A OF FORM ADV: FIRM BROCHURE

ONEX PARTNERS MANAGER LP

A Delaware Limited Partnership registered
with the U.S. Securities and Exchange Commission
as an Investment Adviser

March 27, 2014

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This brochure provides information about the qualifications and business practices of Onex Partners Manager LP. If you have any questions about the contents of this brochure, please contact us at 416-362-7711 or send an e-mail to ADaly@onex.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 Onex Partners Manager LP is also available on the SEC's website at www.adviserinfo.sec.gov. Registration does not imply a certain level of skill or training.

ITEM 2
MATERIAL CHANGES

Onex Partners Manager LP will provide portfolio management and administrative services to Onex Partners IV LP, a new fund launched in July 2013. Onex Partners IV LP is a Cayman Islands exempted limited partnership that was formed with a view to making new equity and/or debt investments in operating companies headquartered or whose principal executive offices are primarily in the United States and Canada, and opportunistically Europe.

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ITEM 4

ADVISORY BUSINESS

Onex Partners Manager LP (“OP Manager”) is an investment adviser with its principal place of business in Toronto, Ontario, with offices in New York, NY and London, UK. OP Manager is an affiliate of Onex Partners Advisor LP (“OP Advisor”) and of Onex Partners Advisor UK LLP (“OP UK”). Together, OP Manager, OP Advisor and OP UK (collectively, the “Manager”) provide investment advisory services to certain private equity funds sponsored by Onex Corporation (“OCX”). In this brochure, OCX and the Manager are collectively referred to as “Onex” and the funds described in the previous sentence are referred to as the “Onex Partners Funds”.

OCX has been acquiring and building businesses as a private equity investor since its inception in 1984. Starting in 1999, OCX began to develop a broader asset management business with the sponsorship of a series of private equity funds, the establishment of a credit-oriented investment business, and the making of a number of real estate investments. OCX is listed on the Toronto Stock Exchange and Gerald W. Schwartz, its founder, Chairman, President and Chief Executive Officer, is the company’s controlling shareholder. OCX, indirectly through certain subsidiaries, is the only owner of more than 25% of OP Manager.

The Manager serves as investment manager of and provides administrative services to the Onex Partners Funds, to the special purpose vehicles established to implement certain of their investments, and to certain co-investment vehicles established in connection with and invested alongside the Onex Partners Funds (collectively, the “Funds” or the “Private Funds”), all based on the investment objectives, policies and restrictions contained in the confidential offering memorandum and the limited partnership agreement or similar constitutional documents of each Fund (collectively, “Governing Agreements”). OCX is, directly or indirectly, the largest investor in each of the Onex Partners Funds and may also co-invest in their transactions. Additionally, Onex investment professionals and other executives typically invest in or alongside the Onex Partners Funds. Other qualified individuals who are not employees of Onex, but who have pre-existing business relationships with Onex or industry expertise in the sector in which a Fund may be investing, may also invest in or alongside the Funds.

The Manager’s services include investigating, analyzing, structuring and negotiating potential operating company investments (“Operating Company Investments”) on behalf of the Funds, actively managing and monitoring the performance of those operating companies (each, an “Operating Company”) and advising the Funds as to disposition opportunities.

The Manager does not participate in any wrap-fee programs.

As of December 31, 2013, the Manager had approximately \$14 billion in assets under management.

Persons reviewing this Form ADV Part 2A should not construe this as an offering of any of the Private Funds described herein, all of which are closed to additional subscriptions.

ITEM 5

FEES AND COMPENSATION

The Manager and/or the general partners of the Private Funds generally receive management fees based on committed or invested third-party capital and performance-based or “carried interest” allocations and may receive certain additional fees, all as further described below. Alternatively, certain Funds other than the Onex Partners Funds may not be subject to management fees and/or carried interest, all as negotiated at the time of establishment thereof and as set forth in the relevant Governing Agreements. Detailed information on fees and performance allocations is set forth in the Governing Agreements, which are furnished to investors prior to their investment.

Management Fees

Subject to the foregoing, the Manager typically receives an annual management fee expressed as a percentage of third-party investors’ committed capital during the relevant Fund’s investment period, following which the applicable percentage is typically reduced and is based on the amount of third-party capital remaining in unrealized investments.

Management fees are generally paid by or on behalf of the Private Funds semi-annually by requiring investors to make the necessary capital contributions or by offsetting the amount against amounts otherwise distributable to such investors. Management fees are typically collected no earlier than the second business day after the beginning of each semi-annual period. Private Fund investors are generally entitled to a return of all or a portion of such fees before the Manager and its affiliates may share in the net profits of the Fund pursuant to the performance allocation described below. In addition, management fees may be reduced by certain other fees or compensation received by the Manager or its affiliates or related persons, as described under “Ancillary Fees” below, or by certain organizational, offering and other expenses borne by the Private Fund.

Performance Allocation (Carried Interest)

Subject to the foregoing, distributions to investors in the Private Funds are generally subject to some form of carried interest or similar profit allocation for the benefit of such Fund’s general partner, an affiliate of the Manager. Those distributions and any resulting performance allocations are generally made as Operating Company Investments are fully or partially realized, are typically allocated in proportion to the investors’ funded commitments with respect to such Operating Company, and are generally paid out of cash otherwise distributable to investors in the applicable Fund. Profit allocations typically represent a share of up to 20% of distributions made by a Fund in excess of the relevant investors’ invested capital and allocable fees and expenses (generally including the allocable amount of management fees, organizational and offering expenses and other expenses associated with the operation and activities of the Fund) and are subject to hurdles and/or clawbacks as specified in the Governing Agreements.

Performance allocations are subject to regulation under Rule 205-3 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). The Manager and its affiliates will only be entitled to receive such allocations directly or indirectly from a Private Fund, or the investors therein, where the qualifications of Rule 205-3 under the Advisers Act are satisfied.

Ancillary Fees

The Private Funds or Fund transactions may generate other fees payable to the Manager or its affiliates or other related persons from time to time. Specifically, they may receive commitment, transaction, closing, merger and acquisition, divestiture, financing and similar cash and non-cash fees, consulting, monitoring

or similar fees and/or directors' fees in respect of Operating Company Investments. All such fees are dealt with in accordance with the Private Funds' Governing Agreements, which typically provide that all or a substantial portion of those fees will be applied to reduce the management fees payable to the Manager by the relevant Private Fund.

Other Expenses

The organizational expenses of the Private Funds are generally paid by those Funds, and therefore indirectly by Fund investors, in some cases subject to a cap. Investors will also typically bear all costs and expenses relating to the Funds' activities, investments and business (to the extent not borne or reimbursed by an Operating Company or proposed Operating Company), including, but not limited to, (i) all costs and out-of-pocket fees and expenses attributable to sourcing, investigating, identifying, analyzing and pursuing investment opportunities, whether or not consummated, and acquiring, purchasing, investing, holding, monitoring, managing, seeking disposition opportunities and disposing of the Fund's investments, in each case including, without limitation, commitment fees or other lenders' fees that become payable in connection with a proposed Operating Company Investment, third-party consulting, investment banking, legal and accounting fees and expenses and printing expenses, (ii) all legal, accounting, auditing, administrative, custodian, appraisal, consulting and other fees and expenses (including, but not limited to, those relating to meetings of Fund investors, administrator fees and insurance), and other out-of-pocket expenses associated with the preparation of Fund financial statements, tax returns and other tax-related documentation and reports to the Fund investors, (iii) expenses of the Board of Advisors, (iv) extraordinary expenses, liabilities, indemnities and other obligations of the Funds (including, but not limited to, litigation and indemnification costs and expenses, judgments and settlements), (v) costs of winding-up and dissolving the Funds, and (vi) all debt service obligations, including principal, interest, premium, if any, fees, expenses and other amounts payable in respect of indebtedness of the Funds incurred in accordance with the relevant Governing Agreements.

Management fees and expenses are paid by capital contributions from investors in each Fund pursuant to capital call notices delivered by such Fund's general partner out of the investor's capital commitment (being the total amount of capital such investor has agreed to contribute to the Fund) or are paid out of cash otherwise distributable to the investors in the Fund, including cash held by the Fund after an Operating Company Investment is disposed of and before the proceeds are distributed to investors (i.e., deducted from the assets of the Fund). Management fees and expenses may also be paid out of cash reserves of the applicable Fund.

Investors in Funds make capital commitments to the Funds prior to the Manager's performance of any investment advisory functions. Management fees assessed by the Funds are paid from these amounts and are payable in advance for each fee period as described above. The Manager's services may only be terminated under limited circumstances. Should the Manager's services to a particular Fund be terminated before services are actually provided to the Fund for the applicable period, fees paid in advance in respect of that Fund will generally be pro-rated from the date of termination to the end of the relevant period and will be returned to the Fund's investors.

Detailed information on expenses and any applicable offsets or caps is set forth in the Governing Agreements, all as furnished to the investors in the relevant Private Funds prior to their investment.

ITEM 6
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

See Item 5 above as to the performance-based compensation or allocations to which the Manager or its affiliates may be entitled.

The Manager recognizes that some of the Private Funds may have different terms in respect of fees and performance allocations and that, accordingly, actual or perceived conflicts of interest may arise in allocating opportunities to, between or among the Private Funds. The Manager exercises due care to ensure that investment opportunities are allocated fairly and in accordance with the terms of the applicable Governing Agreements, including a consideration of the investment objectives and parameters of such Funds. The Governing Agreements typically address such matters in detail, including to what extent opportunities must be allocated to a particular Private Fund, whether co-investment is permissible and whether and on what terms the Manager, any of its affiliates, other investment vehicles they may manage and the principals of the Manager must or may participate in those opportunities. Subject to compliance with those terms and the terms of the Governing Agreements dealing with potential conflicts that must be reported to the relevant Board of Advisors or that require its consent or those of the Fund investors, investment decisions, including allocations, are made in the reasonable discretion of the Manager.

Without limiting the foregoing, the Manager recognizes it is not permissible to allocate, or to fail to allocate, an investment opportunity to, between or among Private Funds on the basis of the amount of compensation or profit that is likely to be realized for the Manager and its affiliates.

Reference is made to Items 10 and 11 below for a further discussion of potential conflicts of interest and the manner in which they are addressed by the Manager.

ITEM 7
TYPES OF CLIENTS

The Manager provides investment advice only to the Private Funds and has no other clients.

The Manager requires that each investor in a Fund be an “accredited investor” as defined in Regulation D under the Securities Act, a “qualified client” within the meaning of the Advisers Act, and either a “qualified purchaser” or a “knowledgeable employee” of such Fund within the meaning of the Investment Company Act of 1940. Investors typically consist of banks and other financial institutions, public and private pension and profit sharing plans, insurance companies, charitable organizations, government agencies or other institutional investors, as well as a small number of high net worth individuals.

Typically, a minimum investment amount is imposed on third parties investing in the Onex Partners Funds, as described in each such Fund’s confidential offering memorandum.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

The Onex Partners Funds were established with a view to making control investments in businesses organized or domiciled in North America. The other Private Funds invest alongside or otherwise in connection with some or all of those transactions, as described in Item 4.

The Manager intends for the Private Funds to be value-oriented investors. It pursues a disciplined investment style and an active-ownership approach to building high-quality businesses for the benefit of the Funds. Depending upon market conditions and the opportunities available from time to time, the Manager has generally focused on such areas as: (i) carve-outs of subsidiaries and mission-critical supply divisions from multinational corporations; (ii) cost reductions and operational restructurings; and (iii) platforms well-positioned to benefit from add-on acquisitions.

In implementing its investment strategy, the Manager seeks to: (i) invest only in industries it understands; (ii) proactively source opportunities; (iii) have diverse value creation opportunities; (iv) partner with talented management teams and align their interests; (v) conduct patient and comprehensive due diligence; (vi) use a team-based investment approach; (vii) maintain purchase price discipline; (viii) apply appropriate capital structures; (ix) actively work with management post-investment; and (x) strive to exit investments successfully.

With each investment, the Manager works with the Operating Company's management team to build long-term value in the company and to pursue the successful execution of the company's business plan. As part of this active-ownership approach, the Manager generally requires those management teams to have meaningful personal financial stakes in their companies so as to further align their interests with those of the Funds.

Material Risks

The transactions in which the Private Funds engage involve substantial risks and are suitable only for those investors who have the financial sophistication and expertise to understand and accept such risks. No assurance can be given that the investment objectives of the Funds will be achieved or that investors will receive a return of or will realize a profit on their investments in the Funds.

Prior to committing to any Onex Partners Fund, potential investors are furnished with a confidential offering memorandum which sets forth in detail the material risks associated with such investment and cautions that returns may be unpredictable, that the possibility of a partial or total loss of capital will exist and that investors should not commit unless they can readily bear the consequences of such loss. All investors are required to represent in their subscription materials that they have carefully read the risk factor disclosure and understand all such risks. Prospective investors are also advised in the confidential offering memoranda that the risk factors and other investment considerations described therein are not necessarily a complete list or explanation of all risks involved and are advised to consult their own counsel and other advisors.

The Private Funds that are co-investment vehicles are typically single-purpose, transaction-specific vehicles, and investors in such vehicles are given the opportunity to conduct such due diligence investigations as they deem necessary prior to committing to participate in the transaction. Those electing to proceed with a co-investment transaction acknowledge in the relevant agreements that they are capable of evaluating the merits and risks of the investment, they understand those risks and they are able to

sustain a loss of the entire investment. Prospective co-investors are advised to consult their own counsel and other advisors before determining to proceed with a co-investment.

Without limiting the foregoing or (i) the disclosure set forth in the Private Funds' offering documents and Governing Agreements and (ii) the acknowledgements made by investors in their subscription agreements or otherwise, the discussion below summarizes certain of the material risks associated with investments in the Private Funds:

- *Nature of Investment* – An investment in a Fund requires a long-term commitment with no certainty of return. There may be a partial or complete loss of capital and, conversely, the return of capital and the realization of gains, if any, from an Operating Company Investment generally will occur only upon the partial or complete realization or disposition of the Operating Company Investment. Most Operating Company Investments are expected to be owned for a number of years and there may be legal restrictions on the ability to sell such investments. Further, the terms of any realization transaction will necessarily be affected by economic and other market conditions at the time.
- *Restrictions on Transfer and Withdrawal; Lack of Liquidity* – There are restrictions both at law and in the Governing Agreements on the transferability of Fund interests, and investors generally may not withdraw capital from a Fund. Consequently, investors may not be able to liquidate their investments prior to the end of a Fund's term.
- *Prior Investment Performance Not Indicative of Future Results* – The performance of prior investments by the Manager or its affiliates, or by any Fund, is not necessarily indicative of future results.
- *Dependence on Key Personnel* – The success of the Funds depends in substantial part upon the skill and expertise of the Manager's investment professionals and the other individuals employed to assist them. There can be no assurance that these individuals will continue to be employed or engaged by the Manager or its affiliates. The loss of their services could have a material adverse effect.
- *Limited Number of Investments; Lack of Diversity* – A Fund may participate in a limited number of investments and, as a consequence, the aggregate return of the Fund may be substantially affected by the unfavorable performance of a single investment. The Funds are expected to make investments that are not diversified geographically and no assurances can be given that a Fund will diversify its investments among different assets.
- *Leverage* – Fund investments may include companies with significantly leveraged capital structures, which will increase the exposure of those companies to adverse economic factors such as downturns in the economy or a deterioration in the condition of the company or within its industry. Additionally, the securities acquired by a Fund may be the most junior in the capital structure and thus subject to the greatest risk of loss.
- *Bridge Financing* – A Fund may provide bridge financing in connection with its investments. Changes in capital markets may adversely affect the ability of an Operating Company to refinance those bridge investments.
- *Available Opportunities and Competitive Marketplace* – The Funds compete for investment opportunities with a significant number of other private equity funds as well

as with institutional and strategic investors. There can be no assurance that a Fund will be able to locate suitable investment opportunities, to acquire them on appropriate terms, to achieve its targeted rate of return or to fully invest its committed capital.

- *Risks Upon Dispositions of Investments* – Representations made and indemnities given in connection with the disposition of an investment may result in contingent liabilities of a Fund, which might ultimately have to be funded by its investors and may even result in an obligation to return distributions.
- *Distributions in Kind* – It is possible that Fund distributions could include securities for which there is no readily available public market or other attractive means of disposition.
- *Recourse to a Private Fund's Assets* – A Fund's assets, including its investments, are generally available to satisfy all liabilities and other obligations of the Fund.
- *Indemnification* – Pursuant to the terms of the Governing Agreements, the Manager and certain of its affiliates and related persons will generally be entitled to indemnification from a Fund, which might ultimately have to be funded by Fund investors and may even result in an obligation to return distributions.
- *Risks Relating to Admission of Benefit Plan Investors to the Fund* – It is possible that the assets of a Fund could be deemed to constitute “plan assets” of investors which are subject to the fiduciary provisions of the U.S. Employee Retirement Income Security Act or the prohibited transaction rules of Section 4975 of the Internal Revenue Code. In that case, the operations of the Fund could be materially affected and transactions into which the Fund might enter in the ordinary course of business may be deemed to constitute prohibited transactions under such laws.
- *Risk Arising from Provision of Managerial Assistance* – A Fund's assets may be exposed to claims by an Operating Company, its security holders and its creditors as a result of its active ownership approach to Operating Company Investments.
- *Control Position Risk* – The ability of a Fund to exercise control or influence over the management or strategic direction of an Operating Company could expose the assets of the Fund to claims by such Operating Company and its shareholders, pension beneficiaries and creditors.
- *Environmental Liabilities* – In the event that a Fund is the parent of an Operating Company, a court might find that the Fund is liable for the company's environmental clean-up obligations.
- *Effects of Bankruptcy* – A Fund may invest in Operating Companies that are or may become the subject of voluntary or involuntary bankruptcy proceedings. Bankruptcy cases may involve additional or heightened risks in respect of the loss of all or part of the value of an investment or other adverse effect on the Operating Company.
- *Tax Liability* – Although the relevant confidential offering memoranda seek to address the reasonably identifiable and material tax considerations for potential Fund investors, it is possible that investors may have unexpected or unwelcome tax obligations as a result of the Fund's activities or their status or actions in respect thereof.

- *Hedging* – The Funds may enter into swaps, forward contracts and other arrangements to seek to preserve a return on a particular investment or to seek to protect against currency fluctuations. Such transactions give rise to certain costs and also to additional risks, including counterparty and liquidity risks.
- *Failure to Make Capital Contributions* – If a Fund investor fails to satisfy its contractual funding obligations, the Fund’s ability to complete its investment program or otherwise continue operations may be impaired or otherwise affected. Further, the defaulting investor may suffer meaningful adverse consequences as set forth in the Governing Agreements.
- *Mandatory Withdrawal* – A Fund investor could be required to withdraw from the Fund if the Fund’s general partner determines that continued participation could materially adversely affect the Fund.
- *Public Disclosure Obligations* – Certain affiliates of the Manager and/or a Fund’s Operating Companies may be publicly-traded companies. Public company status could give rise to disclosure obligations in respect of the Fund or its operations or investments, which may result in the disclosure of information that would otherwise be considered confidential. There may be additional disclosure obligations imposed by applicable law or regulation in respect of the Manager, the Funds, their affiliates or Operating Companies, or Fund investors that may be viewed by any particular Fund investor as adverse.
- *Minority Investments* – A Fund may make minority equity investments in Operating Companies and no assurance can be given that an Operating Company’s management team will be able to operate the Operating Company successfully.
- *Need for Follow-On Investments* – There can be no assurance that a Fund will be able to provide additional funds or to increase its investment in a successful Operating Company, which may result in a lost opportunity for the Fund.
- *Toehold Investments* – In the event that a Fund seeks to acquire a toehold investment and is unable to accumulate a sufficiently large position, it may dispose of its position in the Operating Company within a short time of acquiring it and there can be no assurance that the price at which the Fund can sell such securities will not have declined since the time of acquisition.
- *Investments in Public Companies* – Investments in public companies may subject a Fund to greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Fund to dispose of securities at certain times, increased likelihood of shareholder litigation, regulatory action by domestic or foreign securities regulators and increased costs associated with those risks.
- *Loss of Limited Liability* – Limited partners may lose limited liability in certain circumstances if they are deemed to have taken part in the control or management of the business of the Fund or as a result of false statements in documents filed under, or other non-compliance with, legislation governing limited partnerships and in jurisdictions where there is a risk of non-recognition of the protection of limited liabilities.

- *Liability for Return of Distributions* – Under applicable law, limited partners could be required to return distributions previously made by a Fund if it is determined that such distributions were wrongfully made or in certain other circumstances set forth in the Governing Agreements.
- *Certain Cayman Islands Partnership Law Matters* – Limited partners of Funds formed and registered as exempted limited partnerships may be liable for the debts and obligations of the exempted limited partnership (a) as expressed in the Governing Agreements, (b) if such limited partner becomes involved in the conduct of that Fund's business, or (c) if such limited partner is obliged pursuant to Cayman law to return payments representing any part of its contribution to the Fund in certain insolvency situations.
- *Legal, Tax and Regulatory Risks* – In addition to the risks and complications arising under applicable tax laws and other laws specifically addressed in the Funds' confidential offering memoranda or Governing Agreements, further legal, tax and regulatory circumstances could arise during the term of a Fund that may adversely affect the Fund or its investors.
- *Other Regulatory Concerns* – The Funds are not required to be, and are not, registered as investment companies under the Investment Company Act of 1940; thus, its provisions are not applicable. The Manager intends that the Funds and their activities will not become subject to that statute but should that nonetheless occur, the activities and performance of the Funds could be materially adversely affected. Neither the Manager nor its counsel can assure investors that the Funds will not become subject to such regulation.
- *Changes in Applicable Law* – The Funds and their Operating Companies must comply with various legal requirements, including requirements imposed by laws governing anti-money laundering, bribery and corruption, securities, commodities, tax and pensions. A failure to satisfy the requirements of those laws or changes in the applicable law over the life of a Fund or of any of its investments could have material adverse consequences on the Fund, its investors and/or its Operating Companies.
- *Limited Partners Not to Participate in Management of a Private Fund* – The Private Funds are typically structured as limited partnerships. Accordingly, investors in those Funds will have no right to participate in the management of the Funds and will have almost no control over their investments therein.
- *Unspecified Use of Proceeds* – The Private Funds and their investors will be dependent upon the judgment and ability of the Manager in investing and managing the capital of the Funds.
- *Conflicting Interests of Investors* – Fund investors may have conflicting investment, tax and other interests with respect to their investments in a Fund, and decisions made by the Manager or the general partner of the Fund may ultimately be more beneficial for one investor than for another.
- *Effect of Fees and Expenses on Returns* – A Fund will pay management fees and will bear expenses as described in Item 5 above, which may reduce the actual returns to investors.

- *Special Risks Associated with Offshore Investments* – A Fund may invest a portion of its capital in companies with headquarters or significant operations outside the U.S. and Canada. These investments may involve economic and political risks, market risks, currency or tax-related risks and other special risks not typically encountered in U.S. or Canadian investments.
- *Difficulty in Valuing Investment Portfolio* – The valuation of a Fund's Operating Company Investments may not reflect the price at which the Fund could dispose of its interests in a particular Operating Company at any given time.
- *Market Dislocation* – Market conditions affecting, for example, liquidity and volatility, credit availability and financial conditions generally, could change at any time. These changes could have a material adverse effect on the ability of the Manager to complete the Funds' investment programs and to realize on Operating Company Investments, on the terms of those investments, or on the business, operations, condition or prospects of the Operating Companies.
- *General Economic Conditions* – General economic conditions may affect the Private Funds' activities. Interest rates, general levels of economic activity, the price of securities and the participation by other investors in the financial markets may affect the value and number of investments made by a Private Fund or considered for prospective investment.

ITEM 9
DISCIPLINARY INFORMATION

Neither the Manager nor any of its employees have been subject to any legal or disciplinary events of any kind that would be material to its business or to an investor or prospective investor's evaluation of the Manager or the integrity of its professionals.

ITEM 10

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither the Manager nor any of its “management persons” are registered as a broker-dealer, a representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor or an associated person of the foregoing entities, and none have any application pending to register as such.

Except as described below, neither the Manager nor any of its “management persons” have relationships or arrangements with related persons who are financial industry participants that are material to the Manager’s business or that create a material conflict of interest with the Funds or their investors.

The Manager understands that actual or perceived conflicts of interest may arise by reason of its arrangements or relationships with OCX and with a group of funds known as the “ONCAP Funds”. OCX has been a private equity investor since 1984, almost 20 years prior to the establishment of the first of the Private Funds. In 1999, OCX launched the first of the ONCAP Funds, a series of private equity funds focused on investing in North American small and medium-sized businesses. The ONCAP Funds are active in the marketplace and the third and most recent ONCAP Fund closed in 2011. The first of the Onex Partners Funds was established in 2003 and three further Onex Partners Funds have been raised since that time. In addition, OCX began investing in certain real estate assets in 2005 and in 2007, it established Onex Credit Partners, an investment adviser registered with the SEC that specializes in credit-oriented investment strategies for certain pooled investment vehicles and managed accounts. OCX may in the future seek to expand its activities in real estate and credit, and may also seek to engage in additional investment or asset management businesses that are complimentary to its existing platforms.

Each of the ONCAP Funds and the real estate and credit-investing businesses described above have their own dedicated investment teams distinct from those of the Manager and typically pursue investment opportunities that are different in nature from those sought by the Manager for the Private Funds. In particular, the ONCAP Funds, as the only other private equity strategy managed within Onex, typically pursue transactions that are meaningfully smaller than those pursued by the Manager with regard to the investment objectives and restrictions of the Private Funds. Nonetheless, those affiliations and relationships, the potential avenues for the growth and development of the OCX business and its investment platforms, as well as the fact that more than one of the Funds may be a potential investor at any particular time, may lead or be perceived to lead to certain conflicts of interest around, among other things, the devotion of time and the allocation of investment opportunities.

Generally, the Manager addresses conflicts of interest by way of avoidance or disclosure and informed consent. The confidential offering memoranda and the Governing Agreements for the Onex Partners Funds address in detail the conflicts of interest that may arise as a result of the affiliations and relationships described above. They also address the manner in which notification, consent or approval requirements may arise and any restrictions or prohibitions that may apply. In particular, the Governing Agreements contain provisions in respect of the extent to which the Manager’s personnel are required to devote their time and attention to the relevant Private Fund or may participate in other activities, including in respect of the other Private Funds, OCX or ONCAP, and the consequences of any failure to do so. Those agreements also specifically address the allocation of suitable investment opportunities between the Onex Partners Funds and the ONCAP Funds (typically defining spheres of exclusivity based on the expected equity requirements for a particular opportunity), restrict the extent to which OCX and its personnel are permitted to engage in investment activities away from the Private Funds, address the extent to which OCX and its affiliates and related persons may co-invest in Fund transactions, and prescribe when successors to the Private Funds may be raised and how opportunities are to be allocated among or between them.

In addition to the foregoing protections, the Manager's investment personnel make significant investments alongside the Private Funds. The Manager believes that this strong alignment of interests between Fund investors and those charged with investing their capital further mitigates the risks associated with any potential conflicts.

For a further discussion of the Manager's allocations and conflicts of interests policies, see Item 11 below.

ITEM 11
CODE OF ETHICS, PARTICIPATION OR
INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

The Manager has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 under the Advisers Act to mandate compliance with applicable U.S. federal securities laws, and to establish monitoring and other procedures. A copy of the Code can be obtained by a Private Fund investor or qualified prospective investor (if applicable) upon written request.

The Code sets forth standards of ethical and business conduct expected of the Manager’s personnel that are commensurate with such status and that are designed to comply with the laws applicable to the Private Funds, the Manager and their activities. Among other things, the Code requires the Manager’s personnel: (i) to place the interests of the Funds above any personal interests; (ii) to seek to identify conflicts of interest and observe established resolution procedures; (iii) to avoid misleading or inaccurate statements; (iv) to conduct and report all personal securities transactions in the manner set forth in the Code; (v) to report to the Manager’s compliance personnel any violations of the Code or of the Manager’s compliance manual generally; and (vi) to comply with the provisions of applicable securities laws.

The Code contains specific policies and procedures dealing with such matters as personal trading, insider trading and the maintenance of a securities restricted list, the protection of confidential information and data security, personal and institutional conflicts of interest, the giving and receipt of gifts and entertainment, political contributions, dealings with government officials and industry regulators, the diversion of business opportunities and restrictions on outside business activities. The Code is accompanied by a broader compliance manual that further supports the Manager’s adherence to law, and more generally to prudent and appropriate processes and conduct, in the investment, management and safeguarding of the Funds’ assets, the raising of new funds, communications with investors and prospective investors, public and media communications, the prevention, detection and handling of concerns relating to money-laundering, bribery and corruption, and record-keeping policies and procedures.

The principal conflicts that may be encountered in the course of the Manager’s activities for or on behalf of the Private Funds are described in Item 10 above and reference is made thereto. In addition, the Governing Agreements of the Private Funds address in detail certain other reasonably anticipated potential conflicts. For example, the Governing Agreements generally:

- preclude a Fund from participating in Operating Company Investments with a predecessor Fund unless approved by the relevant Board of Advisors, specify when successor funds may be raised (generally based upon the extent to which the capital of a particular Fund has been invested or reserved or whether the time period for investing that Fund has expired), and address the allocation of opportunities to the extent that predecessor and successor funds co-exist;
- preclude a Fund from investing in any securities issued by, acquiring investments from, selling investments to, or entering into any transaction with an entity in which the Manager, OCX, the Manager’s executive team or any of their affiliates has a material interest except with the prior approval of either the relevant Board of Advisors or Fund investors (subject to exclusions for certain specified transactions);
- preclude the Manager’s senior investment personnel from investing in a Fund’s Operating Companies other than through their interests in such Fund’s general partner; and

- set forth a list of activities and interests that could be viewed as giving rise to conflicts but that the Manager, OCX, their affiliates and personnel are expressly permitted to engage in, and typically require disclosure to the Board of Advisors in the event those circumstances arise.

ITEM 12

BROKERAGE PRACTICES

Brokerage and Best Execution

The Manager is not expected to regularly transact its investment business through broker-dealers. However, the SEC has indicated that among the specific obligations that flow from an investment adviser's fiduciary duty is the requirement to seek the best price and execution of Fund securities transactions where the adviser is in a position to direct those transactions.

In selecting a broker-dealer, the Manager may consider factors that include the broker's execution capabilities, including block positioning, research, financial stability and ability to maintain confidentiality. However, as transactions conducted through broker-dealers on behalf of the Funds generally would be part of a larger private equity transaction and not stand-alone trading decisions, the Manager may also consider, and may place greater emphasis on, the role of the broker-dealer or a financial institution related thereto in the larger transaction (including, for example, as financial advisor, lender or underwriter) in determining "best execution".

Soft Dollar

In practice, the Private Funds will not regularly make substantial investments in publicly-traded securities. As a result, it is the Manager's policy not to enter into soft dollar arrangements or to accept soft dollars.

ITEM 13

REVIEW OF ACCOUNTS

The Manager provides ongoing management services to the Funds. Final investment decisions are made by the board of directors of the ultimate general partner of the particular Fund. Operating Company Investments are reviewed and managed according to the Fund's investment objectives, limitations and guidelines, and as set forth in the Fund's Governing Agreements.

The Manager is responsible for the general and day-to-day operations of the Funds and, through its team of investment professionals, is responsible for the acquisition, management and disposition of investments by or for the account of the Funds. The investment team meets on a regularly-scheduled basis, and more frequently as appropriate, and ordinarily, among other things: (i) reviews market events and their effect on investments; (ii) discusses investment ideas, economic developments, current events, investment strategies and issues related to Operating Companies and prospective Operating Companies; and (iii) assesses any proposed Operating Company investments or potential divestitures, in whole or in part, of any Operating Company Investments. The investment team is responsible for monitoring and managing each Fund's investment portfolio appropriately in accordance with the particular Fund's investment objectives, limitations and guidelines.

The Manager's Chief Compliance Officer monitors compliance with the Governing Agreements of each Fund.

Investors in the Onex Partners Funds receive quarterly written updates of the activity in the relevant Fund, including a statement of financial condition, statement of operations, statement of cash flows, statement of changes in limited partners' capital, and schedule of investments. They also receive detailed annual reports including a written review of the Fund's Operating Company Investments, audited financial statements of the Fund and the various compliance certificates contemplated by the relevant Governing Agreements. Investors in the Private Funds that are co-investment vehicles generally receive analogous types of reporting to the extent relevant and appropriate to the particular co-investment.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

The Manager has from time to time engaged a third-party placement agent to solicit certain types of potential investors in the Onex Partners Funds. The compensation of the placement agent is negotiated in the context of the particular engagement and may be different with respect to the different Onex Partners Funds. The engagement of the placement agent and the fact that the agent is being compensated is disclosed to all investors in such Fund. The Manager may in the future enter into additional arrangements with third party placement agents or others to solicit investors in the Funds and such arrangements will generally provide for the compensation of such persons for their services at the Manager's expense. The Manager intends only to engage placement agents that are registered as broker-dealers in the United States.

Except as described above, neither the Manager nor a related person directly or indirectly compensates any person for Private Fund investor referrals.

ITEM 15

CUSTODY

The Manager maintains assets and securities of the Private Funds with qualified custodians in a separate account for the Funds under the Funds' name, or in accounts that contain only funds and securities owned by the Funds under the Manager's name, as agent or trustee for the Private Fund or Funds. Custodians will generally be banks, trust companies or broker-dealers unaffiliated with the Manager.

An independent public accountant provides audited financial statements to the Fund investors within 120 days following the Private Fund's fiscal year end.

ITEM 16
INVESTMENT DISCRETION

The Governing Agreements generally expressly provide that the applicable general partner of each Fund has the authority to make all decisions concerning the investigation, evaluation, selection, negotiation, structuring, commitment to, monitoring of and disposition of investments, subject to compliance with the terms, conditions, restrictions and limitations set forth in the Governing Agreements. The Manager has been engaged as the agent for each such general partner with full discretionary authority to manage the Private Funds subject to the same terms, conditions, restrictions and limitations.

ITEM 17
VOTING CLIENT SECURITIES

The Manager has written proxy voting policies and procedures as required by Rule 206(4)-6 under the Advisers Act.

In cases where the Manager has proxy voting authority with respect to voting securities relating to Operating Companies, it will vote such securities in a manner that serves the best interest of the Funds and in accordance with the relevant Fund's Governing Agreements and any voting agreement or shareholders' agreement entered into in connection with the relevant Operating Company Investment.

If the Manager determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, the Manager will take action in accordance with the Funds' Governing Agreement and as otherwise determined to be in the best interest of the Funds in voting such proxy. This may include seeking approval of the voting decision for a proxy proposal from the relevant Fund's Board of Advisors.

Copies of the Manager's proxy voting policies and procedures and specific information as to how proxies have been voted are available to Fund investors upon request.

ITEM 18
FINANCIAL INFORMATION

Item 18A is not applicable.

The Manager is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients and has not been the subject of any bankruptcy petitions at any time, including in the past ten years.