

**PART 2A OF FORM ADV**

**FIRM BROCHURE**



**JH PARTNERS, LLC**

**451 Jackson Street**

**San Francisco, CA 94111**

**CONTACT: TODD FORREST**

**[www.jhpartners.com](http://www.jhpartners.com)**

**March 31, 2014**

**This Brochure provides information about the qualifications and business practices of JHP Partners, LLC (“JHP”). If you have any questions about the contents of this Brochure, please contact Todd Forrest at (415) 364-0300 or by email at [forrest@jhpartners.com](mailto:forrest@jhpartners.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority, and references in this Brochure to JHP as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

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

## **ITEM 2 – MATERIAL CHANGES**

JHP has made the following material changes to this Brochure since the last annual amendment on March 27, 2013.

JHP has updated item 4.A to reflect that Jeff Hansen and Patrick Collins are no longer with JHP. This information had previously been communicated to all investors.

### ITEM 3 - TABLE OF CONTENTS

|  | <u>Page</u> |
|--|-------------|
| ITEM 2 – MATERIAL CHANGES .....  | ii          |
| ITEM 3 - TABLE OF CONTENTS .....   | iii         |
| ITEM 4 – ADVISORY BUSINESS .....   | 1           |
| ITEM 5 – FEES AND COMPENSATION .....   | 4           |
| ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....  | 8           |
| ITEM 7 – TYPES OF CLIENTS .....  | 10          |
| ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS .....                               | 11          |
| ITEM 9 – DISCIPLINARY INFORMATION .....  | 15          |
| ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....                                     | 18          |
| ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT<br>TRANSACTIONS AND PERSONAL TRADING ..... | 20          |
| ITEM 12 – BROKERAGE PRACTICES .....  | 25          |
| ITEM 13 – REVIEW OF ACCOUNTS .....   | 27          |
| ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION .....  | 28          |
| ITEM 15 – CUSTODY .....  | 29          |
| ITEM 16 – INVESTMENT DISCRETION .....  | 30          |
| ITEM 17 – VOTING CLIENT SECURITIES .....   | 31          |
| ITEM 18 – FINANCIAL INFORMATION .....  | 33          |

## ITEM 4 – ADVISORY BUSINESS

|          |   |
|----------|---|
| Item 4.A | <p><b>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</b></p> <p>JH Partners, LLC, a Delaware limited liability company (“JHP”) is a private equity firm formed in 2004 which primarily provides advice on, and manages investments in, growth-oriented, middle-market consumer products and services companies. JHP provides discretionary investment advisory services to a number of private pooled investment funds, typically organized as Delaware limited partnerships (the “Funds”).</p> <p>JHP is owned by John Hansen indirectly through certain limited liability companies, and JHP is managed by Mr. Hansen and Michael J. John, Steve Baus and Todd Forrest (collectively the “Principals”).</p> <p>JHP provides discretionary investment advisory services to the Funds which are generally organized into fund families, consisting of a main Fund, a Co-Investment Vehicle (as defined below), and in certain cases a parallel Fund (each such structure a “Fund Family”). Each of the Funds, as detailed below, is a Delaware Limited Partnership. JHP’s current Fund Families are:</p> <ul style="list-style-type: none"> <li>• The “Evergreen Fund Family” consists of JH Evergreen Fund, L.P., JH Investment Partners III, L.P., and JH Investment Partners GP Fund III, LLC.</li> <li>• The “JH II Fund Family” consists of JH Investment Partners II, L.P., JH Investment Partners II (AI), L.P., and JH Investment Partners GP Fund II, LLC.</li> <li>• The “JH investment Fund Family” consists of JH Investment Partners, L.P., and JH Investment Partners GP Fund LLC.</li> </ul> <p>JHP has formed, and may in the future form, co-investment vehicles to invest on a side-by-side basis with a Fund in certain portfolio companies (the “Co-investment Vehicles”).</p> <p>Affiliates of JHP serve as the respective general partners and managers of the Funds and Co-Investment Vehicles in each Fund Family (the “Affiliated General Partners”). Each of the Affiliated General Partners is a related person of JHP and is under common control with JHP.</p> <p>JHP may create new Fund Families in the future and/or may add new Funds to the existing Fund Families at the discretion of JHP and/or the respective Affiliated General Partner.</p> <p>JHP has and may in the future create holding companies for the purposes of investing in a single company (“HoldCo”). JHP may or may not offer the opportunity to participate in the HoldCo’s to existing investors. Such vehicles will not invest in securities held by the Funds or Co-investment vehicles. The Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and the securities of the Funds are not registered under the Securities Act of 1933, as amended (the “Securities Act”).</p> |
|----------|---|

|                 |   |
|-----------------|---|
|                 | <p>The activities of each Fund are governed by a limited partnership agreement or operating agreement (as the case may be) (each, a “Fund Agreement”) that specifies the specific investment guidelines and investment restrictions applicable to the Fund. In addition, the private placement memoranda prepared for the investors of each “main” Fund in the Fund Family also contain information regarding the investment program for such Fund. JHP together with the Affiliated General Partners provide investment management and administrative services to the Funds in accordance with the applicable Fund Agreements and private placement memoranda or other offering materials. Each Affiliated General Partner retains management authority over the business and affairs of the Funds for which it serves as general partner, or manager (as the case may be) though JHP has been delegated the role of investment adviser to the Funds pursuant to certain Investment Management Agreements (the “Management Agreements”).</p>   |
| <b>Item 4.B</b> | <p><b>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</b></p> <p>JHP offers investment advice solely with respect to the investments made by the Funds and Co-Investment Vehicles, which generally consist of private company securities, by identifying investment opportunities and participating in the acquisition, management, monitoring and disposition of investments in such companies (“Portfolio Companies”) for each Fund and Co-Investment Vehicle. JHP’s investment advice with respect to the HoldCo is limited to sourcing and monitoring the single investment held by such entity.</p> <p><i>In general all references to the Funds in this Brochure, other than with respect to the payment of management and performance fees, should also be considered references to the Co-Investment Vehicles.</i></p> <p>JHP generally has broad and flexible investment authority with respect to the Funds. Each Fund’s investment objective and strategy is set forth in the respective Fund’s governing documents. All investors in the Funds (“Investors”) are provided with a Fund Agreement and confidential private placement memorandum or other offering documents prior to making an investment and are urged to carefully review those documents prior to making an investment in the Fund.</p> <p>JHP targets investments in businesses that are at their core driven by marketing, consumer behavior, or brand strategies. JHP targets Fund investments in consumer products and services companies that are typically characterized by strong investment fundamentals.</p> <p><b>It is important that Investors refer to the governing documents of the respective Fund for a complete understanding of JHP’s advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p> |

|          |   |
|----------|---|
| Item 4.C | <p><b>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</b></p> <p>JHP tailors its investment advice to each Fund in accordance with the Fund's investment objectives and strategy as set forth in the relevant Fund Agreement and/or confidential private placement memorandum. JHP does not tailor its advisory services to the individual needs of Investors and does not accept any sort of investment restrictions as it relates to the Funds.</p> <p>The Investors in each Fund are able to negotiate the terms of the applicable Fund Agreement in connection with, and prior to, their investments in such Fund. In certain cases, the Affiliated General Partners may enter into side letter agreements with certain Investors in a Fund establishing rights under, or supplementing or altering the terms of, the applicable Fund Agreement.</p> <p>JHP has granted rights in such side letters for certain Investors which are not available to other Investors (including without limitation, advisory board representation, transparency rights, reporting rights, and capacity rights).</p> <p>Finally, it should be noted that the Evergreen Fund Family in particular has certain limitations on investments and borrowing. Such limitations are not imposed by Investors and are detailed in the respective Fund and Co-Investment Vehicle documents that were provided to Investors prior to any investment in the Fund Family.</p> <p>Once invested in a Fund, Investors generally cannot impose additional investment guidelines or restrictions on such Fund.</p> |
| Item 4.D | <p><b>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</b></p> <p>Not applicable. JHP does not participate in wrap fee programs.</p>  |
| Item 4.E | <p><b>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date “as of” which you calculated the amounts.</b></p> <p>As of December 31, 2013, JHP manages approximately \$489,234,604 of client assets on a discretionary basis. JHP does not currently manage any client assets on a non-discretionary basis.</p>  |

## ITEM 5 – FEES AND COMPENSATION

|          |  |
|----------|--|
| Item 5.A | <p><b>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</b></p> <p>JHP is compensated through the payment of management and performance allocation by the Funds. The specific terms relating to the fees paid by each Fund, summarized below, are negotiated by the Investors in such Fund at the time of its formation and, as such, may vary from Fund to Fund. The Co-Investment Vehicles and HoldCo's do not charge a management fee or performance allocation.</p> <p>JHP or the Affiliated General Partners are generally compensated for advisory services through asset-based management fees (the "Management Fee"). The Affiliated General Partners generally receive a Management Fee from the Funds in an amount equal to 2.5% per annum of total capital commitments to such Fund. Following the end of a Fund's investment period or upon the organization of a successor Fund, the Management Fee transitions to a percentage of the Fund's invested capital, which is determined by reference to the cost of assets remaining under management. The Management Fee is paid semi-annually, but less than six-months in advance. JHP or the Affiliated General Partner may waive or reduce the management fee or performance allocation in its sole discretion.</p> <p>In the case of certain Funds in the Evergreen Fund Family, such funds may accept new capital commitments from investors on a cyclical basis (each such cycle a "Commitment Period"). As such, the Management Fee may be based upon a percentage of aggregate capital commitments during the respective Commitment Periods plus the cost basis of securities under management from a previous Commitment Period.</p> <p>In addition, as described in more detail in Item 6 below, the Affiliated General Partners receive a performance allocation (commonly referred to as "Carried Interest"), in each Fund once all capital contributions plus a preferred return thereon have been returned to the Investors in the Fund (pursuant to the terms in each Fund Agreement).</p> <p>In addition, JHP, the Affiliated General Partners or their members, employees or other affiliates may receive certain transaction fees in connection with Portfolio Company investments of the Funds as compensation for financial advisory and similar services provided to such Portfolio Companies. Generally, JHP ensures that all such fees are paid to the Funds. However, on occasion the Management Fees payable by the Funds may be offset by the amount of such other fees (for e.g. break-up fees or director's fees) pursuant to the terms of the applicable Fund Agreement. These fees, and the associated conflicts of interest they present, are further described in Item 11 below.</p> <p>Any new Fund launched by JHP may have materially different terms than those summarized above. It should be noted that the fees paid by the Funds are negotiable by Investors only prior to an investment in the Fund, at the discretion of the Affiliated General Partner.</p> <p><b>It is important that Investors refer to the governing documents of the</b></p> |
|----------|--|

|          |   |
|----------|---|
|          | <p>respective Fund for a complete understanding of how JHP (or its affiliates) are compensated for advisory services. This is particularly true with respect to performance-based compensation. The information contained herein is a summary only and is qualified in its entirety by such documents.</p>  |
| Item 5.B | <p><b>Describe whether you deduct fees from <i>clients</i>' assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</b></p> <p>JHP, or the Affiliated General Partners, deduct Management Fees applicable to the appropriate Fund directly from the Fund's assets.</p> <p>Performance fees described in Item 6 below are paid to the relevant Affiliated General Partner when earned.</p> <p>Funds do not have the ability to choose to be billed directly for fees incurred.</p> <p><b>It is important that Investors refer to the relevant governing documents for a complete understanding of how fees are paid to JHP, or an Affiliated General Partner. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>   |
| Item 5.C | <p><b>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</b></p> <p>The Affiliated General Partners or JHP will pay out of its respective Management Fee the ordinary operating expenses of JHP and the respective Affiliated General Partners (including expenditures on account of salaries, wages, benefits, and other expenses of the Affiliated General Partner's (or its designee's) members, agents and employees, rentals payable for space and equipment used by the Affiliated General Partner (or its designee) or the Funds).</p> <p>Each Fund will bear all other expenses, including expenses related to the investigation (whether or not consummated), purchase, holding and sale of portfolio company securities, investment-related travel, legal, accounting, investment banking, research, brokerage and finders' fees, custody, transfer, registration, advisory board, interest, taxes and extraordinary expenses, and other similar fees and expenses.</p> <p>Each Fund will bear the organizational and startup expenses of the Fund and the Affiliated General Partner, up to a maximum amount equal to the amount detailed in the respective Fund's offering documents. The Affiliated General Partner shall bear all such organizational costs, fees and expenses in excess of such maximum amount as well as any private placement fees or finders' fees for the placement of limited partner interests.</p> <p><b>It is important that Investors refer to the relevant governing documents for a complete understanding of expenses they may pay through an investment in the Funds. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p> |



|            |  |
|------------|--|
| Item 5.D   | <p><b>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</b></p> <p>As described in Item 5.B Management Fees applicable to each Fund are paid semi-annually but less than six months in advance to JHP or the Affiliated General Partner pursuant to the applicable Fund Agreement.</p> <p>Investors in JH II Fund Family and JH Investors Fund Family may not withdraw from a Fund prior to dissolution, and may not transfer any of their interests in the Fund without the prior written consent of JHP or the applicable Affiliated General Partner, as applicable.</p> <p>The Management Fee obligation of a Fund generally may be terminated only in connection with the dissolution of that Fund. Pursuant to the Fund Agreements, in the event of an early termination of a Fund, a pro-rated portion of the Management Fees paid in advance of the fiscal period in which such termination occurs would be returned to the applicable Fund.</p> <p>In the case of the JH Evergreen Fund Family withdrawals will be will be subject to significant conditions and restrictions, which are set forth in the Funds' governing documents. Such conditions, restrictions, and limitations may include, without limitation:</p> <ul style="list-style-type: none"> <li>○ On every four-year anniversary of the Fund (an "Interim Valuation Date") an Investor may terminate its interest in the Fund upon six-month's written notice to the Affiliated General Partner;</li> <li>○ Upon such election the interest of such Investor will be liquidated effective as of the next Interim Valuation date, pursuant to the terms of the relevant offering documents;</li> <li>○ The condition that withdrawal or redemption requests be properly submitted in accordance with the relevant Fund documents and in a timely manner;</li> <li>○ Limitations on the amount paid to a withdrawing Investor due to fees, expenses and/or reserves for certain contingencies, among others; and</li> <li>○ Limitations on the method of withdrawal payments (i.e., in cash or in kind).</li> </ul> |
| Item 5.E   | <p><b>If you or any of your <i>Access Persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</b></p> <p>Not applicable to JHP.</p>  |
| Item 5.E.1 | <p><b>Explain that this practice presents a conflict of interest and gives you or your <i>Access Persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client's</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend "no-load" funds.</b></p>  |

|            |   |
|------------|---|
|            | Not applicable to JHP.  |
| Item 5.E.2 | <p><b>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</b></p> <p>Not applicable to JHP.</p>  |
| Item 5.E.3 | <p><b>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</b></p> <p>Not applicable to JHP.</p> |
| Item 5.E.4 | <p><b>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</b></p> <p>Not applicable to JHP.</p>   |

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

**If you or any of your *Access Persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *Access Persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *Access Persons* face by managing these accounts at the same time, including that you or your *Access Persons* have an incentive to favor accounts for which you or your *Access Persons* receive a *performance-based fee*, and describe generally how you address these conflicts.**

As described in Item 5.B. above, each Affiliated General Partner receives performance-based compensation from the Funds for which it serves as general partner. In general, the Funds allocate a portion of their investment profits (generally ranging from 20% to 25%) to their Affiliated General Partners, which are related persons to JHP, pursuant to each Fund's Fund Agreement. The foregoing performance-based Carried Interest in some cases is subject to the achievement of an 8% annual rate of return on the amount of the unreturned capital contributions of Investors as of the date of determination. Currently, all Funds charge a performance-based fee.

It should be noted that the possibility an Affiliated General Partner may receive Carried Interest distributions creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such performance-based distributions.

Further, certain of the Funds within a Fund Family may charge a higher performance-based fee than the Funds within another Fund Family. This may lead to a conflict of interest in that JHP or the Principals may favor accounts for which JHP or an affiliate receives a higher performance based fee. Where the performance of one Fund has met the required performance threshold for its Affiliated General Partner to receive amounts in respect of its Carried Interest while another Fund has not, or when the performance-based fees differ amongst Funds with capacity to make new investments, JHP may have an incentive to allocate particularly attractive investment opportunities to the Fund that is expected to generate the greatest Carried Interest or to permit that Fund to exit investments at a time that would maximize its returns, potentially to the detriment of the other Fund.

JHP and the Affiliated General Partners seek to ensure that all investments made by Funds and Co-Investment Vehicles are fairly and equitably allocated. In order to manage such potential conflicts, the Fund portfolios are under continuous review by the Principals (as described in Item 13 A). In addition, due to the illiquid nature of the securities that the Funds invest in, and the limited investment periods of the Funds, the Fund Families typically do not invest in the same securities at the same time. Notwithstanding the prior sentence, the Principals of JHP will review allocations between Fund Families as needed. JHP, to the extent within its control, will not favor itself or the Affiliated General Partners to the detriment of a Fund and will act in a manner that it reasonably believes over the long term is fair and equitable to all its Funds.

JHP does not take the potential for performance-based compensation into account when allocating investment opportunities amongst Fund Families. JHP allocates investment opportunities among its advisory clients in a fair and equitable manner that is permissible under the respective Fund's Fund Agreements. Generally, investment opportunities will be allocated within a respective Fund Family pro rata based on each participating Fund's available capital. Pursuant to the details in the respective Fund

Agreement(s), the Fund advisory board(s) will be consulted regarding allocations when there is a perceived conflict of interest or otherwise.

Investors are provided with clear disclosure as to how performance-based distributions are charged with respect to the Funds and the risks associated with such performance-based distributions prior to making an investment.

## ITEM 7 – TYPES OF CLIENTS

**Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.**

JHP provides investment advisory services to the Funds, Co-investment vehicles and SPV's as described in Item 4, above.

The Funds invest capital contributed to them by one or more high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, pooled investment vehicles, and other entity investors that are "accredited investors" (as defined in Regulation D under the Securities Act), qualified clients under Rule 205-3 of the Investment Advisers Act and qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act.

Certain of the Fund Families open the Funds to Investors on a cyclical basis. Investors may make initial or additional investments during the Commitment Period. During the periods of time when the Funds are open to new Investors, the Funds are open only to Investors meeting certain suitability requirements. In addition, all Funds required a significant minimum capital commitment. Certain of the Funds are no longer open to new Investors. Any new Fund launched by JHP may have different terms than those summarized above.

**ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES  
AND RISK OF LOSS**

|                        |   |
|------------------------|---|
| <p><b>Item 8.A</b></p> | <p><b>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</b></p> <p>The following summarizes the methods of analysis and investment strategies used by JHP in formulating investment advice. There can be no assurance that JHP and the Fund Families will achieve their investment objectives or that the investment strategies employed by JHP will be successful. Investing in securities involves a risk of loss the clients should be prepared to bear.</p> <p>The Funds typically investment in consumer products and services companies. JHP believes that attractive consumer products and services companies are typically characterized by strong investment fundamentals which include: (i) a large and fragmented industry; (ii) high growth; (iii) multi-channel distribution opportunities; (iv) long product lifecycles/limited technology risk; and (v) numerous potential exit possibilities.</p> <p>JHP seeks investments that provide opportunities to accelerate sales growth through development of multiple channels of distribution. JHP focuses on attractive sectors of the industry, including health and personal care, apparel, home furnishings, and lifestyle products and services. JHP believes that its deep experience in this market segment, its network of strategic and operating resources, its broad portfolio of investments and its expertise in the development of multiple channels of growth all combine to make JHP a value-added investor.</p> <p><b>As a general matter, JHP utilizes the methods of analysis and investment strategies described in the each Fund’s governing documents provided to all Investors prior to the time of an investment. The information contained herein is a summary only and Investors and prospective Investors should refer to the respective Fund’s governing documents for a complete overview of JHP’s methods of analysis and investment strategies.</b></p> |
| <p><b>Item 8.B</b></p> | <p><b>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</b></p> <p>An investment in the Funds involves a significant degree of risk. There can be no assurance that the Funds’ targeted rate of return will be achieved or that there will be any return of capital. The environment for private equity investments is increasingly competitive and an Investor should only invest in the Funds if the Investor can withstand the liquidity constraints of an investment in the Fund and a total loss of its investment.</p> <p>No guarantee or representation is made that the Funds’ investment program will be successful.</p>  |

|  |  |
|--|--|
|  | <p>The following are some of the additional material risks associated with an investment in the Funds:</p> <p><i>Risk Inherent in Private Equity Investments.</i> The types of investments that the Funds make involve a high degree of risk. In general, financial and operating risks confronting Portfolio Companies can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that the Funds will be adequately compensated for risks taken. Losses are likely to occur early in the Funds' terms, while successes often require a long maturation. The companies in which the Funds invest may have complex and/or non-optimal capitalization structures and may be in need of assistance to expand or reorganize operations, acquire other businesses, or develop new products and markets. These activities by definition involve a significant amount of change in a company, which if not properly implemented could give rise to potentially significant decreases in enterprise value.</p> <p><i>Financial Leverage.</i> The Funds may make use of financial leverage in making their investments, utilizing debt from a number of sources including banks, investment banks, public debt markets, mezzanine funds and bridge loan funds. The use of debt will expose investments to financial risk, including the inability to meet debt obligations as they mature and possible bankruptcy. Such risks could be heightened in an environment of increasing interest rates or an overall decline in economic conditions within the United States and the global economy.</p> <p><i>Competitive Marketplace.</i> The marketplace for private equity investing has become increasingly competitive. Participation by financial intermediaries has increased, substantial amounts of funds have been dedicated to making investments in the private sector and the competition for investment opportunities is at high levels. JHP may not be able to locate an adequate number of attractive investment opportunities to invest all capital committed by investors to the Funds.</p> <p><i>Changing Economic Conditions.</i> The success of the investment strategies employed by the Funds could be significantly impacted by changing external economic conditions in the United States and global economies. The use of leverage in making investments will increase the exposure of the Funds' portfolio holdings to changes in interest rates and inflation rates, in particular, and changing economic conditions could potentially adversely impact the valuation of portfolio holdings. The United States and global economies periodically experience volatile and unstable periods, which may include bank failures, credit crises, a loss of confidence among major financial institutions and instability in the public markets. Each of these ongoing conditions and the potential repercussions thereof may have lasting adverse effects on the returns of the Funds and their portfolio companies. Moreover, the potential regulatory reactions to such economic turmoil may further adversely impact the Funds in unanticipated ways.</p> <p><i>Possibility of Becoming a Minority Investor in Certain Cases.</i> The Funds have the ability to take meaningful minority stakes in privately held companies. In addition, during the process of exiting investments, Funds may at times hold minority equity stakes of any size such as might occur if portfolio holdings are taken public. As is the case with minority holdings in general, the minority stakes that the Funds may hold have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes.</p> |
|--|--|

|          |   |
|----------|---|
|          | <p><i>Availability of Financing.</i> In order to achieve the investment objectives, the Funds or the Portfolio Companies will at times rely on the availability of financing, principally debt, from third party sources such as banks, investment banks and private mezzanine funds. Should such external financing not be available for any reason, a Fund may not be able to achieve the investment objectives.</p> <p><i>Limitations on Ability to Exit Investments.</i> The Funds generally exit from their investments in three principal ways: (i) private sale, (ii) recapitalizations and (iii) initial and secondary public offerings. At any particular time, not all of these avenues may be open to a Fund or timing with respect to any one of these exit mechanisms may be inopportune. As such, the ability to exit from and liquidate portfolio holdings may be constrained at any particular time.</p> <p><i>Indemnification and Contingent Liabilities on Disposition of Investments.</i> In connection with the disposition of an investment in a portfolio company, the Funds may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. The Funds may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Funds may establish reserves and escrows. In that regard, distributions may be delayed or withheld until such reserve is no longer needed or the escrow period expires. In addition, the Funds may be obligated to fund such indemnity obligations to the extent escrow arrangements are insufficient to cover the indemnity obligations.</p> <p><i>Absence of Liquidity and Public Markets.</i> The Funds' investments are generally private, illiquid holdings. As such, there will be no public markets for the securities held by the Funds and no readily available liquidity mechanism at any particular time for any of the investments held by a Fund. In addition, the realization of value from any investments will not be possible or known with any certainty until a Fund sells its investments and subsequently distributes the proceeds to its investors or elects to distribute securities to investors in lieu of cash.</p> <p><i>Limited Portfolio Diversification.</i> As is typical of private equity firms, the portfolio holdings of the Funds will not be broadly diversified. In addition, JHP's regional and industry investment focus may lead to less geographic or industry diversification than may be typical of such firms. A downturn of the economy or in the business of any one company could impact the aggregate returns delivered to investors by a Fund.</p> <p><b>Investors and prospective Investors are provided with offering documents that contains a detailed description of the material risks related to an investment in the Funds, and are advised to carefully review <u>all</u> risk factors set forth in the relevant offering documents.</b></p> |
| Item 8.C | <p><b>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</b></p> <p><b>Please see the response to Item 8.B above. In addition, Investors and prospective Investors are generally provided with a confidential offering</b></p>  |



|  |   |
|--|---|
|  | <b>documents that contains a detailed description of the material risks related to the types of securities invested in by the Funds, and are advised to carefully review <u>all</u> risk factors set forth in the relevant confidential offering documents.</b> |
|--|---|

## ITEM 9 – DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a *management person* has been *involved* in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the *management person's* favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the “date” of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a *client's* or prospective *client's* evaluation.

|          |   |
|----------|---|
| Item 9.A | <p>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> <li>1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any <i>felony</i>; (b) a <i>misdemeanor</i> that <i>involved</i> investments or an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;</li> <li>2. is the named subject of a pending criminal <i>proceeding</i> that involves an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;</li> <li>3. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation; or</li> <li>4. was the subject of any <i>order</i>, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a <i>management person</i> from engaging in any <i>investment-related</i> activity, or from violating any <i>investment-related</i> statute, rule, or <i>order</i></li> </ol> <p>In 2002, prior to becoming a non-principal person affiliated with JHP (the “Non-Principal”), the Non-Principal was a managing director of CIBC World Markets</p> |
|----------|---|

|                 |   |
|-----------------|---|
|                 | <p>Corporation (“CIBC”). The Non-Principal gave a contribution to an event hosted by a CIBC client, to raise funds for the California governor’s re-election campaign. CIBC reimbursed the Non-Principal for the donation. Subsequently, no one at CIBC took any steps to prevent CIBC from engaging in municipal securities business with the state of California. As a result of this conduct, CIBC and the Non-Principal were deemed to have violated certain provisions of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”) which prohibit certain securities professionals from engaging in the municipal securities business with an issuer within two years after any contribution to an official of such issuer. The governor is an “official of an issuer” within the meaning of the relevant provisions.</p> <p>As detailed in Form ADV Part 1, in 2005 the Non-Principal was issued an order by the SEC instituting cease and desist proceedings, making findings and imposing remedial sanctions pursuant to Sections 15(b) and 21(c) of the Exchange Act (the “Order”). The Order related to certain violations of such related person’s former employer, a registered broker-dealer and municipal securities dealer, of Rule G-37(b) of the Municipal Securities Rulemaking Board. The Non-Principal was ordered to cease-and-desist from causing any such violations and to pay a civil money penalty. The related person subject to the Order is not a Principal of JHP, and JHP and its Principals were not involved in the circumstances giving rise to the Order.</p> |
| <b>Item 9.B</b> | <p><b>An administrative <i>proceeding</i> before the SEC, any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> in which your firm or a <i>management person</i></b></p> <ol style="list-style-type: none"> <li><b>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</b></li> <li><b>2. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation and was the subject of an <i>order</i> by the agency or authority</b> <ol style="list-style-type: none"> <li><b>(a) denying, suspending, or revoking the authorization of your firm or a <i>management person</i> to act in an <i>investment-related</i> business;</b></li> <li><b>(b) barring or suspending your firm’s or a <i>management person’s</i> association with an <i>investment-related</i> business;</b></li> <li><b>(c) otherwise significantly limiting your firm’s or a <i>management person’s</i> <i>investment-related</i> activities; or</b></li> <li><b>(d) imposing a civil money penalty of more than \$2,500 on your firm or a <i>management person</i>.</b></li> </ol> </li> </ol> <p>Not applicable to JHP.</p>   |
| <b>Item 9.C</b> | <p><b>A self-regulatory organization (SRO) proceeding in which your firm or a management person</b></p>   |

|  |  |
|--|--|
|  | <ol style="list-style-type: none"> <li>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</li> <li>2. was <i>found</i> to have been <i>involved</i> in a violation of the <i>SRO</i>'s rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from <i>investment-related</i> activities; or (iii) fined more than \$2,500.</li> </ol> <p>Not applicable to JHP.</p> |
|--|--|

**ITEM 10 – OTHER FINANCIAL INDUSTRY  
ACTIVITIES AND AFFILIATIONS**

|                  |   |
|------------------|---|
| <b>Item 10.A</b> | <p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable to JHP.</p>  |
| <b>Item 10.B</b> | <p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable to JHP.</p>   |
| <b>Item 10.C</b> | <p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> <li>1. broker-dealer, municipal securities dealer, or government securities dealer or broker</li> <li>2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)</li> <li>3. other investment adviser or financial planner</li> <li>4. futures commission merchant, commodity pool operator, or commodity trading advisor</li> <li>5. banking or thrift institution</li> <li>6. accountant or accounting firm</li> <li>7. lawyer or law firm</li> <li>8. insurance company or agency</li> <li>9. pension consultant</li> <li>10. real estate broker or dealer</li> <li>11. sponsor or syndicator of limited partnerships</li> </ol> <p>JHP is of the view that it does not have any material relationships or arrangements with related person listed above. Notwithstanding the prior sentence, JHP is of the view that the following should be noted:</p> <ol style="list-style-type: none"> <li>1. The Affiliated General Partners are related persons of JHP that serve as general partners to certain of the Funds and in connection therewith maintain investments in the Funds and provide investment management and administrative services to the Funds. As described in Item 6, the Affiliated General Partners are entitled to receive performance-based fees from the Funds, which may in certain circumstances create a conflict of interest, as described in Item 6 above.</li> </ol> |

|                  |   |
|------------------|---|
|                  | <p>2. The Principal of JHP serves of the board of directors of an unaffiliated investment adviser. On occasion such investment adviser may recommend securities that the Funds could invest in. This could cause a potential conflict of interest in that such investment adviser could take an investment opportunity that was appropriate for the Funds. This conflict is mitigated by the fact that the Principal does not control the investment decisions of such investment adviser, is not involved in the day to day decision making of such investment adviser and does not contribute a significant amount of time to his role as a board of directors. As such JHP is of the view that this is not a material conflict of interest.</p> <p>3. As described elsewhere in this Brochure, JHP generally seeks to make significant investments in Portfolio Companies. JHP typically seeks control or substantial minority positions in Portfolio Companies, which may include Portfolio Companies in the financial industry, with board representation and customary shareholder rights. As such, JHP's management persons may have management roles with Portfolio Companies. Certain of the Principals and Senior Operating Partners serve, and may in the future serve, on the board of directors of certain of such Portfolio Companies. JHP does not believe these relationships create a material conflict of interest. JHP, its affiliates, or the Funds, may from time to time contract with third party financial service providers to assist with the operations of the Funds.</p> <p>4. In certain cases, JHP has chosen to use the services of companies that are owned in whole or in part by the immediate family members of a related person of JHP. The related person does not own a direct or indirect interest in the company and does not control such company in anyway. JHP conducts all such transactions at arms-length and monitors such relationships on a regular basis for conflicts of interest.</p> |
| <b>Item 10.D</b> | <p><b>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</b></p> <p>Not applicable to JHP.</p>  |

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

|                         |  |
|-------------------------|--|
| <p><b>Item 11.A</b></p> | <p><b>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</b></p> <p>JHP’s Code of Ethics (the “Code”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the “Advisers Act”). The Code applies to JHP’s “Access Persons.” Access Persons include, generally, any member, officer or director of JHP and employees of JHP who, in relation to the Funds (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. JHP employees meeting the above criteria are deemed to be Access Persons. In addition, certain other individuals may also be deemed to be Access Persons.</p> <p>The Code sets forth a standard of business conduct that takes into account JHP’s status as a fiduciary to the Funds and requires Access Persons to place the interests of Funds above their own interests and the interests of JHP. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of JHP’s Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.</p> <p>The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide JHP’s Chief Compliance Officer with a list of their personal accounts and an initial holdings report listing the holdings of such personal accounts within 10 days of becoming an Access Person. In addition, JHP’s Access Persons must provide annual holdings reports and quarterly transaction reports detailing, respectively, the holdings and quarterly transactions in their personal accounts in accordance with Advisers Act Rule 204A-1.</p> <p>The Code also describes JHP’s duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) advisory clients. Underlying these policies and procedures are two primary principles. First, confidential information must be maintained in confidence. Second, employees of JHP who possess non-public information, whether or not it is material, must not trade in the securities affected by such information, must not disclose such information to anyone who does not have a legitimate need to know it and must immediately disclose such information to the Chief Compliance Officer.</p> <p>Investors or prospective Investors may obtain a copy of the Code by contacting JHP.</p> |
|-------------------------|--|

|                         |  |
|-------------------------|--|
| <p><b>Item 11.B</b></p> | <p><b>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p>As explained in Item 10.C above, the Affiliated General Partners, which are owned by the Principals and are related persons to JHP serve as the general partners of the Funds. These Affiliated General Partners also commit capital to the Funds, and as a result every investment made by a Fund involves a purchase of securities whereby related persons of JHP indirectly acquire an indirect interest in such securities.</p> <p>JHP's Principals, Senior Operating Partners, Affiliated General Partners, and employees also invest directly in certain of the Funds or the Co-Investment Vehicles, and in the case of the Co-Investment Vehicles, are not subject to the management or performance-based fees described in Item 4.C above.</p> <p>The fact that JHP's Principals, Affiliated General Partners, Senior Operating Partners, and employees have financial ownership interests in the Funds and Co-Investment Vehicles creates a potential conflict in that it could cause JHP to make different investment decisions than if such parties did not have such financial ownership interests. However, JHP believes that these financial interests align JHP's and the Affiliate General Partners' incentives with the other investors of the Funds.</p> <p>In addition, JHP's Principals and Senior Operating Partners may make investments, directly, or indirectly, for their personal accounts in the Portfolio Companies. Such investments may be made concurrently with, or in advance of, investments by the Funds. As discussed more fully below, the Code place restrictions on the ability of JHP personnel to hold interests in Portfolio Companies outside of their indirect interests through Affiliate General Partners or through their investment in Funds or Co-Investment Vehicles. Such co-investments will only be made if the Code permits such investment. JHP further manages this conflict by disclosing the information to Investors prior to their investment in the Funds.</p> <p>As described in Item 5 above, in limited cases JHP, or an Affiliated General Partner, or a Principal may receive certain advisory fees, director's fees, break-up fees or other similar fees in connection with portfolio investments of the Funds as compensation for financial advisory and similar services provided by them to the Funds' Portfolio Companies. Payment of such fees may create a conflict of interest because it could create an incentive for JHP or an Affiliated General Partner to cause a Fund to invest its capital in a company that will pay such a fee to JHP or its affiliate. JHP mitigates such investment by requiring that all transaction fees be paid to the funds. In the limited instances when a fee payable by the Funds to JHP are be offset by all or a portion of such fees pursuant to the applicable Fund Agreement, JHP further mitigates this conflict of interest by negotiating such fees at arm's length with such Portfolio Company and generally seeking to ensure that such fees are, in the good faith opinion of JHP, in accordance with prevailing market rates in the relevant industry. JHP does not take into consideration whether a Portfolio Company will pay JHP or its affiliate a services fee when making an investment determination.</p> |
|-------------------------|--|



|  |   |
|--|---|
|  | <p>As described in Item 6, JHP or the Affiliated General Partners or JHP receive Management Fees and performance-based compensation from the Funds. The Management Fees are payable without regard to the overall success or income earned by the Funds and therefore may create an incentive on the part of JHP to raise or otherwise increase capital commitments to a higher level than would be the case if JHP were receiving a lower or no management fee. Performance-based fees may create an incentive for JHP to make investments that are riskier or more speculative than in the absence of such performance-based fees.</p> <p>As disclosed in the relevant Fund offering documents, certain of the Funds may lend to Portfolio Companies and or other Funds on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in the Fund's control, such long-term securities may not issue and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the relevant Fund. JHP does not believe that this possibility creates a material conflict of interest for the Funds. As further described in Item 6 above, from time to time, more than one Fund may participate in a particular Portfolio Company investment, and frequently a Co-Investment Vehicle will also participate in a Portfolio Company investment of a Fund. JHP may have an incentive to allocate particularly attractive investment opportunities to a Fund that is expected to generate greater carried interest, or to a Co-Investment Vehicle in which JHP or its related persons have a greater interest, or to permit that Fund or Co-Investment Vehicle to exit investments at a time that would maximize its returns, potentially to the detriment of the other Fund or Co-Investment Vehicle.</p> <p>In the past certain principals of JHP have lent funds to the Portfolio Companies. Investors in the Funds have been made aware of any such cases. It is not anticipated that this will occur again in the future.</p> <p>JHP and the Affiliated General Partners seek to ensure that all investments made by Funds and Co-Investment Vehicles are fairly and equitably allocated. JHP does not take the potential for performance-based compensation into account when allocating investment opportunities amongst Funds. JHP allocates investment opportunities among its advisory clients in a fair and equitable manner that is permissible under the respective Funds' Fund Agreements. Generally, investment opportunities will be allocated pro rata based on each participating Fund's available capital. The respective Fund advisory boards will be consulted regarding allocations when there is a perceived conflict of interest or otherwise.</p> <p>In addition to the foregoing, JHP seeks to address these and other potential conflicts through regular monitoring of the Funds' and Co-Investment Vehicles' portfolios for consistency with objectives, strategies, and target capacity. Further, the Partners carefully consider the risks involved in any investments and JHP provides extensive disclosure to Investors regarding the potential risks that come with an investment with JHP. As stated in Item 11. A., the Code provides guidelines for identifying and addressing conflicts of interest and requires Access Persons to place the interests of the Funds over their own or those of JHP, and all Access Persons are required to acknowledge their receipt and understanding of the Code.</p> |
|--|---|

|           |  |
|-----------|--|
|           | <p>In addition, each of the Funds has an advisory board comprised of certain Investors in the respective Fund. The advisory boards advise and counsel JHP and the Affiliated General Partners on issues relating to conflicts of interest. JHP typically consults with the advisory board of the Fund in question if a conflict of interest described in this Item 11 arises with respect to such Fund.</p>  |
| Item 11.C | <p><b>If you or a <i>related person</i> invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a <i>related person</i> recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</b></p> <p>JHP's Access Persons are permitted to make certain securities transactions in their Personal Accounts. Access Persons of JHP may at times make investments in Portfolio Companies in advance of, or concurrently with, investments in such Portfolio Companies by the Funds or Co-Investment Vehicles. Such investments could create a conflict of interest because they could give JHP or an Affiliated General Partner an incentive to cause a Fund or Co-Investment Vehicle to invest its capital in a company in which it would not otherwise invest, or to dispose of its investment in a company at a time or for a price which it would not otherwise recommend for the Fund or Co-Investment Vehicle absent such related person's ownership of such securities. The limited partnership agreements of Funds, and the Code of Ethics, include limitations on the ability for certain Access Persons to make such investments. In addition, an Access Person could make improper use of information regarding a Fund's holdings or future transactions or research paid for by the Funds.</p> <p>The Code places restrictions on the ability of JHP personnel to hold interests in Fund Portfolio Companies outside of their indirect interests through the Affiliated General Partners or through their direct investments in Funds or Co-Investment Vehicles. All such investments require approval of JHP's Chief Compliance Officer, which approval would only be granted once any associated conflicts of interest are adequately addressed and remedied. In particular, the related person would be required to demonstrate to the Chief Compliance Officer that such person's investment in the Portfolio Company could in no way influence JHP or the relevant Affiliated General Partner's decision to acquire or dispose of the securities of such investment, nor the price or timing with which such acquisition or disposition takes place. JHP believes that these restrictions are sufficient to mitigate any conflicts of interest associated with a related person's investment in a Portfolio Company.</p> <p>In addition Access Persons may invest directly or indirectly (through the HoldCo) in securities held by the HoldCo. All such investments are subject to the pre-clearance and reporting requirements outlined in JHP's Code of Ethics.</p> <p>JHP enforces the foregoing policy and manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons.</p> <p>JHP requires that Access Person's transactions in certain "reportable securities" (as defined in Section 202(a)(18) of the Advisers Act) be pre-cleared with the Chief Compliance Officer. Further details are available in the Code which is available to Investors upon request.</p> |

|                  |   |
|------------------|---|
|                  | <p>JHP maintains a “Restricted List” with the names of issuers of public securities about which JHP or its affiliates (including Access Persons) hold an interest or otherwise have learned material, non-public information. In order to minimize the risk of improper transactions, this includes transactions which are known by JHP of public companies considering the purchase or sale of a Portfolio Companies. This could also include a Portfolio Company that is considering going public. Access Persons are generally prohibited from trading securities on the Restricted List without the prior written consent of the Chief Compliance Officer so that the Chief Compliance Officer may confirm that the proposed investment meets the requirements of the applicable Fund Agreements and the Code.</p> <p>In addition, JHP receives transaction and holdings reports in accordance with Advisers Act Rule 204A-1. The Chief Compliance Officer or his designee also reviews Access Persons’ personal transaction and holdings reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.</p> |
| <b>Item 11.D</b> | <p><b>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p>Please refer to responses to Items 11.A, 11.B, and 11.C.</p>  |

## ITEM 12 – BROKERAGE PRACTICES

|             |   |
|-------------|---|
| Item 12.A.1 | <p><b>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</b></p> <p><b>1. Research and Other Soft Dollar Benefits.</b> If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.</p> <p>JHP causes the Funds to invest in private transactions that are not executed on an exchange and thus JHP generally does not utilize brokers. Notwithstanding the above, in the past, JHP has utilized brokers and investment banks in connection with the purchase and sale of Portfolio Companies. This is typically done on a limited basis to remove restrictions from the securities and to help liquidate the securities in the open market. Any such purchases or sales will be executed in accordance with best execution.</p> <p>In the event that JHP’s business were to evolve such that the Funds were to execute transactions through a broker-dealer, then JHP would adopt policies and procedures reflective of its duty to execute trades in publicly-traded securities in a manner designed to seek best price and execution.</p> <p>JHP does not utilize “soft dollars.” However, broker-dealers utilized by JHP on behalf of the Funds may include provide research reports to JHP or access to certain information as part of the brokerage service provided to the Funds. If in the future JHP utilizes soft dollars, it will amend its Form ADV as appropriate.</p> |
| Item 12.A.2 | <p><b><u>Brokerage for <i>Client</i> Referrals.</u></b> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <p><b>a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients</i>’ interest in receiving most favorable execution.</b></p> <p><b>b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals.</b></p> <p>As a general matter, JHP invests in private transactions that are not executed on an exchange and does not utilize brokers. But please see Item 12.A.1 above.</p>   |
| Item 12.A.3 | <p><b><u>Directed Brokerage.</u></b></p> <p><b>a. If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-</b></p>   |

|           |  |
|-----------|--|
|           | <p>dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money.</p> <p>b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices.</p> <p>Not applicable to JHP.</p>  |
| Item 12.B | <p><b>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</b></p> <p>Upon determination to buy or sell the same Portfolio Company security on behalf of more than one Fund (based upon the investment mandates and available capital of such Funds), JHP will generally aggregate investments. The private company securities which are the primary investments by the Funds are generally purchased in private placement transactions, and thus a purchase or sale transaction by multiple Funds will generally be consummated simultaneously. However, there could be circumstances in which the liquidity needs, partnership terms or other considerations require the purchase or sale of Portfolio Company securities by Funds at different times. In such cases, JHP will seek to act in a fair and equitable manner with regard to all participating Funds and to take into account the investment objectives and results of each Fund. Notwithstanding the foregoing, the purchase or sale of Portfolio Company securities by different Funds at different times could result in increased transaction costs and different investment results for such Funds and their Investors.</p> <p>JHP recognizes that, as a fiduciary, it has a duty to allocate investment opportunities among its advisory clients in a fair and equitable manner. The Funds have overlapping investment programs and may participate in the same investments. If JHP determines that it would be appropriate for more than one Fund to participate in an investment opportunity, JHP will seek to allocate the investment opportunity to all of the participating Funds on a fair and equitable basis, as described in greater detail in Item 11 above.</p> |

### ITEM 13 – REVIEW OF ACCOUNTS

|                         |   |
|-------------------------|---|
| <p><b>Item 13.A</b></p> | <p><b>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the <i>Access Persons</i> who conduct the review.</b></p> <p>JHP's client accounts are under periodic review by the Partners or other investment professionals of JHP. Such reviews include a review of investment policy, the suitability of the investments used to meet policy objectives, and investment objectives. JHP considers, among other things, investment performance, the portfolio's sensitivity to market changes, and whether anything has changed subsequent to an initial investment decision that impacts the risk or potential return.</p> |
| <p><b>Item 13.B</b></p> | <p><b>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</b></p> <p>Not applicable to JHP.</p>   |
| <p><b>Item 13.C</b></p> | <p><b>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</b></p> <p>Investors in the Funds will receive: (i) quarterly unaudited financial statements of the Funds; (ii) an annual financial report audited by a nationally recognized accounting firm; and (iii) tax information regarding the Fund necessary for the completion of each Investor's tax return.</p>   |

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

|                  |   |
|------------------|---|
| <b>Item 14.A</b> | <p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable to JHP.</p> |
| <b>Item 14.B</b> | <p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>Access Person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>Not applicable to JHP.</p>  |

## ITEM 15 – CUSTODY

**If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.**

The Affiliated General Partners are deemed to have custody of client funds or securities by virtue of their status general partner to the Funds, and accordingly, JHP and its affiliates comply with the custody requirements applicable to registered investment advisers.

All of the Funds' assets, save for certain uncertificated securities purchased in private transactions, are held with a "qualified custodian," as defined in the applicable custody rules, which generally includes a bank or broker-dealer.

JHP is exempt from the quarterly account statement delivery obligations and surprise audit requirement of the custody rule because each of the Funds are audited each year by an independent public accountant, and JHP distributes financial statements to Investors in each Fund annually. To ensure compliance with Rule 206(4)-2 under the Advisers Act, JHP has a reasonable belief that Investors have been provided with audited financial statements for their respective Funds within 120 days of the end of such Funds' fiscal years.

Investors in the Funds receive statements from JHP. These statements should be carefully reviewed.



## ITEM 16 – INVESTMENT DISCRETION

**If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

JHP has discretionary authority to manage securities accounts on behalf of its clients. JHP is authorized to make transaction recommendations for the Funds. As explained in Item 4.C above, each Fund's investment strategy is set forth in detail in such Fund's offering documents and Fund Agreement. Investors do not have the ability to impose limitations on JHP's discretionary authority. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, prospective investors in the Funds are subject to a limited partnership agreement, or limited liability company agreement, which generally include a power of attorney.

## ITEM 17 – VOTING CLIENT SECURITIES

|           |  |
|-----------|--|
| Item 17.A | <p><b>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</b></p> <p>JHP understands and appreciates the importance of proxy voting. JHP has adopted proxy voting policies and procedures that are designed to ensure that when JHP or an Affiliated General Partner votes proxies with respect to securities held on behalf of Funds, such proxies are voted in the Funds’ best interests, in the judgment of JHP to the extent reasonably practicable. The procedures also require that JHP identify and address conflicts of interest between JHP, its related persons and its Funds and their Portfolio Companies and related persons. JHP and/or its personnel may occasionally have business or personal relationships with the proponents of proxy voting proposals, participants in proxy voting contests, corporate directors and officers, or candidates for directorships. If a material conflict of interest is identified, JHP will determine whether voting in accordance with the guidelines set forth in the procedures is in the best interests of its Funds or whether taking some other action may be more appropriate.</p> <p>It should be noted that given JHP’s business as a private equity fund manager, it is anticipated that it will be extremely rare that JHP will receive proxies with respect to securities held on behalf of Funds. However, there are situations where private companies could have proxy issues (e.g. a private company needs approval of investors to make changes to board of directors, auditors, etc.). In such situations, JHP or an Affiliated General Partner would have authority to vote proxies on behalf of Funds. In such cases, each proxy voting proposal received by a Fund is thoroughly reviewed in order to ensure that each such vote is voted in the best interests of the Fund holding the applicable securities.</p> <p>If a material conflict is identified, JHP will determine what course of action is in the best interests of the affected Investors (which may include utilizing an independent third party to vote such proxies). Further, JHP will determine whether it is appropriate to disclose the conflict to affected Investors and give such Investors the opportunity to vote the proxies in question themselves.</p> <p>The Chief Compliance Officer or his designee delivers proxies in accordance with instructions related to such proxy. JHP keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each client request for proxy voting records and JHP’s response for the previous five years.</p> <p>Investors generally do not have the ability to direct proxy votes. Investors may obtain additional information regarding how JHP voted proxies and may obtain a copy of JHP’s proxy voting policies and procedures by contacting the Chief Compliance Officer at <a href="mailto:forrest@jhpartners.com">forrest@jhpartners.com</a>.</p> |
|-----------|--|

|           |  |
|-----------|--|
| Item 17.B | <p>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</p> <p>Not applicable to JHP.</p> |
|-----------|--|

## ITEM 18 – FINANCIAL INFORMATION

|           |  |
|-----------|--|
| Item 18.A | <p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> <li>1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.</li> <li>2. Show parenthetically the market or fair value of securities included at cost.</li> <li>3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.</li> </ol> <p>JHP and its affiliates do not require or solicit prepayment of advisory fees six months in advance.</p> |
| Item 18.B | <p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>JHP is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Funds or Investors.</p>   |
| Item 18.C | <p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>JHP has not been the subject of any such bankruptcy petition.</p>  |