

Item 1: Cover Page

Part 2A of Form ADV Firm Brochure

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GPB Capital Holdings, LLC

SEC No. Pending

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This brochure provides information about the qualifications and business practices of GPB Capital Holdings, LLC. If you have any questions about the contents of this brochure, please contact Richard Cardali at rcardali@gpb-cap.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any State securities authority. Registration with the SEC or State Regulatory Authority does not imply a certain level of skill or expertise.

Additional information about GPB Capital Holdings, LLC, is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. Consistent with the rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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Item 4: Advisory Business

A. The Firm

GPB Capital Holdings, LLC ("GPB" and/or "the firm"), a Delaware limited liability company, is a private fund adviser that structures, manages, promotes, sponsors, and through itself and affiliate entities serves as general partner and/or investment manager for various private equity funds (the "Funds"). GPB was formed in March of 2013 and is owned by David Gentile, its sole member.

While GPB is registered as an investment adviser, its affiliates that may serve as Fund general partners or investment managers, and all of their personnel, are supervised by GPB as if each such entity were so registered. Therefore, throughout this Brochure, when we refer to "GPB," or the "firm," we also refer to those affiliated entities and personnel, unless the context indicates otherwise.

GPB has three goals in terms of its investment strategy:

- To acquire controlling interests in early-stage and middle-market North America-based private Portfolio Companies primarily focused on the automotive retail, information technology, and healthcare sectors
- To provide managerial assistance to such companies
- To develop the operations of these companies to increase their cash flow

The firm seeks to acquire market-leading companies whose management teams can leverage GPB's strategic resources to improve operations, accelerate growth and realize optimal return on capital. Although we are initially focusing on the three industries described above, we may from time to time explore and acquire companies in other related industries if we see similar opportunities.

When we add a company to our portfolio, we will expect to obtain substantial management rights, including one or more of the following:

- Control the board of directors
- Consult on or approve of operating budgets or capital budgets
- Consult on or approve of the purchase or sale of major corporate assets
- Veto major decisions that affect capital
- Appoint our personnel to serve as executive officers
- Direct the management of the portfolio company
- Examine the portfolio company's books and records

B. Description of Advisory Services Offered

GPB is an independent investment advisory firm that structures, manages, promotes, sponsors, and through itself and affiliate entities, serves as General Partner for various private equity funds. Partnerships may engage broker-dealers, finders, or advisers, which may be affiliates, to identify

prospective investors. Commissions, allowances, or similar fees will be paid by the Partnerships to the extent permitted by applicable securities laws. Each subscriber will be advised of any commissions or fees paid with respect to its subscription. Any front-end sales commission will reduce the total proceeds of the subscription by the sales commission amount.

GPB recommends securities transactions that include securities and strategies as itemized in Item 8 of this Brochure. Partnership interests are suitable only for clients (i) who do not require immediate liquidity for their investments, (ii) for whom an investment in the Partnerships does not constitute a complete investment program, and (iii) who fully understand and are willing to assume the risks involved in the Partnership's investment program. The Partnerships' investment practices, by their nature, involve a substantial degree of risk.

C. Client-Tailored Services and Client-Imposed Restrictions

GPB does not manage individual client portfolios and instead only manages the Funds. Each Fund has its own investment strategy that GPB manages.

D. Wrap Fee Programs

GPB does not participate in wrap fee programs. (Wrap fee programs offer services for one all-inclusive fee.)

E. Client Assets Under Management

As of December 31, 2013, GPB manages approximately \$18,826,292 in private fund assets.

Item 5: Fees and Compensation

A. Methods of Compensation and Fee Schedule

GPB receives management and performance fees as described in the Fund offering documents. GPB does not manage individual client portfolios. The management fees are typically based on contributions made to a Fund, and the manner in which they are paid will depend on the structure of a particular Fund. Performance fees paid by Funds usually are 20% of distributions made by a Fund after certain return thresholds are met.

In addition, as described in a Fund's offering materials, GPB will be paid an annualized fee (the "Managerial Assistance Fee"), payable quarterly in advance out of the Capital Accounts of each investor into Holdings (a "Holdings LP"), and deducted from distributions payable by investors into Qualified (a "Qualified LP," together with the Holdings LPs, the "Limited Partners" or "LPs"), of 2.0% per annum on the Capital Contributions made to Holdings and to Qualified for providing managerial assistance and other services to us and our Portfolio Companies. Those services will include conducting our day-to-day operations as described below, along with providing reports to LPs and other duties assumed under the Organizational Documents. The Managerial Assistance Fee will be prorated in 2013.

GPB, in its sole discretion, may defer or reduce the Managerial Assistance Fee with respect to one or more investors for any period of time, or agree to a different Managerial Assistance Fee for that investor.

GPB has the right to assign all or a portion of the Managerial Assistance Fee to properly licensed third parties (where licensing is required) for services rendered by persons in connection with the offering of Units, including placement agents that are members of the Selling Group.

B. Client Expenses

The Funds are each responsible for their own fees and expenses, such as audit expense, tax accounting and preparation, K-1 reporting, real estate brokerage, legal fees, and other Fund operating expenses.

C. Additional Client Fees Charged

Other than what is described in the applicable offering documents for a particular Fund, there will be no additional fees charged.

D. Prepayment of Client Fees

GPB Fund subscription fees are paid through and at the time of subscription. Such subscription fees are deducted from the partner's / member's capital account balance pursuant to the terms of the confidential offering memoranda and subscription agreement. Ongoing management fees and other operating expenses are deducted from the partner's / member's capital account balance as disclosed in the applicable Fund offering documents.

To the extent redemptions are allowed, such redemptions must satisfy the conditions in the confidential offering memoranda and related subscription documents.

E. External Compensation for the Sale of Securities to Clients

GPB or its affiliate entities are generally paid a management fee, but additional compensation may be earned through performance-based fees as disclosed in the applicable Fund offering documents. Such performance-based fees create an economic incentive for the investment manager to take additional risks in the management of a client portfolio that may be in conflict with the client's current investment objectives and tolerance for risk. Please refer to Item 6 for more information on performance-based fees.

Item 6: Performance-Based Fees and Side-by-Side Management

GPB may receive performance fees from Funds as described in a Fund's offering materials. Performance-based fees can create an incentive for GPB to incur acquisition and strategy risks to earn higher fees, or prefer one type of investment over another in an effort to achieve the performance fee. Higher risks mean a higher probability of loss, which may conflict with an investor's risk tolerance and investment objectives. GPB addresses these conflicts by exercising its duties to each Fund to select the Funds' investments in accord with their respective investment objectives and in a manner that is fair and equitable to all Funds.

GPB may charge performance-based fees to qualified investors who are defined as:

- A natural person who or a company that immediately after entering into the contract has at least \$1,000,000 under the management of the investment adviser;
- A natural person or a company that the investment adviser entering into the contract (and any person acting on his behalf) reasonably believes, immediately prior to entering into the contract, either:
 - Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,000,000 at the time the contract is entered into, exclusive of the value of their primary residence; or
 - Is a qualified purchaser as defined in section 2(a)(51)(AA) of the Investment Company Act of 1940 (15U.S.C. 80a-2(51)(A)) at the time the contract is entered into; or
 - A natural person who immediately prior to entering into the contract is:
 - An executive officer, director, trustee, general partner, or person serving in similar capacity of the investment adviser; or
 - An employee of the investment adviser (other than an employee performing solely clerical, secretarial, or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

Performance-based fees on the applicable Fund are set forth in the Fund's offering materials.

Item 7: Types of Clients

GPB's only clients are the Funds.

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

A. Methods of Analysis and Investment Strategies

General Acquisition Criteria. Because GPB believes that achieving the most favorable profitability will depend on acquiring the right businesses, our Portfolio Companies will generally meet the following fundamental criteria:

- Their management will have a verifiable track record and demonstrated expertise
- They will operate in industries with defined barriers to entry or have clear, sustainable competitive advantages
- Their strategies and business plan will be viable in changing market conditions

Our Typical Acquisition Parameters.

- Private emerging and middle-market companies with operations focused in North America
- Target acquisition size between \$5 million and \$25 million
- Target enterprise values between \$10 million and \$50 million
- Transaction types:
 - Growth equity/expansion capital
 - Strategic add-ons for Portfolio Companies
 - Restructurings, reorganizations, and refinancing
 - Liquidity financing

GPB expects to use leverage sparingly. Historically, GPB's principals have kept leverage at or below the level of capital commitment (i.e., no greater than 50% leverage), but if a compelling reason arises to alter that practice for us, it may change.

Initial Targeted Sectors. GPB's Senior Management and members of the Investment Committee appointed by GPB have a great deal of experience investing in the automotive retail, information technology, and/or healthcare sectors, so those industries will be the initial targets. We expect to invest the majority of our assets in these sectors, or in companies that have significant relevance to, or crossover with, these sectors.

- Automotive Retail
- Information Technology
- Healthcare

B. Risks

Each Fund has its own specific risks, but the following are risks that are generally associated with the types of investments the Funds make. The list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Company. Prospective investors should read the entire Brochure, the Organizational Documents, the Subscription Documents, and consult with their own advisers before deciding whether to invest

in the Company. In addition, as our investment program develops and changes over time, an investment in the Company may be subject to additional and different risk factors.

B.1. Risks Associated with Underlying Investments

Identifying and participating in attractive investment opportunities and assisting in the building of successful enterprises are difficult tasks. There is no assurance that a Fund's investments will be profitable, and there is a substantial risk that a Fund's losses and expenses will exceed its income and gains. There generally will be little or no publicly available information regarding the status and prospects of companies held by Funds. Many investment decisions by a Fund will be dependent upon the ability of its members and agents to obtain relevant information from non-public sources, and a Fund often will be required to make decisions without complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify. The marketability and value of each investment will depend upon many factors beyond a Fund's control. Underlying companies may have substantial variations in results from period to period, face intense competition, and experience failures or substantial declines in value at any stage. Underlying companies may need substantial additional equity or debt capital to support growth or to achieve or maintain a competitive position. Such capital may not be available on attractive terms, or may not be available at all. Generally, the investments made by a Fund will be illiquid and difficult to value, and there will be little or no collateral to protect an investment once made. In most cases, a Fund's investments will be long-term in nature and may require many years from the date of initial investment before disposition.

B.2. General Risks

General Investment Risks. Our success depends on GPB's ability to implement its acquisition strategy for Holdings. Any factor that would make it more difficult to execute timely acquisitions, such as a significant reduction of liquidity in a particular market, may also be detrimental to profitability. No assurance can be given that our acquisition strategies will be successful under all or any market conditions.

No Operating History. Holdings and Qualified are each recently formed companies with no operating results, and neither Holdings nor Qualified will commence operations until obtaining funding through this Offering. Because neither Holdings nor Qualified has an operating history, investors have no basis upon which to evaluate their ability to achieve their business objectives or judge their prospects for success. Holdings has no plans, arrangements, or understandings with any prospective target business concerning a business combination and may be unable to complete an acquisition. If Holdings fails to complete an acquisition, it will never generate any operating revenues.

No Participation in Management. Investors will not have the opportunity to evaluate the specific merits or risks of any Portfolio Company. Moreover, LPs will not participate in management and are dependent on GPB for management of the Companies. The Investment Committee is not an "independent governing body," and its members are not "independent directors" or "representatives" of the LPs. An investor in the Units must rely upon the ability of GPB to identify, structure, and make acquisitions of companies consistent with our objectives and policies. Notwithstanding any prior operating experience or experience that members of the

Investment Committee or GPB affiliates may have in making acquisitions of the type expected to be made by us, any such prior experience was obtained under different market conditions and under a different organizational structure. There can be no assurance that members of the Investment Committee or GPB affiliates will be able to duplicate prior success or that we will achieve our objectives or achieve positive results of any kind.

Expenses Will Be Significant. We will be obligated to pay fees and substantial administrative, travel, accounting, tax, and legal expenses regardless of whether we realize revenues. Any use of leverage will increase these fees and charges, and we will need to make substantial profits to avoid depletion of our assets and provide a return to Limited Partners.

Illiquidity of Units. The Units are highly illiquid, have no public market, and are generally not transferable except with the prior consent of GPB. Voluntary withdrawals of LPs or redemptions of Units are not permitted without the consent of GPB and are otherwise subject to the terms of the Organizational Documents. Each investor will be required to represent that s/he is acquiring the Units for investment and not with a view to distribution or resale, that such investor understands the Units are not freely transferable and, in any event, that such investor must bear the economic risk of investment for an indefinite period of time. The Units have not been registered under the 1933 Act or applicable state "Blue Sky" securities laws, and the Units cannot be sold unless they are subsequently registered or an exemption from such registration is available. Investors cannot expect to be able to liquidate their investment in case of an emergency.

Competition. We expect to encounter intense competition from other entities having similar business objectives, including other vehicles organized by GPB or its affiliates, venture capital funds, leveraged buyout funds, and operating businesses competing for acquisitions. Many of these entities are well established and have extensive experience in identifying and effecting business combinations directly or through affiliates. Many of these competitors possess greater technical, human, and other resources than we do, and our financial resources will be relatively limited when contrasted with those of many of these competitors. While we believe that there are numerous potential Portfolio Companies that we could acquire with the net proceeds of this Offering, our ability to compete in acquiring certain sizable target businesses will be limited by our available financial resources. This inherent competitive limitation gives others an advantage in pursuing the acquisition of certain target businesses. Any of the foregoing may place us at a competitive disadvantage in successfully negotiating an acquisition.

Portfolio Company Competition Risks. Holdings expects that its Portfolio Companies will compete with other companies in their respective businesses. Holdings expects to focus on acquisitions in automotive retail, information technology, and healthcare companies with strong management, earnings, and market share. These industries are rapidly evolving and may become more competitive. While we believe investments in these areas offers the opportunity for current yield and potential capital appreciation when we divest, they also involve a high degree of risk. As is typical in rapidly evolving industries, demand and market acceptance for new products and services are subject to a high degree of uncertainty. In addition, while many companies in these sectors have grown or have the potential to grow, there is no guarantee of the same in the future.

Portfolio Companies may have histories of net losses and may continue to have net losses for years after our acquisition. There can be no assurance that Holdings will be able to make acquisitions on attractive terms or operate Portfolio Companies profitably. To the extent Holdings consummates an acquisition, it may be affected by numerous risks inherent in the business it acquires. For example, if we purchase a financially unstable business or an entity lacking an established record of sales or earnings, Holdings will be affected by the risks inherent in the business and operations of a financially unstable or a development stage entity. Although GPB will endeavor to evaluate the risks inherent in a particular target business, Holdings cannot assure investors that GPB will properly ascertain or assess all of the significant risk factors or that we will have adequate time to complete due diligence. Furthermore, some of these risks may be outside of Holdings' control and leave it with no ability to control or reduce the chances that those risks will adversely impact a Portfolio Company.

No Assurance of Confidentiality. As part of the subscription process and otherwise in their capacity as LPs, investors will provide significant amounts of information about themselves to GPB and us. Under the terms of the Organizational Documents as well as applicable laws, such information may be made available to other LPs, third parties that have dealings with us, and governmental authorities (including by means of securities law-required information statements that are open to public inspection). Investors that are highly sensitive to such issues should consider taking steps to mitigate the impact upon them of such disclosures (such as by investing in us through an intermediary entity). GPB will endeavor to take all reasonable steps under the law and within its obligations described herein to maintain confidentiality.

Litigation Risks. We and Portfolio Companies will be subject to a variety of litigation risks. Under most circumstances, we will indemnify GPB, its principals, and representatives for any costs they may incur in connection with such disputes. The officers, directors, and representatives of the Portfolio Companies (which will include our personnel or persons affiliated with GPB) will be similarly indemnified by such entities. Beyond direct costs, such disputes may adversely affect us or our Portfolio Companies in a variety of ways, including by distracting GPB and/or the officers, directors, and representatives of such entities and harming relationships between such entities and the Portfolio Companies as well as active or potential investors, other potential sources of capital, and other entities important to the success of the Portfolio Companies. In connection with the disposition of a Portfolio Company, Holdings may be required to make representations about the business and financial affairs of the Portfolio Company typical of those made in connection with the sale of any business, and may be responsible for the content of disclosure documents under applicable securities laws. These arrangements may result in the contingent liabilities, for which GPB 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. Such liabilities might ultimately have to be funded by Limited Partners to the extent that the investors have received prior distributions from Holdings and/or Qualified.

Limited Access to Information. Although GPB generally provides access to material and substantive information concerning us, the rights of LPs to information regarding us and our Portfolio Companies will be limited. In particular, GPB will likely obtain certain types of material information that will not be disclosed to LPs. For example, GPB may obtain information regarding Portfolio Companies that is material to determining the value of such assets. Such

information may be withheld from LPs in order to comply with duties or otherwise to protect the interests of other parties or the Companies. Decisions by GPB to withhold information may have adverse consequences for LPs in a variety of circumstances. For example, a Limited Partner that seeks to sell its Units may have difficulty in determining an appropriate price for such Units. Even though the Companies have been structured to align the interests of GPB and LPs, decisions to withhold information may also make it difficult for LPs to subject GPB to rigorous oversight.

Exculpation & Indemnification. The Organizational Documents contain provisions that relieve GPB and its principals and representatives (which would include the Investment Committee and its members) of liability for certain improper acts or omissions. For example, GPB and its affiliates and members of the Investment Committee will not be liable to the Limited Partners, Holdings, or Qualified for acts or omissions that constitute ordinary negligence. Under certain circumstances, Holdings and/or Qualified may indemnify GPB and its members and the Investment Committee and its members against liability to third parties resulting from such improper acts or omissions. Furthermore, GPB is structured as a limited liability company, and the owners of GPB generally will not be personally liable for the entity's debts and obligations. In consequence, LPs will have no recourse to the personal assets of the owners of GPB even if such entity breaches a duty to the Limited Partners, Holdings, and/or Qualified.

Legal Counsel. Documents relating to the Company, including the Subscription Documents to be completed by each investor, as well as the Organizational Documents, are detailed and often technical in nature. Our legal counsel represents our interests and will not represent the interests of any investor. Accordingly, each prospective investor is urged to consult with its own legal counsel before investing in the Company. Finally, in advising as to matters of law (including matters of law described in this Brochure), legal counsel has relied, and will rely, upon representations of fact made by GPB and other persons in this Brochure and other documents. Such advice may be materially inaccurate or incomplete if any such representations are themselves inaccurate or incomplete, and legal counsel generally will not undertake independent investigation with regard to such representations.

Definitive Terms & Conditions. Portions of this Brochure describe specific terms and conditions expected to be in the Organizational Documents and the Subscription Documents. The actual terms and conditions of the Organizational Documents and the Subscription Documents may vary materially from those described in this Brochure for a variety of reasons, including negotiations between GPB and prospective LPs prior to our acceptance of subscriptions as well as formal amendments to the Organizational Documents following such acceptance. Moreover, the Organizational Documents and Subscription Documents will contain highly detailed terms and conditions, many of which are not described fully or at all in this Brochure. In all cases, the Organizational Documents and Subscription Documents will supersede this Brochure. Prospective investors are urged to carefully review the Organizational Documents and Subscription Documents, and must also be aware that, under the rules governing amendments set forth in the Organizational Documents, certain types of amendments to the Organizational Documents may be adopted with the consent of fewer than all LPs. Therefore, the Organizational Documents may be amended without your consent.

B.3. General Investment Risks

General Investment Risks. The success of both Holdings and Qualified depends on GPB's ability to implement its strategy for Holdings. The ability of Holdings to effectively implement its acquisition strategy will be limited by its ability to source appropriate acquisitions. No assurance can be given that our acquisition strategies will be successful under all or any market conditions.

Nature of an Investment in Qualified. Qualified will invest substantially all of its assets in Holdings, and so the returns of a Qualified LP will depend upon the performance of Holdings.

Risks Associated with Portfolio Companies. Identifying and participating in attractive acquisition opportunities and assisting in the building of successful enterprises are difficult tasks. There is no assurance that Holdings' acquisitions will be profitable and there is a substantial risk that Holdings' losses and expenses will exceed its income and gains. Any return on investment to the LPs will depend upon successful acquisitions made by Holdings. There generally will be little or no publicly available information regarding the status and prospects of the companies in which Holdings buys. Many acquisition decisions by Holdings will be dependent upon its ability to obtain relevant information, and Holdings often will be required to make decisions without complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify. The value of each acquisition will depend upon many factors beyond Holdings' control. Portfolio Companies may have substantial variations in results from period to period; face intense competition, and experience failures or substantial declines in value at any stage. Portfolio Companies may need substantial additional equity or debt capital to support growth or to achieve or maintain a competitive position. Such capital may not be available on attractive terms, or may not be available at all. Holdings' capital is limited and may not be adequate to protect Holdings from dilution in multiple rounds of financing in connection with its acquisitions of Portfolio Companies. An otherwise successful acquisition may yield poor returns if it is unable to divest when GPB determines it is appropriate. Generally, Holdings' acquisitions will be illiquid and difficult to value.

Lower Initial Returns. In most cases, Holdings' acquisitions will be long-term in nature and will not be sold for many years from the date of acquisition. Given the size of the Offering, it may take a significant amount of time to fully invest the proceeds. We anticipate that at least 60% of the net proceeds of this Offering will be used for the above purposes within one year following the termination of the Offering, depending on the availability of appropriate acquisition opportunities consistent with our objectives and other market conditions. We will initially invest the net proceeds primarily in cash, cash equivalents, deposit accounts, money market funds, U.S. government securities, and other high-quality debt investments that mature in one year or less from the date of investment. These securities may earn yields substantially lower than the income that we anticipate receiving once Holdings has acquired the Portfolio Companies. As a result, we may not be able to achieve our investment objective and/or pay any distributions during this period or, if we are able to do so, such distributions may be substantially lower than the distributions that we expect to pay when we have acquired and operate the Portfolio Companies. If we do not realize yields in excess of our expenses, we may incur operating losses.

Unidentified Portfolio Companies. Holdings has not identified potential Portfolio Companies to acquire other than the dealerships discussed above, and investors will not be able to evaluate

any other specific Portfolio Company prior to purchasing Units. GPB will make substantially all decisions with respect to the management of the Company and our investment strategy. Our success will depend, in large part, on the skill and experience of GPB and the Investment Committee, and on GPB's ability to manage Qualified, Holdings, and the Portfolio Companies effectively. The members of the Investment Committee have experience in operating businesses but have not previously operated or managed companies like Holdings and Qualified. Although investors will have a limited right to vote on and approve changes affecting the Units, a prospective investor should not purchase any Units unless the investor is willing to entrust substantially all aspects of the management of the Companies to GPB.

Failure of a Portfolio Company. Holdings expects to focus its acquisitions in automotive retail, information technology, and health care companies, and it is possible that those segments could suffer more so than other segments. There are no requirements as to concentration or diversification imposed on us with respect to the allocation of assets. No assurance can be given that the failure of one or more Portfolio Companies will not have a material adverse effect on us.

Withdrawal of Capital from Portfolio Companies. Holdings will be subject to withdrawal restrictions of the Portfolio Companies, meaning we could have a difficult time selling a Portfolio Company investment, even if a buyer was willing to pay a price GPB determines is favorable. Such restrictions could have a material adverse effect on us.

Lack of Publicly Available Information Regarding Investments. The interests in the Portfolio Companies will not be offered under registration statements under the 1933 Act. In addition, Portfolio Companies will not be subject to the periodic information and reporting provisions of the 1934 Act. Accordingly, publicly available information about Portfolio Companies may be limited. Holdings will be required to rely on the ability of GPB to obtain adequate information to evaluate the potential operational returns from acquiring these companies. If GPB is unable to uncover all material information about Portfolio Companies, it may not make a fully informed acquisition decision, and Holdings may lose some or all of its capital on such acquisitions.

Risks Related to Acquisitions. Holdings expects to acquire companies with smaller market capitalizations. Acquisitions of small- and medium-capitalization companies involve significantly greater risks than investments in larger, better-known companies. There is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which may make realizations of gains more difficult, by requiring sales to other private investors. In addition, the relative illiquidity of private investments generally, and the somewhat greater illiquidity of private investments in small- and medium-sized companies could make it difficult for Holdings to react quickly to negative economic or political developments. Accordingly, our investors should have a long-term investment horizon.

Illiquid Holdings. Holdings intends to invest in private companies for which no (or only a limited) liquid market exists or that are subject to legal or other restrictions on transfer. Holdings may be unable to sell assets when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. Because there will be no readily available market for the equity in Portfolio Companies, those acquisitions will be difficult to value. Determination of fair values for such companies involves judgments that are not susceptible to substantiation by auditing procedures. Values assigned to Portfolio Companies may not accurately reflect values that may

be actually realized. Holdings intends to own its Portfolio Companies on a long-term basis, but in all cases at least two years. If Holdings elects to sell a Portfolio Company, it may take a significant period of time to sell the Portfolio Company due to market conditions, availability of financing, lack of demand, and other conditions.

Risk Inherent in Portfolio Company Acquisitions. Acquisitions of private companies involve a high degree of risk, including that private companies may have limited financial resources and may require substantial amounts of financing that may not be available. Private companies typically have shorter operating histories, narrower product lines, and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. Private companies are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation, or termination of one or more of these persons could have a material adverse impact on a Portfolio Company and, in turn, on us. Private companies generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion, or maintain their competitive position. Private companies may be particularly susceptible to economic slowdowns or recessions and may be unable to repay their loans or meet other obligations during these periods. Private companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing, and general management, which in some cases cannot be adequately solved. Many risks and uncertainties affect early-stage companies, which often have very limited operating history, profits, or cash flow. There can be no assurance of the success of such enterprises. Their potential must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with new or developing businesses, including technology risks, unproven business models, untested plans, uncertain market acceptance, competition, and lack of revenues and financing.

Follow-On Funding Requirements. Following its initial acquisition of a Portfolio Company, Holdings may be required to make additional capital contributions to such Portfolio Company. Such additional contributions may be necessary to protect Holdings' interest in Portfolio Companies that require additional financing to carry out their business plans. There is no assurance that Holdings will make such additional contributions or that it will have the ability to do so. The failure to make additional contributions may impact Holdings' ability to realize a meaningful return and may impact the recovery of Holdings' contribution.

Financing for Acquisitions. Because Holdings has not yet identified any prospective target business, Holdings cannot ascertain the capital requirements for any particular acquisition. If the net proceeds of this Offering prove to be insufficient, either because of the size of the acquisition, the depletion of the available net proceeds in search of a target business, or other reasons, Holdings will be required to seek additional financing. Such financing may not be available on acceptable terms, if at all. To the extent that additional financing proves to be unavailable when needed to consummate a particular acquisition, Holdings would be compelled to either restructure the transaction or abandon that particular acquisition and seek an alternative target business candidate. In addition, if Holdings consummates an acquisition,

Holdings may require additional financing to fund the operations or growth of the target business. The failure to secure additional financing could have a material adverse effect on the continued development or growth of the Portfolio Companies. GPB and its affiliates are not required to provide any financing in connection with or after an acquisition. If a Portfolio Company is unable to generate sufficient cash flow to meet its obligations, including any debt service obligations for financing, the Portfolio Company may default under its loan obligations, be required to sell assets, obtain additional financing, or alternatively, liquidate, which could have a material adverse effect on Holdings' revenue, asset value, and ability to pay distributions. If Holdings guaranteed any such indebtedness, Holdings could be required to sell assets or obtain additional financing to repay any guaranteed amounts, which could have a material adverse effect on Holdings' revenue, asset value, and ability to pay distributions.

1934 Act Reporting Requirements. If interests in Holdings were to become beneficially owned by 2,000 or more persons for purposes of the 1934 Act, Holdings would become subject to the information and reporting requirements of the 1934 Act. Such reporting obligations would entail significant administrative burdens, including legal and accounting costs that could negatively impact Holdings' operations and returns to investors. Accordingly, Holdings will seek to limit beneficial ownership of its Class A Units to 2,000 persons.

Regulation Under the 1940 Act. The 1940 Act and the rules thereunder contain detailed parameters for the organization and operation of investment companies. Among other things, the 1940 Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options, and impose certain governance requirements. GPB intends to conduct the operations of the Companies so that they will not be required to register as an investment company under the 1940 Act. This will be done by limiting ownership of Qualified to no more than 100 LPs, and by restricting Holdings' activities such that it is primarily engaged in owning and operating Portfolio Companies. If Qualified were beneficially owned by more than 100 persons, or if Holdings were deemed to be primarily engaged in acquiring Portfolio Companies with a view to reselling them for a profit, then either such Company would become subject to the 1940 Act. The performance of the Companies would be materially adversely affected if either Holdings or Qualified became subject to the registration requirements of the 1940 Act, due to the various burdens of compliance therewith. If anything were to happen to cause Holdings or Qualified to be required to register as investment companies under the 1940 Act, requirements imposed by the 1940 Act, including limitations on capital structure, ability to transact business with affiliates, and ability to compensate key employees, could make it impractical or impossible for the Holdings and Qualified to operate as contemplated by this Brochure. Additionally, if it were determined that either Company was required to be registered under the 1940 Act and it was not, such Company would be subject to significant penalties under the 1940 Act for such failure. Accordingly, GPB will have to limit Holdings' activities and may refuse subscriptions for Class AQ Units in Qualified in order for each to avoid classification as an investment company under the 1940 Act. Neither GPB nor its counsel can assure the Limited Partners that under certain conditions, changing circumstances, or changes in the law, the Companies may not become subject to such regulation.

Regulation Under the Patriot Act. The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("Patriot Act") was enacted in October, 2001, in reaction to the terrorist attacks on the World Trade Center and the Pentagon. Title III of the Patriot Act, referred to as the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001 ("IMLA"), imposes obligations on financial service entities, including investment companies under anti-money laundering ("AML") provisions. The Treasury Department adopted rules under the Patriot Act implementing the AML provisions. Many financial service entities are required, under the Treasury rules, to implement procedures designed to detect and report suspicious activities that identify transactions that may involve illegal activity. If it is determined that we are required to comply with the AML provisions, we will be required to implement procedures and make reports when necessary. Penalties for not implementing and maintaining effective AML compliance programs could result in prosecution, regulatory enforcement action, and adverse publicity for both us and GPB.

Other Regulatory Burdens. We are subject to laws and regulations enacted by national, regional, and local governments. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming, and costly. Those laws and regulations and their interpretation and application may also change from time to time and those changes could have a material adverse effect on our business, acquisitions, and results of operations. In addition, a failure to comply with applicable laws or regulations, as interpreted and applied, could have a material adverse effect on our business and results of operations.

Systems Risks. We depend on GPB to develop and implement appropriate systems for our activities. The ability of our systems to accommodate increasing volume could also constrain our ability to manage our portfolio. In addition, certain of GPB's operations may interface with or depend on systems operated by third parties, and there may be inadequate means to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures, or interruptions, including those caused by worms, viruses, and power failures. Any such defect or failure could have a material adverse effect on us. Although GPB endeavors to provide sufficient redundancy and back-up for material information related to us, GPB is not liable to us for losses caused by systems failures.

Inadequate Capital. Holdings intends to acquire companies and operate them. Therefore, the net income, if any, earned from Holdings' acquisitions may not be significant. We anticipate that Holdings will hold an acquisition in a Portfolio Company for at least two, and up to five, years, and market and economic conditions and other relevant factors may compel it to hold such assets for much longer, which could delay any possible distributions to Holdings, and in turn, to the LPs. If for any reason our operating reserves are insufficient to fund expenses of Holdings or of its Portfolio Companies, Holdings or such Portfolio Companies may seek debt financing, which would accrue interest and would be payable prior to any distributions to equity holders. Such sources or other sources of funding may not be available or may not be available under terms that are acceptable. Any additional financing could ultimately dilute your interest in the Companies.

No Assurance of Profit or Distributions. The task of identifying acquisition opportunities, managing acquisitions, and realizing a return for investors is difficult. There is no assurance that

Holdings' acquisitions will be profitable or that any distribution will be made to the LPs. Any return on investment to the Limited Partners will depend on successful acquisitions made by Holdings. The value of any such acquisition will depend upon many factors beyond our control. We may not have sufficient cash available to make distributions to equity holders. The expenses of such entities may exceed their income, and the Limited Partners could lose the entire amount of their contributed capital.

Changes in Environment. Holdings' acquisition program is intended to extend over a period of years during which the business, economic, political, regulatory, and technology environment within which it operates Portfolio Companies may undergo substantial changes, some of which may be adverse to it. GPB, on behalf of Holdings, will have the exclusive right and authority to determine the manner in which each Company responds to such changes, and LPs generally will have no right to withdraw from the Company or to demand specific modifications to our operations in consequence thereof.

Leverage. Holdings' acquisitions, directly or indirectly, may be leveraged acquisitions. Utilization of leverage is a speculative technique and involves risks to investors. While leverage may enhance total returns to investors, if investment results fail to cover borrowing costs, then returns to the LPs will be lower than if there had been no borrowings. To the extent Holdings utilizes leverage in an acquisition, such acquisition will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a severe downturn in the economy, or deterioration in the condition of such acquisition. In the event of Holdings' dissolution, its lenders and holders of its debt securities would receive a distribution of Holdings' available assets before distributions to holders of its Units. Any new units of limited partnership interest may have a preference over the Units with respect to distributions and upon dissolution, which could further limit Holdings' ability to make distributions to investors. Because Holdings' decision to incur debt and issue shares in any future offerings will depend on market conditions and other factors beyond its control, Holdings cannot predict or estimate the amount, timing, or nature of its future offerings or its future debt and equity financings. Further, market conditions could require Holdings to accept less favorable terms for the issuance of its securities in the future, including issuing limited partnership interests at a discount to market value. Accordingly, investors will bear the risk of future offerings reducing the value of their Units, diluting their interest in Holdings.

Undisclosed Investing Strategy. Holdings' acquisition strategies and techniques employed to attempt to reach our goals are proprietary and may not be disclosed to potential investors (or to LPs). As a result, a potential investor's decision to invest in the Companies must be made without the benefit of being able to review and analyze our strategies and techniques in their entirety.

Preference of Certain Fees Regardless of Profitability. Certain entities and persons referenced herein are entitled to receive the various fees described herein regardless of whether the Companies, as a whole, or any Portfolio Companies, operate at a profit. To the extent that Holdings' Portfolio Companies are not generating sufficient revenue to pay the fees, Holdings may have to pay these fees out of other available cash, thus further reducing the amount of cash available for distribution to the LPs or to pay other Company expenses.

B.4. Management Risks

Reliance on Individual Members of GPB & Its Affiliates. We will be particularly dependent upon the efforts, experience, contacts, and skills of the individual members of GPB, and certain of their affiliates and principals. The loss of any such individual could have a material, adverse effect on us, and such loss could occur at any time due to death, disability, resignation, or other reasons. In some cases we may insure the lives of principals we deem important to our success. There can be no assurance that the individual employees and advisors to GPB will continue to be employed by GPB or that such employees and advisors will continue to function on our behalf. If the services of certain key employees of GPB become unavailable, GPB would need to recruit qualified personnel, which may prove difficult.

Evaluation of Acquisitions. Limited Partners will not be permitted to evaluate Portfolio Company opportunities or relevant business, economic, financial, or other information that will be used by GPB in making acquisition decisions. Except as specifically provided in the Organizational Documents, GPB will have the exclusive right and power to manage the business and affairs of Holdings and Qualified.

Changes in Acquisition Strategies. GPB has broad discretion to expand, revise, or contract our business without the consent of the Limited Partners. Our acquisition strategies may be altered, without prior approval by, or notice to, the LPs, if GPB determines that such change is in our best interest.

Limited Reporting. We will provide quarterly and annual reports of our activities. As a result, LPs will not be able to evaluate our activity at shorter intervals.

Due Diligence. Even if Holdings conducts extensive due diligence on a target business, Holdings cannot assure investors that this diligence will surface all material issues that may be present inside a particular target business, that it would be possible to uncover all material issues through a customary amount of due diligence, or that factors outside of the target business and outside of our control will not later arise. As a result of these factors, Holdings may be forced to later write-down or write-off assets, restructure our operations, or incur impairment or other charges that could result in Holdings reporting losses. Even if Holdings' due diligence successfully identifies certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with preliminary risk analyses. Holdings expects that the investigation of each specific target business and the negotiation, drafting, and execution of relevant agreements, disclosure documents, and other instruments will require substantial management time and attention and substantial costs for accountants, attorneys, and others. If Holdings decides not to complete a specific acquisition, the costs incurred up to that point for the proposed transaction likely would not be recoverable. Furthermore, if Holdings reaches an agreement relating to a specific target business, Holdings may fail to consummate the transaction for any number of reasons including those beyond its control. Any such event will result in a loss to Holdings of the related costs incurred, which could materially adversely affect subsequent attempts to locate and acquire another business.

Conflicts of Interest. GPB and members of the Investment Committee will devote such time to the Company or our Portfolio Companies as each, in its sole discretion, deems necessary. Any

Limited Partners or members of GPB, the Investment Committee, and the Special LP and their affiliates may invest in, have responsibilities for, render investment advice to, or perform other services, including investment advisory services for personal and family accounts, managed accounts for individuals or entities, including other entities that invest in companies similar to the companies in which we expect to invest. The activities of such other entities may be similar to or may differ from our activities, and neither we nor the LPs will have any rights in respect of investments for, and profits or other income earned from, such companies. As a result of the foregoing, GPB, members of the Investment Committee, the Special LP, and their affiliates may have conflicts of interest in (i) allocating their time and activity between us or such entities, as the case may be, and other entities; (ii) allocating investments among us or such entities, as the case may be, and other entities; and (iii) effecting transactions between us or such entities, as the case may be, and other entities, including ones in which such entities, their principals, and affiliate(s), may have a greater financial interest. GPB and its affiliates, and members of the Investment Committee and their affiliates, may give advice or take action with respect to such other entities that differs from advice given with respect to us or such entities. To the extent a particular investment is suitable for both us (or such entities) and other clients of such entities, their principals, and affiliates, such investments will be allocated between us (or such entities) and the other clients in a manner determined to be fair and equitable under the circumstances to all clients, including the Companies.

GPB will receive a Managerial Assistance Fee for its services to us, and the Special LP will receive a percentage of our Net Profits above the Hurdle Rate (defined below). GPB and its affiliates (including the Special LP), and members of the Investment Committee, may receive fees and compensation from Portfolio Companies for services provided by them to a Portfolio Company such as providing temporary personnel to the Portfolio Company. These relationships may from time to time create conflicts of interest between GPB, the Special LP, members of the Investment Committee, and/or their affiliates and us. Furthermore, because we will control Portfolio Companies, we may be deemed a fiduciary with respect to Portfolio Companies and their minority shareholders. In such situation, our ability to act solely in our own interest with respect to such Portfolio Companies may be limited.

Instances may arise where the interest of GPB (or its members) and/or members of the Investment Committee and the Special LP may potentially or actually conflict with our interest and the Limited Partners. For example, GPB or its affiliates may organize other vehicles to invest in companies in the same target sectors we are pursuing, and such other vehicles may co-invest with us on terms GPB determines are equitable and in each such investor's interests. Where a proposed transaction is a Related Party Transaction, GPB must obtain in advance an independent third-party evaluation of the fairness of the transaction to us. GPB will engage a firm to perform the evaluation that is nationally recognized with qualified personnel holding such accreditations (i.e., CFA, NACVA, CBA, ASA, CPA) appropriate to value a specific industry or asset.

GPB has not provided the LPs with separate counsel, accountants, or other experts in connection with the formation of Holdings or Qualified, the preparation of the Organizational Documents, or the offering of the Units. GPB does not intend to retain separate counsel or other advisers for

the LPs in the future. Certain of the attorneys and other professionals and experts who perform services for us and GPB also may perform services for GPB's affiliates.

Conflicts Associated with Holdings' Acquisitions of Equity in DJD and DJD2. As discussed above, Holdings acquired 51% of the equity of DJD and DJD2. In connection with those acquisitions, the existing members of those companies (which include Messrs. Lash, Kessler, and Gentile) received Holdings' invested capital as a return of those investors' capital, but those investors also retain 49% of the equity in those companies. While we believe that those acquisitions meet our investment criteria, our affiliates directly benefited, currently and on an ongoing basis, from our investments into those companies.

B.5. General Tax Risks

Taxation. No assurances can be given that current tax laws, rulings, and regulations will remain the same during the life of the Companies, and therefore it is possible that the tax consequences of an investment in the Companies may change during the period in which a Limited Partner owns Units. Prospective investors should consult their tax advisors for further information about the tax consequences of purchasing Units.

Deductibility of Managerial Assistance Fees. The Managerial Assistance Fees payable to GPB are intended to constitute guaranteed payments as such term is defined in Code §707(c), if the recipient is a partner. A guaranteed payment under §707(c) has to be determined without regard to income of the partnership and be for services or the use of capital. The Managerial Assistance Fees and performance allocations should satisfy these requirements based upon the IRS's interpretation of the requirements, although the ultimate determination would depend on all the facts and circumstances. Although subject to potential challenge by the IRS, a guaranteed payment ought to be treated as a deductible expense in computing adjusted gross income. Thus, such amount would not be treated as a miscellaneous itemized deduction. The IRS may contend that the management fee is a deduction under Code §212 for an individual and treated as a miscellaneous itemized deduction. Miscellaneous itemized deductions for a taxable year are only allowed to the extent that the aggregate of such deductions exceeds 2% of the taxpayer's adjusted gross income.

Taxation as a Partnership. Holdings intends to qualify as a partnership for United States federal income tax purposes, but will not seek a ruling from the Internal Revenue Service ("IRS") regarding such qualification, and there can be no assurance that Holdings will so qualify. If Holdings were to be treated as a corporation for United States federal income tax purposes, its income and gains would be subject to two levels of federal income taxation, first at the Holdings level at applicable federal corporate income tax rates, and second at the Limited Partner level, where distributions would be treated as either dividends, returns of capital, or gains from the sale or exchange of Units. Holdings will elect to be treated as a corporation for United States federal income tax purposes.

Unrelated Trade or Business Income. Holdings anticipates that it may incur income that would be treated as unrelated business taxable income under Code §512 ("UBTI"). Accordingly, prospective investors that are tax-exempt entities, including qualified retirement plans (stock, bonus, pension, or profit sharing plans described in Code §401(a)) and individual retirement

accounts ("IRAs"), are urged to consult their tax advisors concerning the federal, state, and local income and other tax consequences that may result from an investment in Holdings. An alternative to investing directly in Holdings is to invest in Qualified. Qualified will elect to be treated as a corporation, and that election should reduce or eliminate any UBTI for Qualified LPs.

Phantom Income. GPB in its sole discretion may, but is not required to, cause Holdings to make distributions during the term of the Company. Taxable income realized in any year by Holdings will be allocated, and thus taxable, to its LPs in that year regardless of whether any distributions are made to Holdings LPs. Accordingly, Holdings LPs may recognize taxable income for United States federal income tax purposes without receiving a sufficient distribution from the Company with which to pay the taxes thereon. Although GPB may consider such possible tax liability of Holdings LPs when determining whether to cause distributions to be made, no assurance is given that distributions, if made, will equal the amount of any Holdings LP's tax liability.

Tax Audits & Adjustments. An entity organized as a limited partnership may be subject to an audit by the IRS. Certain tax aspects of our operations may be challenged upon audit by the IRS. Any adjustment resulting from an audit by the IRS also could result in adjustments to the tax returns of the Limited Partners and may lead to an examination of other items unrelated to the Companies in such returns or an examination of prior tax returns of the LPs. Moreover, we could incur substantial legal and accounting costs in connection with any challenge by the IRS of the position taken by us on our tax returns regardless of the outcome of such a challenge.

Allocations. Under Code §704, a Partner's distributed share of any Holdings' items of income, gain, loss, deduction, or credit is governed by the Holdings LP Agreement unless the allocation provided by the Holdings LP Agreement does not have "substantial economic effect." The regulations adopted under the Code ("Treasury Regulations") provide certain "safe harbors" with respect to allocations that, under the Treasury Regulations, will be deemed to have substantial economic effect.

The validity of an allocation that does not satisfy any of the "safe harbors" of these Treasury Regulations is determined by taking into account all facts and circumstances relating to the economic arrangements among the Holdings LPs. While no assurance can be given, the allocations provided by the Holdings LP Agreement should have substantial economic effect and should be sustained under the facts and circumstances test. However, if it were determined by the IRS or otherwise that the allocations provided in the Holdings LP Agreement with respect to a particular item does not have substantial economic effect, each Holdings LP's distributive share of that item would be determined for tax purposes in accordance with such Holdings LP's interest in Holdings, taking into account all facts and circumstances.

Passive Income & Losses. It is likely that a Holdings LP's ownership of Units may constitute a passive activity to the extent income from such ownership relates to a trade or business, directly or indirectly, conducted by Holdings through a flow-through entity. To the extent the income is portfolio income, such partnership income will not be considered passive. Generally, the passive loss rules prevent a taxpayer who does not materially participate in a trade or business activity from using losses sustained in that trade or business activity (a "passive activity") to offset income other than that generated by other passive activities ("passive income"). If a Holdings LP's interest in Holdings constitutes a passive activity, the Holdings LP may be able to use any

net income earned by Holdings to offset losses generated by other passive activities. However, if Holdings generates passive losses, the Holdings LP may not use those losses to offset income other than that generated by other passive activities.

Alternative Minimum Tax Liability. The alternative minimum tax is payable by a Holdings LP to the extent that the Limited Partner's alternative minimum tax exceeds his regular tax. The alternative minimum tax is calculated based on the Holdings LP's alternative minimum taxable income. As a general rule, alternative minimum taxable income is equal to a taxpayer's taxable income for regular tax purposes (i) adjusted to reflect differences in the treatment of items of income and deduction for minimum tax purposes, and (ii) increased by items of tax preference. Because of the flow-through nature of an entity characterized as a partnership for federal income tax purposes, the alternative minimum tax is not imposed on Holdings as such. Instead, items of income, gain, loss, deduction, and tax preference are allocated to a Holdings LP by Holdings and will affect the calculation of the Holdings LP's alternative minimum tax liability.

State & Local Taxes. Although Holdings will generally not be subject to state income taxes, the Limited Partners are subject to any state income taxes on their respective shares of Holdings' income and gain in the states in which they reside. Additionally, depending upon the states in which Holdings conducts business, LPs may be liable for state income taxes on the income and gain derived from Holdings' activities in those states. A Limited Partner may be entitled to a deduction or a credit against taxes owed to his state of residence for income taxes the LP pays to a state other than the Limited Partner's state of residence. Because an LP may be liable for income tax in a particular state if Holdings realizes net income from its activities in that state, a Limited Partner may incur state income tax liability even though Holdings' combined activities in all states generates a net loss. Because the imposition of any particular state's income tax on a Limited Partner's share of Holdings' income depends upon the particular facts and circumstances of that LP, each respective LP should consult his own tax advisor regarding the state and local taxes that may be payable as a result of an investment in a Company.

C. Investment Committee

Holdings has formed the Investment Committee initially composed of the following five members appointed by GPB, including members of GPB's senior management as well as others: David Gentile, Arup Das, Evan Myrianthopoulos, Brian Marshall, and Ron Pollack. GPB may increase or decrease the size of the Investment Committee, change its composition, and nominate and remove Investment Committee members at its sole discretion. Each member of the Investment Committee is entitled to consider only such interests and factors as he or she desires, including his own interests, and will have no fiduciary duty or other duty or obligation to give any consideration to any interest of or factors affecting any other person. Members of the Investment Committee will serve as such under letter agreements with us, as arranged by GPB, under which they will agree to serve on the Investment Committee subject to various terms and limitations, including standard confidentiality and indemnification provisions, for compensation from GPB, for automatically renewing one-year terms but providing that either party may terminate the relationship at any time, that they will operate in good faith when exercising their judgment and making recommendations to us, and that they will regularly attend committee meetings. If GPB identifies a potential Related Party Transaction meeting our criteria, GPB will

obtain in advance an independent third-party evaluation of the fairness of the Related Party Transaction, and provide that to the Investment Committee as part of its consideration of the transaction. GPB will engage a firm to perform the evaluation that is nationally recognized with qualified personnel holding such accreditations (i.e., CFA, NACVA, CBA, ASA, CPA) appropriate to value a specific industry or asset. Acquisitions and divestitures of Portfolio Companies will require the approval of at least 75% of the members of the Investment Committee. The Investment Committee will typically meet monthly, on a predetermined schedule, or on an ad hoc basis when requested by GPB, for consultation and advice, based on Portfolio Company demands and to address key strategic and business issues that arise.

The responsibilities of the Investment Committee will include:

- Understanding our mission and organizational goals and how they underscore and support the objectives of the underlying Portfolio Companies.
- Reviewing and advising upon proposed Portfolio Company acquisitions based on the consistency, viability, and fit of those proposed Portfolio Companies with our acquisition and operational criteria.
- Voting on Portfolio Company acquisitions and divestitures, which will require the approval of at least 75% of the Investment Committee members.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

GPB has nothing to disclose for this item.

B. Administrative Enforcement Proceedings

GPB has nothing to disclose for this item.

C. Self-Regulatory Organization Enforcement Proceedings

GPB has nothing to disclose for this item.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Representative Registration

GPB is not registered as broker-dealer and does not have an application to register pending.

B. Futures or Commodity Registration

GPB is not registered as a commodity firm, futures commission merchant, commodity pool operator, or commodity trading adviser and does not have an application to register pending.

C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest

GPB's affiliates include GPB SLP, LLC; GPB Holdings, LP; GPB Holdings Qualified, LP; and CVUS Ventures, LLC. GPB, either individually or through affiliate entities, may sell or purchase assets from one affiliate Fund to another affiliate Fund, which may pose a conflict of interest. Although GPB strives to put the interests of its Fund clients first, such inter-Fund transactions could be viewed as being in the best interest of one Fund versus another Fund. Inter-Fund transactions may occur for a variety of reasons, such as lack of liquidity, the closing of a fund, tax, and related issues. GPB and its affiliates will ensure, among other things, that inter-Fund transactions are properly disclosed to the parties of the transaction.

A Fund may, from time to time, have the opportunity to retain third parties who have prior business relationships with another Fund to act as a consultant or in some other capacity. If a Fund retains any such parties, the Funds may experience a conflict between one Fund's interests and its interest in preserving any ongoing business relationship with that party. This conflict may result in a Fund paying more for these services than would otherwise be the case.

It is possible that certain of the Funds' portfolio companies may be acquired from affiliates of an investment partnership. In order to mitigate any potential conflict of interest, a Fund's general partner will negotiate and approve any such acquisition on behalf of such investment partnership procuring all appropriate third-party verifications of value.

As a result of the foregoing, the members and/or partners and principals and affiliates of the GPB affiliates may have conflicts of interest in allocating their time and activity between the Funds and other clients, in allocating investments among Funds and other clients, and in effecting transactions for the Funds and other clients, including ones in which a Fund may have a greater financial interest.

GPB may utilize the services of one or more affiliate entities in the management and operation of its real estate partnerships and limited liability companies. As a result of favorable economics, the use of such affiliate entities may be deemed by some to be in the best interest of GPB and not in the best interests of a particular partnership or Fund.

D. Recommendation or Selection of Other Investment Advisers and Conflicts of Interest

IMS Investments, GPB's third-party marketer, its registered representatives, and their affiliates may from time to time provide agency, investment banking, financial, and other services to the Partnerships, the General Partner, and their respective affiliates, for which services customary fees will be paid.

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

A. Code of Ethics

GPB has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of the firm's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the Chief Compliance Officer of the firm. GPB will send clients a copy of its Code of Ethics upon written request.

GPB has policies and procedures in place to ensure that the interests of its clients are given preference over those of the firm, its affiliates, and its employees. For example, there are policies in place to prevent the misappropriation of material nonpublic information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

B. Investment Recommendations Involving a Material Financial Interest

GPB, either individually or through affiliate entities, may sell or purchase assets from one affiliate Fund to another affiliate Fund which may pose a conflict of interest. Although GPB strives to put the interests of its Fund clients first, such inter-Fund transactions could be viewed as being in the best interest of one Fund versus another Fund. Inter-Fund transactions may occur for a variety of reasons, such as lack of liquidity, the closing of a Fund, tax, and related issues. GPB and its affiliates will ensure, among other things, that inter-Fund transactions are properly disclosed to the parties of the transaction.

A Fund may, from time to time, have the opportunity to retain third parties who have prior business relationships with another Fund to act as a consultant or in some other capacity. If a Fund retains any such parties, the Funds may experience a conflict between one Fund's interests and its interest in preserving any ongoing business relationship with that party. This conflict may result in a Fund paying more for these services than would otherwise be the case.

It is possible that certain of the Funds' properties may be acquired from affiliates of an Investment Partnership. In order to mitigate any potential conflict of interest, a Fund's general partner will negotiate and approve any such acquisition on behalf of such Investment Partnership procuring all appropriate third-party verifications of value.

As a result of the foregoing, the members and/or partners and principals and affiliates of the GPB affiliates may have conflicts of interest in allocating their time and activity between the Funds and other clients, in allocating investments among Funds and other clients, and in effecting transactions for the Funds and other clients, including ones in which a Fund may have a greater financial interest.

C. Purchase of Same Securities Recommended to Clients

GPB, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it are not prohibited from purchasing or having any direct or indirect interest in the same assets as are purchased for funds provided such purchase or interest is in accordance with the GPB's Code of Ethics policies and procedures. The personal asset or securities transactions by advisory representatives and employees may raise potential conflicts of interest when they acquire an interest in a property that is:

- owned by the fund, or
- considered for purchase or sale for the fund.

GPB has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest,
- Require our advisory representatives to disclose any direct or indirect interest in a property considered for purchase in one or more affiliate funds.
- Require our advisory representatives and employees to follow GPB's procedures.

D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

GPB, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other of the firm's clients. GPB will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee, or employee-related accounts. It is the policy of GPB to place the clients' interests above those of the firm and its employees.

The General Partner, GPB, the Partnerships, operators, and their principals and affiliates (collectively, the "Related Parties") may serve as advisors or managers to other accounts and conduct investment activities for their own accounts. Such other entities, clients, or accounts may have investment objectives or may implement investment strategies similar to those of the Partnerships. The Related Parties may also have investments in certain of the entities managed by any of the Related Parties. In addition, certain of the Related Parties receive certain fees described herein regardless of the success of the Partnerships and their investments.

As a result of the foregoing, the members and/or partners and principals and affiliates of the Related Parties may have conflicts of interest in allocating their time and activity between the Partnerships and other clients, in allocating investments among Partnerships and other clients, and in effecting transactions for Partnerships and other clients, including ones in which the Related Party may have a greater financial interest. In addition, there is no assurance that the General Partner will devote adequate time to the Partnerships' operations or that any Related Party will devote adequate time to the Related Party with respect to which it performs services or management. If a Related Party suffers or is distracted by adverse financial or operational developments in connection with its operations unrelated to the Related Party to which it is

performing management or other services, it may allocate less time and/or resources to such Related Party's operations. If any of these things occur, the value of your investment may suffer.

The Partnerships or a Related Party may, from time to time, have the opportunity to retain third parties who have prior business relationships with a Related Party to act for the Partnerships or Related Party as consultants or in some other capacity. If the Partnerships or Related Party retains any such parties, the Related Parties may experience a conflict between the Related Party's interests and its interest in preserving any ongoing business relationship with that party. This conflict may result in our paying more for these services than would otherwise be the case.

It is possible that certain of the Underlying Companies may be acquired from affiliates of a Partnership. In order to mitigate any potential conflict of interest, the General Partner will negotiate and approve any such acquisition on behalf of such Partnership (and any corresponding SPE) procuring all appropriate third-party verifications of value.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians for Fund Transactions

A.1. Custodian Recommendations

GPB invests in operating companies and therefore does not use a custodian in the customary sense. It does have banking relationships where monies are deposited by clients in escrow accounts to facilitate investment in various GPB private Funds and maintain capital accounts of investors, and operating accounts for the applicable Funds to pay Fund operating expenses.

A.2. Soft Dollar Arrangements

GPB does not utilize soft dollar arrangements.

A.3. Brokerage for Client Referrals

GPB does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

B. Aggregating Securities Transactions for Client Accounts

B.1. Security Allocation

Since GPB may be managing Funds with similar investment objectives, the firm may aggregate transactions for assets for such Funds. In such event, allocation of the assets so purchased or sold, as well as expenses incurred in the transaction, is made by GPB in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such Funds.

GPB's allocation procedures seek to allocate investment opportunities among Funds in the fairest possible way, taking into account the Funds' best interests, available cash, conditions, and other operating criteria as disclosed in the applicable Fund offering documents and Partnership Agreement. GPB will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any Fund or group of Funds. Fund performance is never a factor in trade allocations.

GPB's advice to certain Funds and entities and the action of GPB for those and other Funds are frequently premised not only on the merits of a particular investment but also on the applicable investment objective, guidelines, and conditions of the applicable Fund. Thus, any action of GPB with respect to a particular investment may, for a particular Fund, differ or be opposed to the recommendation, advice, or actions of GPB to or on behalf of other Funds.

B.2. Order Aggregation

Transactions for the same asset effected on behalf of more than one Fund will not be aggregated.

Item 13: Review of Accounts

A. Fund Reviews

The management and monitoring of the Funds is done by the firm's investment committee and GPB's staff. Please refer to Item 8 of this Brochure for more information on key GPB professionals. Mr. Gentile and his fellow investment committee members are also responsible for ensuring that any significant change in a Fund's investment strategy or in the concentration of a Fund's assets is appropriate for the respective client.

B. Review of Client Accounts on Non-Periodic Basis

GPB may perform ad hoc reviews on an as-needed basis if there have been material changes in the Fund's investment objectives or a material change in how GPB formulates investment advice.

C. Content of Client-Provided Reports and Frequency

GPB provides annual reports of the Funds to their respective investors.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

In addition to benefits described in Items 10 and 12 of this Brochure, GPB or its affiliates may receive direct or indirect benefits for referring certain of its Funds to either affiliated or unaffiliated third parties for various services, which may include referrals for valuation, legal, and accounting services in which all or a portion of the services may be provided by an affiliate entity.

The General Partner or an affiliate may receive additional fees in the normal course of business of the Investment Partnership for additional services rendered.

B. Advisory Firm Payments for Client Referrals

GPB may enter into agreements with solicitors who will refer prospective advisory clients to GPB in return for a fee. Such arrangements will comply with the cash solicitation requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940. Generally, these requirements require the solicitor to have a written agreement with GPB. The solicitor must provide the client with a disclosure document describing the fees it receives from GPB, whether those fees represent an increase in fees that GPB would otherwise charge the client, and whether an affiliation exists between GPB and the solicitor.

Item 15: Custody

As the general partner or controller of the Funds, GPB may be deemed to have custody of their assets. However, all Fund assets are custodied by qualified custodians. Fund investors do not receive any statements from these custodians.

Item 16: Investment Discretion

GPB, either individually or through its affiliates, acts as a General Partner for various private Funds. As such, it has full discretionary authority to act on behalf of the Funds in all aspects. Such activity includes, but is not limited to, acquisition and disposition of Funds' assets, control of Funds' bank accounts, the selection of third-party vendors (some of whom may be affiliates and receive compensation from the applicable Fund), selection of advisers, authorizing terms of contractual agreements, and any and all matters related to the operation, financing, and management of the Funds.

Item 17: Voting Client Securities

GPB and/or its affiliates will control all major decisions concerning the Companies and will be responsible for reporting and monitoring distributions to the holders of the Units.

When we add a company to our portfolio, we will expect to obtain substantial management rights, including one or more of the following rights:

- Control the board of directors
- Consult on or approve of operating budgets or capital budgets
- Consult on or approve of the purchase or sale of major corporate assets
- Veto major decisions that affect capital
- Appoint our personnel to serve as executive officers
- Direct the management of the Portfolio Company
- Examine the Portfolio Company's books and records

Item 18: Financial Information

A. Balance Sheet

GPB does not require the prepayment of fees of \$1,200 or more, six months or more in advance, and as such is not required to file a balance sheet.

B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

GPB does not have any financial issues that would impair its ability to provide services to clients.

C. Bankruptcy Petitions During the Past Ten Years

There are no bankruptcy petitions to report.