

Form ADV Part 2A: Firm Brochure

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This Brochure provides information about the qualifications and business practices of Atlas Merchant Capital LLC (“Atlas” or the “Firm”). If you have any questions about the contents of this Brochure, please contact Harold Neu, Atlas’s Chief Compliance Officer (the “CCO”) at 212-883-4330 or hneu@atlasmerchantcapital.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. References to Atlas as a “registered investment adviser” do not imply a certain level of skill or training.

Additional information about the Firm is also available on the SEC’s web site at www.adviserinfo.sec.gov.

Material Changes

This Brochure is part of the Firm's initial filing with the U.S. Securities and Exchange Commission in order to be registered as an investment adviser. In the future, this section will discuss material changes made to the Brochure and provide investors with a summary of such changes.

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Advisory Business

Atlas Merchant Capital LLC (“Atlas” or the “Firm”), a Delaware limited liability company formed in July 2013, is an investment adviser with its principal office located in New York, NY. Atlas Merchant Capital Holdings, Ltd. is the 99% Managing Member of Atlas. Atlas Merchant Capital LP holds 100% of the outstanding voting shares of Atlas Merchant Capital Holdings, Ltd., and together Robert E. Diamond Jr. and David I. Schamis (the “Principals”) own 100% of Atlas Merchant Capital LP. A class of non-voting shares of Atlas Merchant Capital Holdings, Ltd. is held by third-party investors.

Atlas intends to serve as an investment adviser to pooled investment vehicles and managed accounts (each a “Fund” or “Client”). The Funds are expected to be exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”), pursuant to Section 3(c)(7) of the Investment Company Act. Interests in the Funds are privately offered to qualified investors.

Atlas will provide discretionary investment management services to the Funds pursuant to separate investment advisory agreements and will manage the assets of the Funds in accordance with the applicable limited partnership agreements, private placement memoranda, and other governing documents applicable to the Funds (the “Governing Fund Documents”). Atlas’s investment objective is to generate long-term capital appreciation and is further described in the Governing Fund Documents.

As of the date of this Brochure, Atlas has no assets under management. The Firm expects to be eligible for SEC registration within 120 days.

Fees and Compensation

The Governing Fund Documents for a Fund set forth in detail the fee structure relevant to such Fund. As compensation for its services, Atlas expects to generally charge an annual management fee, payable quarterly (the “Management Fee”), as set forth in the Governing Fund Documents for each Fund. The Management Fee is generally based on a percentage of a Fund’s capital commitments during the investment period, and thereafter based on a percentage of capital invested and is typically billed quarterly in advance.

The Management Fee payable by a Fund may be paid out of current income and disposition proceeds of the Fund and, to the extent necessary, from drawdowns which will reduce unfunded capital commitments. Atlas may elect to waive all or any portion of any future Management Fees. In the unlikely event Atlas does not provide services for the full period, the Management Fee is typically required to be returned to investors. In general, the amount of fees returned is calculated based on the number of days remaining in the applicable period.

The Management Fee will be reduced (but not below zero) by an amount equal to 100% of the investor limited partners’ proportionate share of any other fees including but not limited to, transaction fees, break-up fees, director fees, monitoring fees, advisory fees, consulting fees and similar fees or compensation (net of related expenses) (“Transaction Fees”) paid to Atlas related to a Fund investment or potential Fund investment in a portfolio company (to the extent allocated

to the Fund's investment or potential investment in such portfolio company). Transaction Fees do not include: any management, advisory or other fees received by a General Partner (as defined below), Atlas, the Principals or any of their respective affiliates for investments that are not related to portfolio investments of a Fund; and any fees received by a General Partner, Atlas, the Principals or any of their respective affiliates in connection with services, activities or lines of business (such as corporate advisory services) unrelated to the Funds.

The general partners of the Funds, which are affiliates of Atlas (the "General Partners"), are generally eligible to receive a performance-based profit allocation, or carried interest, with respect to realized investments, which is determined as a percentage of profits derived from the disposition of investments (after taking into account expenses of the Fund, including Management Fees, and following a preferred return to the Fund's investors). If the performance-based carried interest results in an over-distribution of the agreed upon amount of carried interest to the General Partner, the General Partner is subject to an after-tax "claw back" arrangement. As of the date of this brochure, the maximum carried interest allocable to a General Partner is 20% of the profits derived from the disposition of investments (after taking into account expenses of the Fund, including Management Fees, and following a preferred return to Fund investors of up to 8% per annum).

In addition to the Management Fees and carried interest distributions described above, each Fund will be responsible for its own start-up costs, as set forth in the Governing Fund Documents, including but not limited to, legal, accounting, filing and other out-of-pocket expenses of organizing and raising capital ("Organizational Expenses") and all placement fees. Pursuant to the Governing Fund Documents, excess Organizational Expenses over a threshold amount may reduce the Management Fees otherwise payable by a Fund by an identical amount. All placement fees will reduce the Management Fees otherwise payable by a Fund by an identical amount.

The Firm has certain investors that are entitled, in the aggregate, to approximately 10% of the carried interest distributions received by the General Partners from the Funds and approximately 10% of the revenue, including Management Fees, of the Firm. In addition, the Management Company has entered into a consulting services agreement with a third party to provide certain ongoing services to the Firm related to certain of the Funds' investments on an as-needed basis in consideration for which such third party will receive a fee payable by the Firm representing an amount equal to a portion of the carried interest distributions and Management Fees with respect to one or more of the Funds.

Each General Partner and Atlas will pay all of their respective ordinary administrative and overhead expenses in managing Fund investments, including salaries, benefits and rent.

Each Fund also bears its own ongoing expenses ("Operating Expenses") including, without limitation: expenses incurred in connection with the discovery, evaluation, acquisition, holding, monitoring or disposition of investments; including private placement fees, sales commissions, appraisal fees, taxes, brokerage fees, underwriting commissions and discounts, and legal, accounting, investment banking, advisory, consulting, information services and professional fees and expenses; travel-related expenses (including transportation, meal, entertainment and lodging expenses) related to or arising from the discovery, evaluation, acquisition, holding, monitoring or disposition of investments, including potential investments (which may include travel by way of

non-commercial planes at rates not in excess of customary charter rates, where the General Partner determines such travel is necessary due to business exigencies); expenses incurred in connection with the carrying or management of investments, including custodial, trustee, accounting, recordkeeping and other administration fees (including the fees and expenses of any third-party administrator), as well as portfolio accounting system licenses and fees; expenses incurred in connection with the preparation and distribution of the Fund's financial statements, tax returns, K-1s and other communications with partners and the limited partner advisory committee of the Fund, if applicable, including expenses incurred in connection with purchasing, licensing or leasing computer software and hardware for such uses and expenses incurred in connection with providing the Fund's investors on-line or electronic access to information and reporting relating to the Fund; attorneys' and accountants' fees and disbursements; taxes and other governmental charges levied against, or otherwise incurred or payable by, the Fund; insurance premiums or expenses (including directors' and officers' insurance and errors and omissions insurance and related brokers' fees and commissions); any and all expenses to comply with laws and regulations related to the activities of the Fund (including regulatory and compliance-related expenses of the General Partner and Atlas incurred in connection with the operation of the Fund (including, without limitation, expenses related to the preparation and filing of Form PF with the SEC and complying with the Foreign Accounting Tax Compliance Act and the Alternative Investment Fund Managers Directive); any and all expenses incurred in connection with any litigation or government inquiry, investigation or proceeding involving the Fund or any of its investors, including the amount of any judgment, settlements or fines; fees, costs and expenses associated with maintaining the Fund and any of its subsidiary entities, including fees, costs and expenses incurred in the organization, operation and restructuring of such subsidiary entities; interest on, and fees, costs and expenses arising out of the Fund's borrowings and indebtedness (including the fees, costs and expenses incurred in obtaining lines of credit, loan commitments and letters of credit for the account of the Fund); expenses incurred in connection with the winding up and dissolution of the Fund or liquidation of the Fund's assets; expenses relating to defaults by the Fund's investors in the payment of any capital contributions; out-of-pocket expenses for transactions that are not consummated; expenses incurred in connection with any restructuring or amendments to the constituent documents of the Fund and related entities, including the General Partner and Atlas; any and all expenses incurred in connection with distributions to the Fund's investors; any and all expenses in connection with any meetings with Fund's investors or any limited partner advisory committee of the Fund; expenses related to the Fund's indemnification obligations; expenses incurred in connection with the formation of alternative investment vehicles and any intermediate, blocker and other special purpose vehicles formed to facilitate the investment by certain limited partners in a portfolio company, to the extent permitted under the Governing Fund Documents (to be borne solely by investors therein or for whose benefit such vehicle has been established); reasonable out-of-pocket expenses incurred by the members of any limited partner advisory committee of the Fund in connection with the fulfillment of their duties pursuant to the Governing Fund Documents (including meals, entertainment, lodging and other similar expenses and which may include reasonable travel expenses incurred by a committee member travelling to and from such meetings; expenses relating to the offer and sale of interests in the Funds; expenses related to the maintenance of the Fund's registered office, if applicable; brokerage costs, if applicable; extraordinary expenses; compensation and other similar expenses of consultants (including industry executives, advisors, consultants, operating executives, subject matter experts or other persons acting in a similar capacity) who provide services to the Fund or its portfolio companies

(including with respect to potential portfolio investments); expenses incurred in connection with the valuation of assets of the Fund; and the Management Fees relating to the Funds. Prospective investors in the Funds are advised to review the applicable Governing Fund Documents for a more detailed description of the fees and expenses associated with an investment in the Funds.

Investment vehicles owned by Atlas's investment professionals, employees and related persons may invest in certain Funds. Such persons, as well as certain co-investors and unrelated persons, may not pay Management Fees and/or be subject to performance-based carried interest in connection with their investment in the Funds.

To the extent practicable, any third-party expenses relating to consummated investments will be charged to the portfolio company. If such expenses are not charged to the relevant portfolio company, then they will be paid by the Fund to which they relate and included in the cost of the investment. Any break-up fees and third-party expenses relating to unconsummated investments will be borne by the Fund to which they relate.

In addition to the full-time investment professionals of the Firm, the Funds and their portfolio companies may engage the services of certain advisors to work actively with Atlas on sourcing and evaluating new transactions, as well as providing strategic advice related to portfolio company matters. These advisors are not partners or employees of Atlas or any of its affiliates, but rather consultants engaged by certain Funds. The compensation of such individuals is generally treated as an expense of the relevant Fund(s) or the relevant portfolio company.

Atlas has engaged an advisory board composed of a distinguished group of Senior Advisors (the "Senior Advisors"). The Senior Advisors will serve as part-time consultants to Atlas to contribute their industry insight and experience to the Firm. In the event a Senior Advisor is engaged, retained or hired by a portfolio company directly, he or she may be paid a separate fee or salary by such portfolio company. Any such fees or income will not reduce the Management Fee.

In addition, Atlas works with Operating Partners who serve as part-time consultants to Atlas on certain operational matters related to the Funds' portfolio companies (the "Operating Partners"). In the event an Operating Partner is engaged by a portfolio company directly, such Operating Partner may be paid a consultant fee by such portfolio company for his or her services, which fee will not reduce the Management Fee.

Performance-Based Fees

As described in the "Fees and Compensation" section above, the General Partners may be entitled to receive a performance-based carried interest distribution, which is based on realized gains from investments above a performance threshold, as specified in each Fund's Governing Fund Documents. Carried interest is calculated based on a percentage of profits generated from the Fund and is subject to the satisfaction of a preferred rate of return of up to 8%, the return of capital (up to 100%), recoupment of losses, fees, expenses and other criteria set forth in the Governing Fund Documents.

Carried interest distributions may create an incentive for Atlas to cause the Funds to make investments that may be riskier or more speculative than those which would be made under a different fee arrangement.

However, this incentive is mitigated in part by the financial commitment Atlas's personnel will make to the Funds. Atlas also seeks to address these conflicts through careful vetting of investment opportunities by its investment professionals and disclosure of investments to limited partners by way of capital calls distributed to the limited partners in advance of each investment and quarterly reports to the limited partners. Additionally, Atlas has implemented internal controls to address the potential conflicts associated with performance based fees, as more fully described in each Fund's Governing Fund Documents.

Types of Clients

Atlas will provide investment advice to the Funds, which are private investment vehicles that are exempt from registration under the Investment Company Act. Interests in these Funds are typically offered only to "qualified purchasers" as defined in Section 2(a)(51) of the Investment Company Act, "accredited investors" as defined in Rule 501 of Regulation D of the Securities Act of 1933, as amended, (the "Securities Act") and "qualified clients" as defined in Rule 205-3 of the Investment Advisers Act of 1940, as amended (the "Advisers Act"). The Funds are marketed exclusively to institutional investors (e.g., trusts, employee benefits plans, endowments, foundations, corporations, and other types of entities, including private funds of funds) and high net worth individuals. Investment advice is provided directly to the Funds and not individually to the limited partners of a Fund.

Prospective investors should refer to the Governing Fund Documents of each respective Fund for information on minimum investment requirements. Typically, Atlas will require a minimum investment of \$10,000,000, although each General Partner, in its sole discretion, may accept lesser amounts.

Atlas and its affiliates may enter into separate agreements, commonly referred to as "side letters", with certain investors with respect to the Funds which have the effect of establishing rights under, modifying or waiving the terms of the Governing Fund Documents of the applicable Fund with respect to such investor, in a manner more favorable to such investor than those applicable to other investors in such Fund, and without entitling any other investor of such Fund to such waiver, modification or new rights. Such rights or terms pursuant to such agreements may include, without limitation, fee arrangements with respect to an investor, reporting obligations of the Fund, waiver of certain confidentiality obligations, consent of Atlas to certain transfers by an investor, or rights or terms necessary in light of particular legal, regulatory or tax characteristics of an investor. Similarly, strategic investors of Atlas, may receive certain preferential information and rights not available to other investors in the Funds.

Methods of Analysis, Investment Strategies and Risk of Loss

Atlas's investment objective is to generate long-term capital appreciation. Atlas will pursue a flexible investment strategy and an opportunistic and thematic approach to invest within the broad and diverse financial services industry. The Firm will target acquisitions of financial services

businesses across a range of sectors, but will focus on capital intensive businesses in developed markets, specifically the United States, Canada, Western Europe and Japan.

These sectors include, but are not limited to: banks; life insurance; property and casualty insurance and reinsurance; broker-dealers; consumer finance; housing and mortgage finance; and other financial services ancillary businesses.

This flexible investment approach provides Atlas with the ability to adapt with the evolving financial services industry and to capitalize on the most attractive investment opportunities. The development of themes is driven by three core factors: the investment professionals have a deep understanding of the businesses; valuations in the industry are attractive; and Atlas has the relevant expertise to add value and materially improve operations.

Atlas will focus on acquiring businesses that are: capitalizing on growth opportunities resulting from evolving market dynamics; undervalued due to a number of factors, including regulatory or market factors, undermanagement, and operational distress; and/or familiar to the Principals and Atlas's experienced group of senior professionals (collectively, the "Senior Team Members") due to their deep networks in the global financial services industry.

The Senior Team Members' active and substantial participation in the financial services industry is expected to provide Atlas with advantaged deal flow. Given the complexities of the industry, Atlas believes that successful investing requires not only specialized knowledge, but also a deep and extensive relationship network, which the Firm believes to be one of its key competitive advantages. The Senior Team Members bring significant operating and investing expertise across the global financial services industry to the Fund.

Atlas will employ a team-based approach to investing, implementing a collaborative process through the onset of due diligence, investment decision making and disposition. Prior to commencing the due diligence process, Atlas will assemble the transaction team based on the relevant expertise of each investment professional and the particular circumstances of each investment opportunity. Every transaction will be overseen by one of the Principals. While all investment professionals are expected to contribute to investment discussions, final investment decisions will be made by the Investment Committee, which is comprised of the Principals, Managing Directors, General Counsel and CFO (the "Investment Committee").

An investment in a Fund will involve significant risk and potential conflicts of interest. There can be no assurance that a Fund's investment objectives will be achieved, and actual investment results may vary substantially from the investment objective. Investors should be prepared to bear these risks.

The descriptions contained below are a brief overview of different risks related to Atlas's investment strategy; however, it is not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in connection with the management and operations of the Funds. Investors should carefully consider all risk factors set forth in a Fund's Governing Fund Documents. Each prospective investor should carefully review the applicable Governing Fund Documents before deciding to make an investment in a Fund. Each prospective

investor should consult with his or her own counsel and advisors as to all legal, tax, financial and related matters concerning an investment in the Funds.

Lack of Operating History: The Firm is a newly organized entity and has not made any investments. Although the principals have prior experience relating to the acquisition and financing of public and private companies and in investments similar to those to be made by the Funds, the Funds have no operating history and no basis upon which an evaluation of their prospects can be made.

Unspecified Investments: The Funds may begin investing after the initial closing, and an investor acquiring interests must rely upon the ability of the General Partners and Atlas to identify, structure, and implement investments consistent with the Funds' investment objectives and policies. The Funds, however, may be unable to find a sufficient number of attractive opportunities to meet their investment objectives. The success of the Funds will depend on the ability of the General Partners and Atlas to identify suitable investments, to negotiate and arrange the closing of appropriate transactions and to arrange the timely disposition of such investments. Furthermore, the Funds may not be able to invest a significant portion of their capital commitments during their respective investment periods.

U.S. Dollar Denomination of Interests: Interests in the Funds will be denominated in U.S. dollars. Investors that will subscribe for interests in any country in which U.S. dollars are not the local currency should note that changes in the value of exchange between U.S. dollars and such currency may have an adverse effect on the value, price or income of the investment to such investor. There may be foreign exchange regulations applicable to investments in foreign currencies in certain jurisdictions.

General Nature of the Funds' Investments: A substantial portion of the Funds' investments will be in equity or equity-related investments that by their nature involve business, financial, market and legal risks. While such investments will offer the opportunity for significant capital gains, they will also involve a high degree of risk that may result in substantial losses. There can be no assurance that the Funds will correctly evaluate the nature and magnitude of the various factors that could affect the value of such investments. Prices of the investments may be volatile and a variety of other factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Funds' activities. As a result, the Funds' performance over a particular period may not necessarily be indicative of the results that may be expected in future periods.

Although the Funds will intend to make primarily control-oriented investments, the Funds may make minority equity investments in companies where it may have limited influence. Such a company may have economic or business interests or goals that are inconsistent with those of the Funds, and the Funds may not be in a position to limit or otherwise protect the value of its investment in the company. The Funds' control over the investment policies of these companies may also be limited.

The Funds may co-invest in a company with financial, strategic or other third-party investors. Such investments will involve additional risks not present in investments where a third party is not

involved, including the possibility that the co-investor may have interests or objectives that are inconsistent with those of the Funds or may be in a position to take (or block) action in a manner contrary to the Funds' investment objectives. In addition, the Funds may, in certain circumstances, be liable for actions of their third-party co-ventures or partners.

The Funds' investments may involve the incorporation of new companies (albeit with large balance sheets). Significant risks are associated with the incorporations of such companies which may require substantial additional capital to support expansion or to achieve or maintain a competitive position. Such companies may face intense competition, including competition from companies with greater financial resources, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

The Funds' investments may involve investments in public companies (including strategic public investments) or taking private portfolio companies public. Investments in public companies may subject the Funds to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Funds to dispose of such securities at certain times (including due to the possession by the Funds of material non-public information), increased likelihood of shareholder litigation against such companies' board members, which may include the Principals, regulatory action by the SEC and increased costs associated with each of the aforementioned risks. The Funds' investments may involve turnaround or underperforming companies or companies identified by Atlas as being in need of additional capital. The financial condition of such companies may be weak or their balance sheets highly leveraged and any investment in them may involve a high degree of risk.

The Funds plan to invest in companies that operate in regulated business lines. Examples include, without limitation, financial services and insurance. The operations of such companies will be subject to compliance with applicable regulations, and such companies may be subject to increased regulations resulting from both new requirements and re-regulation of previously de-regulated markets. Prices may be artificially controlled, and regulatory burdens may increase costs of operations. New or increased regulations could adversely affect the performance of the companies in which the Funds invest.

Although it will not be the primary purpose of the Funds to make investments in real estate assets or businesses, they may do so from time to time. Such investments, if any, are expected primarily to involve operating businesses with real estate components, including significant investments in real estate assets as a result of the restructuring of operating businesses and the restructuring or formation of real estate investment trusts. Real estate investments by their nature involve certain risks, including without limitation risks normally associated with general or local market conditions, environmental risks, risks relating to the high illiquidity of real estate investments, intense competition for purchasers and tenants and risks related to the cyclical nature of the real estate market.

Financial Services Risk Factors: The Fund expects to invest primarily in the equity and debt of financial services companies. Financial services companies have asset and liability structures that

are essentially monetary in nature and are directly affected by many factors, including domestic and international economic and political conditions, broad trends in business and finance, legislation and regulation affecting the national and international business and financial communities, monetary and fiscal policies, interest rates, inflation, currency values, market conditions, the availability and cost of short- or long-term funding and capital, the credit capacity or perceived creditworthiness of customers and counterparties, and the level and volatility of trading markets.

The profitability of the financial services industry may be adversely affected by a worsening of general economic conditions in domestic and international markets and by monetary, fiscal or other policies that are adopted by various governmental authorities and international bodies. Monetary policies have had, and will continue to have, significant effects on the operations and results of financial services companies. There can be no assurance that a particular financial services company will not experience a material adverse effect on its net interest income in a changing interest rate environment. Factors such as the liquidity of the global financial markets, the level and volatility of prices of financial instruments, investor sentiment, and the availability and cost of credit may significantly affect the activity levels of customers with respect to size, number and timing of transactions. A change in all or any of these factors could lead to a decline in the volume of transactions that financial services companies execute for their customers and thus lead to a decline in revenues from fees, commissions and spreads. The financial services industry is extremely competitive, and it is expected that competitive conditions in the industry will continue to intensify. Merger activity in the financial services industry has resulted in, and may continue to result in, larger institutions with greater financial and other resources that are capable of offering a wider array of financial products and services. The financial services industry has become considerably more concentrated as numerous financial institutions have been acquired by or merged into other institutions. Technological advances and the growth of e-commerce have made it possible for non-financial institutions to offer products and services that have been traditionally offered by financial services institutions. It is expected that cross-industry competition will continue to intensify. The financial services industry is highly dependent on communications and information systems and is exposed to many types of operational risk, including the risk of fraud by employees or other parties, record keeping error, errors resulting from faulty computer or telecommunication systems, computer failures, computer hacking, data breaches and damage to computer and telecommunication systems caused by internal or external events.

Financial services companies operate in a highly regulated environment and are subject to extensive legal and regulatory restrictions and limitations and to supervision, examination and enforcement by regulatory authorities. Failure to comply with any of these laws, rules or regulations, some of which are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties, fines, suspension or expulsion, and termination of deposit insurance, which may have material adverse effects. In order to comply with banking laws, rules and regulations, the Fund may be required to invest in a manner that may not be as advantageous as the manner of making investments that are not subject to such laws, rules and regulations.

Additionally, banks and bank holding companies are subject to various legal and regulatory limitations under federal and state law on the extent to which they can pay dividends or make redemptions, depending on their financial condition. If such limitations applied to any portfolio companies of a Fund, such Fund's return on investment could be adversely affected.

If a Fund becomes a bank holding company, such Fund and any entities, including the Fund's limited partners, deemed to control the Fund may be subject to regulation under the Bank Holding Company Act of 1956 and other Federal and state banking laws.

Reliance on Portfolio Company Management: The day-to-day operations of a portfolio company will be the responsibility of such company's management team. Although Atlas will be responsible for monitoring the performance of portfolio companies and generally seeks to invest in companies operated by capable management and to assist existing management where possible, there can be no assurance that an existing management team, or any successor, even with the assistance of Atlas, will be able to successfully operate a portfolio company in accordance with Atlas's strategy for such company.

Investments Outside the United States, Canada, Western Europe and Japan: Although the Funds intend to invest primarily in companies headquartered in the United States, Canada, Western Europe and Japan, the Funds may from time to time invest in securities of companies headquartered elsewhere. Investing outside the United States, Canada, Western Europe and Japan may involve greater risks than investing in the United States. In particular, the value of the Funds' investments in foreign securities may be significantly affected by changes in currency exchange rates, which may be volatile. Although the General Partners may attempt to hedge against foreign currency exchange rate risks by utilizing spot and forward foreign exchange contracts, foreign currency options or other instruments, there can be no assurance that the General Partners will be able to do so successfully or cost-effectively and the General Partners may decide not to hedge against such risks or to do so only incompletely.

Additional risks may include: (i) risks of economic dislocations in the host country; (ii) less publicly available information; (iii) less well developed regulatory institutions; and (iv) greater difficulty of enforcing legal rights in a foreign jurisdiction. Moreover, companies outside the United States, Canada, Western Europe and Japan may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to companies in the United States, Canada, Western Europe and Japan.

Additionally, in some countries outside the United States, Canada, Western Europe and Japan, there is the possibility of expropriation of value, including through confiscatory taxation, limitations on the repatriation or sale of securities, property or other assets of the Funds, political or social instability or diplomatic developments, each of which could have an adverse effect on the Funds' investments in such foreign countries. While the General Partners will take these factors into consideration in making investment decisions for the Funds, no assurance can be given that the General Partners will be able to evaluate these risks accurately.

Difficulty of Locating Suitable Investments; Highly Competitive Market for Investment Opportunities: There can be no assurance that there will be a sufficient number of suitable

investment opportunities to enable the Funds to invest all of their capital commitments in opportunities that satisfy the Funds' investment objectives, or that such investment opportunities will lead to completed investments by the Funds. The process of identifying attractive investment opportunities is difficult and involves a high degree of uncertainty. The Funds will compete for investment opportunities with many other investors, some of which will have greater resources than the Funds. Furthermore, the availability of investment opportunities generally will be subject to market conditions as well as, in some cases, the prevailing regulatory or political climate.

In addition, it is possible that competition for appropriate investment opportunities may increase, thus reducing the number of opportunities available to the Funds and adversely affecting the terms upon which investments can be made.

Follow-On Investments: The Funds may be called upon to provide follow-on funding for their portfolio companies or have the opportunity to increase their investments in some portfolio companies. There can be no assurance that the Funds will wish to make such follow-on investments or that the Funds will have sufficient funds to do so. Any decision not to make follow-on investments or the inability to make them may have a substantial negative impact on a portfolio company in need of such an investment or may diminish the Funds' ability to influence the portfolio company's future development.

An investment in a Fund will require a long-term commitment with no certainty of return. It is unlikely there will be near-term cash flow available to the investors. Many of the Funds' investments will be highly illiquid and there can be no assurance that the Funds will be able to realize such investments at attractive prices or otherwise be able to effect a successful realization or exit strategy. Consequently, dispositions of such investments may require a lengthy time period or may result in distributions in kind to the investors. Additionally, the Funds may acquire securities that cannot be sold except pursuant to a registration statement filed under the Securities Act, or in accordance with Rule 144 promulgated under the Securities Act. There can be no assurance that private purchasers can be found for the Funds' investments.

Disciplinary Information

There have been no legal or disciplinary events involving either Atlas or any of its management persons that are material to Atlas's advisory business or the integrity of Atlas's management.

Other Financial Industry Activities and Affiliations

Atlas organizes and sponsors the Funds, which are pooled investment vehicles managed by Atlas and controlled by the affiliated General Partners. Atlas or the General Partners will be responsible for all decisions regarding portfolio transactions of the Funds and have full discretion over the management of the Funds' investment activities. While the General Partners are not separately registered as investment advisers with the SEC, all of their investment advisory activities are subject to the Investment Advisers Act, and the rules thereunder. In addition, employees and persons acting on behalf of the General Partners are subject to the supervision and control of Atlas. Thus, the General Partners, all of their employees and the persons acting on their behalf would be "persons associated with" the registered investment adviser so that the SEC could enforce the requirements of the Advisers Act on the General Partners.

The Principals and Atlas employees may serve as directors and officers of, and provide advice to, publicly traded companies and private companies. Investors should be aware that receipt of material non-public information by such persons regarding these companies could preclude Atlas from effecting transactions in the securities of such companies. Compensation for directorships with portfolio companies of the Funds are Transaction Fees, as discussed under “Fees and Compensation” above.

Certain of the related persons of Atlas may have personal investments in companies. The Funds will generally not be prohibited from acquiring or otherwise engaging in transactions with companies in which affiliates of Atlas have a pre-existing financial interest. It is also possible that Atlas may occasionally utilize the services of entities that have, directly or indirectly, or whose affiliates have, investments in the Funds. Such services will only be used on an arm’s length basis and when they are in the best interest of the Funds. To the extent that conflicts arise, they will be resolved pursuant to Atlas’s policies and procedures and the Governing Fund Documents.

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

Atlas has adopted a Code of Ethics (the “Code”), which describes the Firm’s fiduciary duties and responsibilities to its Clients, requires that Atlas’s employees act in the best interests of Clients to the exclusion of contrary interests, act in good faith and in an ethical manner, avoid conflicts of interest with Funds to the extent reasonably possible, and identify and manage conflicts of interest to the extent that they arise. Atlas’s employees are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or other appropriate party of any actual or suspected violations of such laws by Atlas or its employees. In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of Atlas’s employees. The Code prohibits personal securities transactions of issuers who have been placed on the Firm’s restricted list, and requires written pre-approval for all initial-public offerings, private placements, and transactions in “Reportable Securities”. The Code requires employees to report all securities transactions and provide a summary of securities holdings initially upon hire and on an annual basis thereafter. The Code also addresses outside activities of employees, conflicts of interest, policies and procedures concerning the prevention of insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and the pre-clearance and reporting of political contributions. Atlas will provide a complete copy of the Code to any investor or prospective investor upon request sent to the CCO.

Atlas and certain of its affiliated parties and employees will make commitments to the Funds. As such, Atlas and certain of its affiliated parties and employees will have a direct financial interest in the transactions of each of the Funds. While investments by such related parties are intended to align the interests of Atlas and the related parties with those of the Funds, such investments may create conflicts of interest. To address such conflicts, the investment arrangements are described and agreed upon in the Governing Fund Documents of each Fund. Generally, investments and dispositions are made on the same terms for all Fund investors, including Atlas and its related parties, and each investment is made pro rata among the investors of each Fund, including Atlas’s

related parties who are investors, so that Atlas and its related parties may not receive more favorable terms or greater exposure to select investments.

Allocation of Investment Opportunities: Atlas expects that the universe of potential investments and other activities of Atlas's business could overlap with the investments and activities of the Fund and, as a result, may create conflicts of interest. Atlas will allocate investment opportunities among its Clients pursuant to its allocation policy and the Governing Fund Documents.

Restrictions on Transactions Due to Other Atlas Businesses: From time to time, various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of Atlas and its personnel. Atlas will endeavor to resolve conflicts of interest with respect to investment opportunities in a manner it deems equitable to the extent possible under the prevailing facts and circumstances. Atlas may invest, on its own behalf, in securities and other instruments that would be appropriate for, held by, or may fall within the investment guidelines of a Client. Atlas may give advice or take action for its own account that may differ from, conflict with, or be adverse to, advice given or action taken for Clients. Potential conflicts of interest also may arise due to the fact that Atlas may have investments in some Clients but not in others, or may have different levels of investment in the various Clients, and that the Clients may bear different levels of fees and incentive compensation in favor of Atlas.

Atlas, together with its Clients, engages in a broad range of business activities and invests in portfolio companies whose operations may be substantially similar to and/or competitive with the portfolio companies in which the Clients have invested. The performance and operation of such competing businesses could conflict with and adversely affect the performance and operation of a Client's portfolio companies, and may adversely affect the prices and availability of business opportunities or transactions available to such portfolio companies. Atlas will seek to resolve conflicts in a manner that Atlas determines to be fair and equitable and in accordance with its written allocation policy.

Atlas may also have ongoing relationships with issuers whose securities have been acquired by, or are being considered for investment by, its Clients. From time to time, Atlas may acquire securities or other financial instruments of an issuer for one Client which are senior or junior to securities or other financial instruments of the same issuer that are held by, or acquired for, another Client (e.g., one Client may acquire senior debt while another Client may acquire subordinated debt). Conflicts of interest may arise under such circumstances.

No Client will be prohibited from acquiring, or otherwise engaging in transactions with respect to, securities of an entity in which another Client has a financial interest (whether in the same or a different class of securities) or selling, divesting, making further acquisitions or otherwise engaging in transactions with respect to securities of such entity, including following a co-investment. The conflicts in any such transaction will be addressed pursuant to the Code and the applicable Governing Fund Documents.

Allocation of Expenses: The General Partners, Atlas, the Principals and/or one or more of their respective affiliates may from time to time incur expenses on behalf of the Funds, other affiliated entities and one or more existing or subsequent entities established by the Principals. Although

attempts will be made to allocate such expenses on an equitable basis, there can be no assurance that such expenses will in all cases be allocated appropriately.

Material Non-Public Information; Information Barriers: Atlas currently operates without ethical screens or information barriers that other investment management firms implement to separate persons who make investment decisions from others who might possess material non-public information that could influence such decisions. In the event that employees of Atlas obtain such material non-public information, Atlas may be restricted in acquiring or disposing of investments on behalf of the Clients, which could impact the returns generated for the Clients.

In addition, Atlas's investment professionals or other employees may acquire, in their capacities as investment professionals or otherwise of one or more Clients (including the Fund), non-public information regarding investment opportunities, business methodologies, strategies and other proprietary information that is shared with and ultimately used for the benefit of other Clients. Although Atlas will endeavor to ensure that such information sharing and use does not prejudice one or more such other Clients, there can be no assurance that such endeavors will be sufficient or successful.

Management Team: Atlas and its personnel may have conflicts of interest in allocating their time and services among Clients. Although the Principals intend to be actively involved in the management of each Client, Atlas's personnel (including the Principals) will work on other projects, including other Clients and Atlas's other existing and potential business activities. For example, in addition to providing advisory services to the Funds, Atlas provides non-advisory services pursuant to consulting arrangements with Atlas Mara Co-Nvest Limited, and Incapture LP, entities affiliated with Atlas and its Principals, and Atlas may enter into similar arrangements in the future. In addition, Atlas's personnel will concurrently participate in the management of the investment activities of Atlas and the other Clients.

Conflicts of interest may arise because Atlas employees will serve as directors of certain of the portfolio companies. In those instances where a Client is not the sole shareholder of the applicable portfolio company, in addition to any fiduciary duties the Atlas employees owe to the Client, as directors of portfolio companies, such employees owe fiduciary duties to the shareholders of the portfolio companies.

Fee / Carried Interest Related Conflicts: The existence of the performance-based carried interest with respect to the Funds may create an incentive for Atlas to make riskier or more speculative investments on behalf of the Funds than it might otherwise make in the absence of such performance-based compensation. In addition, the terms of the carried interest distribution in favor of the General Partners could incentivize Atlas, as an affiliate of the General Partners, to make decisions regarding the timing and structure of realization transactions that may not be in the best interests of investors.

The right to receive carried interest distributions also creates a potential conflict of interest in the valuation of investments. Atlas has prepared accounting guidelines regarding the recognition of asset impairment and has also adopted written valuation policies and procedures intended to address conflicts of interests that arise in respect of the valuation of the Funds' assets.

Other Fees Paid to Atlas: The General Partners, Atlas, certain of their partners and employees and their affiliates are permitted to receive Transaction Fees in connection with actual or contemplated investments in portfolio companies. Fund investors will receive the benefit of the portion of such fees allocated to their Fund only, as described above under “Fees and Compensation.” Although a percentage of any Transaction Fees may be applied to reduce the Management Fee payable by the investors in the Funds, the investors may not receive the benefit of all of such fees, and conflicts of interest may arise in connection with the payment of such fees.

Brokerage Practices

Atlas’s business is to focus on making investments in private securities. Accordingly, it does not typically trade in public securities. In the circumstances where Atlas purchases or sells public securities as part of a private equity transaction or has such securities as a result of a portfolio company going public, it intends to follow applicable SEC guidelines and to seek to obtain best execution of such transactions. Atlas does not have any formal soft dollar arrangements or other arrangements that would commit the Funds to any specific or implied level of trading. As an institutional money manager, Atlas may receive access to research made available through brokerage counterparties or investment banks. Atlas believes this research is available to all institutional money managers of similar size.

Atlas strives to select broker-dealers, investment banks or financial intermediaries that provide the Funds with favorable execution capabilities and qualities. Certain entities are utilized for the Funds due to their presence in specific markets and their ability to trade certain securities or complete specialized types of transactions. Research or additional ancillary services not associated with the transaction provided by such service providers are not determining factors for engaging a particular service provider.

Review of Accounts

The Clients’ investments will be continuously monitored and reviewed by members of the Firm’s Investment Committee as well as all the Firm’s investment professionals. Atlas’s Investment Committee will be primarily responsible for the portfolio and risk management. The Investment Committee is comprised of senior professionals of the Firm and has primary responsibility for reviewing all investments and making decisions on whether to acquire investments for its Clients. Each Investment Committee member holds a title of Founding Partner or Managing Director.

The progress of all portfolio companies is monitored on a regular basis, and is subject to supervision and review by the Investment Committee. Atlas maintains a strong focus on the ongoing monitoring of industry dynamics and companies across all sectors of the financial services industry, and will develop customized operating metrics for each of its investments.

Atlas will send all Fund investors: (i) audited financial statements within 120 days of the end of each fiscal year of the Funds; (ii) unaudited financial statements and other information on a quarterly basis; and (iii) tax information related to the Funds necessary for the completion of any applicable federal tax returns.

Client Referrals and Other Compensation

Atlas may engage an unaffiliated third-party placement agent for referrals of Fund investors. See “Fees and Compensation” above for details about compensation for third party placement agents.

As noted earlier, Atlas or its affiliates may charge portfolio companies Transaction Fees.

Custody

Atlas will be deemed to have custody of the assets of each Fund because it or an affiliate serves as the Fund’s General Partner. Such General Partner can withdraw a Fund’s cash and/or securities held with a custodian upon the General Partner’s instruction to the custodian. Therefore, Atlas is subject to Rule 206(4)-2 under the Advisers Act (the “Custody Rule”).

In accordance with the Custody Rule, the Firm will adhere to the applicable requirements of the Custody Rule with respect to the Funds’ public assets. The CCO will ensure that all privately offered securities, not held at a custodian, do not violate the “Private Security Exemption” provided in the Custody Rule. Atlas’s CFO is responsible for arranging for annual independent audits of the Funds by a major accounting firm within 120 days of the Funds’ fiscal year end and for obtaining audited financial statements prepared in accordance with GAAP. Atlas will arrange for the delivery of such audited financial statements to investors of the Clients within 120 days of the Funds’ fiscal year end.

Investment Discretion

Atlas will generally have discretionary authority to manage assets and securities on behalf of its Clients. In such instances, Atlas will be given such authority pursuant to the investment management agreements with such Clients subject to the limitations as described in each Fund’s limited partnership agreement.

Voting Client Securities

The Clients will invest primarily in private companies that do not issue proxies. On occasion, Clients may invest in private companies that go public, in which case such companies will issue proxies. Atlas has adopted a proxy voting policy as required by the Advisers Act.

Atlas’s proxy voting policy includes guidelines for voting on company proposals as well as guidance for situations where a proxy vote may present a conflict of interest to ensure that such conflict is resolved in the best interest of the Funds.

Clients may obtain information about how proxies were voted or a copy of the Firm’s proxy voting policy by contacting the CCO.

Financial Information

Atlas has not included a balance sheet in this submission because it will not require or solicit prepayment of fees from Clients for periods six months or more in advance.

Atlas has not been the subject of a bankruptcy petition and is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Clients.