

PART 2A

Item 1 - Cover Page

MASON WELLS, INC.
FORM ADV – PART 2A INFORMATION
October 8, 2014

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This brochure provides information about the qualifications and business practices of Mason Wells, Inc. If you have any questions about the contents of this brochure, please contact us at 414-727-6400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Mason Wells, Inc., including a copy of its Form ADV Part I, is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2- Material Changes To This Brochure Since Its Last Annual Update

Future material changes will be noted in this section.

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Item 4 - Advisory Business

Mason Wells, Inc. (“Mason Wells”) is a private investment management firm that provides services to affiliated private funds and their general partners. The funds in the Mason Wells fund family currently include Mason Wells Leveraged Buyout Fund I, Limited Partnership (“Fund I”), Mason Wells Buyout Fund II, Limited Partnership (“Fund II”), Mason Wells Buyout Fund III, LP (“Fund III”), and Mason Wells Biomedical Fund I, Limited Partnership (the “Biomedical Fund” and collectively with Fund I, Fund II, and Fund III, each a “Fund” and together the “Funds”). Each such fund is organized as a limited partnership and has a separate general partner for which Mason Wells provides management services. In addition, each of Fund II and Fund III are structured with a companion, or side-by-side, fund which invests in all portfolio investments of the fund to which it is related, on a pro rata basis, based on the amount of capital committed to the applicable Fund and Executive Fund. The companion fund to Fund II is MW Buyout Executive Fund II, LLC (“Executive Fund II”) and the companion fund to Fund III is MW Buyout Executive Fund III, LLC (“Executive Fund III” and collectively with Executive Fund II, the “Executive Funds”). Each Executive Fund is a parallel managed side-by-side fund that invests pro rata along with the Fund to which it is related.

The general partner of Fund I is Mason Wells Partners I, LLC (“Partners I”), the general partner of Fund II is Mason Wells Buyout Partners II, LLC (“Partners II”), the general partner of Fund III is Mason Wells Buyout Partners III, LLC (“Partners III”), and the general partner of the Biomedical Fund is Mason Wells Biomedical Partners I, LLC (“Biomedical Partners,” and collectively with Partners I, Partners II, and Partners III, each a “General Partner” and together the “General Partners”).

Each of the General Partners currently maintains its own investment adviser registration: Partners II and Partners III are registered with the Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (“Advisers Act”), and Partners I and Biomedical Partners are exempt reporting advisers with the State of Wisconsin.

John T. Byrnes is the principal owner of Mason Wells; more detailed direct and indirect ownership information is available in the Form ADV Part 1 of Mason Wells and for each General Partner. None of the Funds receives investment advisory services from any entity except its respective General Partner and, indirectly, Mason Wells.

The principal function of Mason Wells is to provide essential administrative, back-office, and business continuity services to the General Partners. These services primarily include, but are not limited to, engaging and compensating the personnel and operating partners who provide services to the General Partners and service the Funds, maintaining office space and equipment leases, performing accounting services, administering the overall compliance function, preparing annual reports and other basic functions. Mason Wells is also the sponsor of each of the Funds, has developed the proprietary investment strategy and value creation system employed by the Funds, and lends to the Funds and possible future funds a strong brand identity. However, the actual management of the business and affairs of each Fund is vested in each such Fund’s respective General Partner.

Funds I, II, and III are private equity funds that seek to complete buyout transactions of non-public, middle market companies generally operating within three targeted industry sectors and generally located in the Midwestern United States. The Biomedical Fund is a venture fund which focuses primarily on the biomedical industry and medical technology companies. Investment limitations are incorporated into each Fund's governing agreement, and side letter agreements with certain Limited Partners which further restrict Fund investments. The respective General Partners apply the Mason Wells investment philosophy and value creation system to provide investment advisory services to their respective Funds within investment guidelines and limits specified in each such Fund's governing agreements and any applicable side letters.

Investment advisory services provided by the General Partners include identifying investment opportunities for the Funds in the form of portfolio companies and participating in the acquisition, management, monitoring and disposition of such investments. Each Fund is the sole client of its respective General Partner (except for Partners II and Partners III, each of which also service their associated Executive Fund), and thus each General Partner is able to tailor its investment advisory services to the specific needs and stated objectives of its associated Fund.

The advisory services performed for each of the Funds is also detailed more fully in a Private Placement Memorandum for each Fund (collectively the "Memoranda"), which also sets forth specific information on the investment strategies of the named Fund. Further, each General Partner maintains its own Form ADV which sets forth, among other things, its particular investment strategies, compensation and other important disclosure items.

As of August 31, 2014, Mason Wells, indirectly through the General Partners, managed assets totaling approximately \$836,441,000, all of which are managed on a discretionary basis. This figure includes both fair market value of all Fund and Executive Fund assets and the uncalled capital commitments by investors in the Funds and Executive Funds.

Item 5 - Fees and Compensation

For providing administrative and management services, Mason Wells is entitled to receive certain fees from the Funds. All fees earned by Mason Wells derive from the management and transaction fees earned by the General Partners. Mason Wells does not directly contract with the Funds. All fees paid by a Fund are more fully detailed in the Form ADV for its respective General Partner, and dictated by its governing documents. Fees are established by the terms of a Fund's Partnership Agreement, as amended from time to time, and are deducted from the Fund's assets as they become due.

Management Fees are paid by the Funds and Executive Funds to the General Partners quarterly in advance, generally based upon either net invested capital or total capital contribution obligations. The manner in which such fees are calculated vary by Fund and Executive Fund, and may change over time, pursuant to factors such as the terms of the Limited Partnership Agreement, fee waivers by the General Partners, and fee agreements made pursuant to amendments to the Limited Partnership Agreement. Some of the General Partners may also receive certain transaction fees and break-up fees from their portfolio companies that flow through to Mason Wells. For more information on the management fees earned by each General

Partner, please refer to that General Partner's Form ADV. Management Fees are currently as set forth below, calculated on an annual basis:

<u>Fund</u>	<u>Fee</u>
Fund I	None
Fund II	1% of net invested capital
Executive Fund II	None
Fund III	2% of aggregate capital commitments
Executive Fund III	\$200,000
Biomedical Fund	Greater of \$300,000 or 2% of net invested capital

Management fees earned by a General Partner, as well as any transaction or other fees that a General Partner is permitted to retain pursuant to the terms of the applicable Limited Partnership Agreement, are distributed to Mason Wells as compensation for its management and administrative services.

Mason Wells does not receive any other form of compensation from the General Partners. However, each Fund is responsible for reimbursing the General Partner for expenses incurred on behalf of the Fund. To the extent those expenses were actually incurred by Mason Wells, such reimbursements will flow through the General Partner to Mason Wells. Further, each Fund absorbs all of its own operating expenses, such as those for accounting, legal and other third-party services.

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

Mason Wells does not receive compensation in the form of performance-based fees.

Each General Partner receives from its associated Fund a carried interest or performance based fee equal to 20% of all realized profits (as described more fully in each Fund's Partnership Agreement), as further described in the Form ADV of each Fund. However, none of the carried interest is distributed to Mason Wells; rather, such returns, if any, are allocated to the other equity owners of each General Partner. Mason Wells receives only the Management Fees described in Item 5 above.

The Executive Funds do not pay a carried interest or other performance-based fee.

Item 7 - Types of Clients/Minimum Account Size

Mason Wells has no direct clients, but may be deemed to indirectly provide services to each of the Funds and Executive Funds. All Funds and Executive Funds are now closed to new

investors. The stated minimum commitment amounts were: for Fund I, Fund II, and Fund III, \$5,000,000; for the Biomedical Fund, \$1,000,000; and for each of the Executive Funds, \$100,000. However, each of the General Partners was granted authority to, and actually did, exercise discretion to accept a smaller commitment amount from some investors, provided that investor met the qualification requirements for the Fund or Executive Fund.

In the case of all Funds and Executive Funds, the General Partner imposed certain restrictions as to the type of investor that it would admit as a Limited Partner. For each of the Funds and both Executive Funds, this limitation included a requirement that the investor be considered an Accredited Investor as contemplated by Rule 501 of Regulation D under the Securities Act. In addition, Fund II required that each Limited Partner represent that it qualifies as a “Qualified Client” as contemplated by the Investment Advisers Act of 1940, as amended (“Advisers Act”). Fund III required that all Limited Partners represent that they qualify as a “Qualified Purchaser” under the Investment Company Act of 1940, as amended.

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

Through the General Partners, Mason Wells employs an investment strategy on behalf of the Funds which causes each Fund’s portfolio to consist primarily of control portions of securities issued by privately held companies. This strategy is generally referred to as the “Mason Wells Value Creation System.” Mason Wells believes the following key elements of this investment strategy will enable the General Partners, its administrators, to generate above market rates of return for the Funds:

Middle Market. Mason Wells focuses its strategy on middle market buyout transactions involving the purchases and sales of control interests of firms which meet a Fund’s particular investment objectives. Mason Wells believes this market segment is less competitive than other market segments, resulting in attractive purchase price multiples that have the potential to yield higher selling multiples upon exit.

Geographic Focus. Mason Wells generally originates buyout transactions of companies located in the Midwestern United States, a geographic region that Mason Wells believes is under-served by the private equity industry.

Industry Focus. Mason Wells generally targets investments within three industry sectors (specialty packaging and paper, engineered products and services, and outsourced business services) in which Mason Wells possesses an in-depth understanding and has extensive industry contacts. The exception is the Biomedical Fund, which focuses primarily on the biomedical industry and medical technology companies.

Management. Mason Wells strives to purchase control equity positions in “undermanaged” companies that have the potential for significant shareholder value creation through the implementation of the operational improvements and profitable growth initiatives of the Mason Wells Value Creation System. Further, Mason Wells believes that actively working with the management teams of a Fund’s portfolio company to improve fundamental business practices can potentially increase returns for the Fund and mitigate risk.

Certain risk factors arise under Mason Wells' investment strategy, which are more exhaustively described in the Memoranda; and these risks can, and do, vary by Fund. Investing in securities of any type, including the types held in a Fund's portfolio, involves risk of loss, and an investor in any one or more of the Funds should be prepared for the possibility of such a loss. Other pertinent risk factors include:

Business Risks and Illiquidity. Fund investment portfolios consist primarily of securities issued by privately held companies, and operating results in any particular period may be difficult to predict. Further, investments may be relatively illiquid compared to other more readily available investments. Because of the nature of any particular Fund's portfolio, significant degrees of business and financial risk exist which can cause substantial losses.

No Guarantee of Results. The performance of prior investments made by principals of Mason Wells and the General Partners is not necessarily indicative of the future results for any given Fund, and Mason Wells does not guarantee the results of its investment methods.

Investment in Junior Securities. The securities in which the Funds typically invest may be junior to other securities of a portfolio company, and as such may be subject to a greater risk of loss than more senior securities. Generally, investments in these types of junior securities are not secured by collateral.

Concentration of Investments. The Funds are designed to participate in a limited number of investments, including potentially concentrating multiple investments in a single industry or industry segment. As a result, a Fund's portfolio may be highly concentrated, and subject to the attendant risks of a relatively non-diversified portfolio, including being subject to industry-specific business risks.

Item 9 - Disciplinary Information

Neither Mason Wells nor any of its principals has any material disciplinary action to disclose under this Item 9.

Item 10 - Other Financial Industry Activities and Affiliations

As described above in Item 4, Mason Wells is the sponsor of the Funds and provides certain administrative and management services to the General Partners. Mason Wells also employs the individual members of each of the General Partners, as well as the employees providing support services to the same, and retains any operating partners.

As described in Item 11 below, certain investors of the Executive Funds are partners in or affiliates or members of Mason Wells and certain of the General Partners. Similar to investments made by such individuals in the Funds directly, Mason Wells believes such investments should have the effect of aligning such individual's interests with those of the related Fund.

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

Mason Wells has developed a Code of Ethics in connection with its business, which is designed to operate in conjunction with the Codes of Ethics developed by each of the General Partners. A copy of the Code of Ethics is available to investors in any of the Funds upon request.

Subject to limited exceptions, Mason Wells does not invest in, and does not permit any of its officers or affiliates (other than the applicable Fund) to invest in: (a) companies in which a Fund is actively considering making an investment, or (b) companies in which a Fund already has an investment. However, some members and officers of Mason Wells and the General Partners have invested in certain of the Funds and/or the Executive Funds. The Executive Funds are entities formed for the purpose of investing on a side by side basis with either Fund II or Fund III, as applicable, in all investments of its associated Fund. Members and officers of Mason Wells may have a conflict of interest in providing investment advice to Fund II, Fund III and/or each Executive Fund because such investment advice will have an effect on their personal investments in such Fund and/or Executive Fund.

Item 12 - Brokerage Practices

Neither Mason Wells nor the General Partners engage in securities transactions that result in “soft dollars.” All transactions involve the purchase and sale of primarily equity interests in companies and the provision of equity capital.

Item 13 - Review of Accounts and Reports

Mason Wells does not directly maintain or manage client accounts, as all management responsibilities are vested in the General Partners. However, Mason Wells does review the client accounts on a regular basis. The General Partners report on portfolio companies and their respective financial plans on a regular and ongoing basis. Mason Wells itself receives such reports from the General Partners, which in turn receive reports from Fund portfolio companies on a regular basis. These reports are used as one tool to monitor and influence the progress of the portfolio companies to achieve Fund investment objectives.

Each General Partner prepares reports on behalf of its associated Fund and distributes such reports to that Fund’s Limited Partners. However, some or all of the work needed to prepare such reports, particularly services related to accounting, may be actually performed by Mason Wells. Reports are prepared and sent to Limited Partners at least quarterly. The reports include information on recent acquisitions, sales, and performance reports of the companies acquired or equity capital contributed. In addition, Mason Wells itself will periodically aggregate and report on client information.

Item 14 - Client Referrals and Other Compensation

Mason Wells does not, either for its own account or through the General Partners, compensate any third party in connection with finding new clients. The General Partners have previously compensated certain finders or business brokers of both portfolio companies and investors for

associated Funds, and may do so in the future. In a typical instance, a General Partner may cause the Fund it manages to provide compensation to a finding agent who sources a portfolio company; such compensation may be contingent on consummating the acquisition of the target portfolio company, and based on the size of the transaction as well as the potential growth of the portfolio company. With regard to finders of new investors for its Funds, Mason Wells, either for its own account or through a General Partner, has entered into, and may in the future enter into, customary private placement agreements which result in compensation being paid by a Fund, both of a set fee and of a contingent fee based on a percentage of placement amounts, to a registered placement agent for locating new investors for a Fund's interests.

Item 15 - Custody

By virtue of its control of the General Partners, Mason Wells may be deemed to have custody of client assets. Each of the General Partners does have custody of the assets of its affiliated Funds and Executive Funds, which are placed with custodial banks. Please refer to each General Partner's Form ADV for more information on its custody policies and procedures. For reporting purposes, Mason Wells lists itself as having custody of all of the assets of the Funds and Executive Funds; however, the management of those assets and the custody rule compliance process is vested in the General Partners.

Item 16 - Investment Discretion

Mason Wells does not itself exercise any investment discretion. However, each of the General Partners is authorized by written agreement to exercise full discretion on behalf of its related Fund to purchase and sell portfolio companies and other investments of its choice in the dollar amounts and at the times it deems it appropriate to do so. The General Partners also have discretion to use, acquire and sell all other Fund assets on behalf of the Funds. None of the Funds imposes any restrictions on the level of discretion that can be exercised by its General Partner.

Item 17 - Voting Proxies on Client Securities

Because Mason Wells has no client accounts, it does not, and cannot directly, vote proxies of client securities except to the extent it does so through its control of the General Partners. The General Partners do vote proxies on behalf of the Funds, however, it is the intention of each of the General Partners to vote proxies in a manner that reflects what it believes to be each Fund's best interests. The general investment strategy of the Funds is to take controlling positions in the companies in which they invest, including representation on the boards of directors of each portfolio company. As a result, while Mason Wells expects that a Fund's objectives will be aligned with management's objectives with respect to each portfolio company, Mason Wells understands that the General Partners vote proxies based on Fund objectives, not portfolio company management recommendations.

For more detail on how a particular General Partner approaches proxy voting decisions, please refer to that General Partner's Form ADV.

Item 18 - Financial Information

There is no financial condition that is reasonably likely to impair Mason Wells' ability to meet its contractual commitments to any client or third party.