

INVESTMENT ADVISER BROCHURE

CHICAGO PACIFIC CAPITAL, L.P.

**Chicago Pacific Capital, L.P.
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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Chicago Pacific Capital, L.P. (“Chicago Pacific Capital”). If you have any questions about the contents of this Brochure, please contact us at (312) 273-4750. 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 authority.

Chicago Pacific Capital is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). However, such registration does not imply a certain level of skill or training.

Additional information regarding Chicago Pacific Capital is also available on the SEC’s website at www.adviserinfo.sec.gov.

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MATERIAL CHANGES

Chicago Pacific Capital filed its initial Form ADV Part 2 on January 29, 2015. This annual amendment updates the description of the business practices of Chicago Pacific Capital and its affiliates.

ADVISORY BUSINESS

Chicago Pacific Capital, a Delaware limited partnership and a registered investment adviser, and its affiliated investment advisers provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. Chicago Pacific Capital commenced operations in April 2014.

Chicago Pacific Capital's clients include the following (each, a "**Fund**," and together with any future private investment fund to which Chicago Pacific or its affiliates provide investment advisory services, the "**Funds**"):

- Chicago Pacific Founders Fund, L.P.
- Chicago Pacific Founders Fund-A, L.P.

Chicago Pacific Founders GP, L.P. is an investment adviser affiliated with Chicago Pacific Capital (the "**General Partner**" and together with Chicago Pacific Capital and their affiliated entities "**Chicago Pacific**").

As of March 2015, Chicago Pacific manages approximately \$128.9 million in client assets on a discretionary basis. The General Partner is registered under the Advisers Act pursuant to Chicago Pacific Capital's registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partner, which operates as a single advisory business together with Chicago Pacific Capital.

Chicago Pacific Founders Fund, L.P. and Chicago Pacific Founders Fund-A, L.P. are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as "**portfolio companies**." Chicago Pacific's investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of Chicago Pacific Capital or its affiliates may serve on such portfolio companies' respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

Chicago Pacific's advisory services for the Funds are detailed in the applicable private placement memoranda or other offering documents (each, a "**Memorandum**") and limited partnership or other operating agreements (each, a "**Partnership Agreement**") and are further described below under "Methods of Analysis, Investment Strategies and Risk of Loss." Investors in the Funds participate in the overall investment program for the applicable Fund, but

may be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the relevant Partnership Agreement. Chicago Pacific Founders Fund, L.P., Chicago Pacific Founders Fund-A, L.P. or Chicago Pacific Founders GP, L.P. may enter into side letters or other similar agreements with certain investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing the terms of, the relevant Partnership Agreement with respect to such investors.

Additionally, from time to time, the Advisers may provide (or agree to provide) certain investors or other persons, including Chicago Pacific's personnel and/or certain other persons associated with Chicago Pacific and/or its affiliates (to the extent not prohibited by the applicable Partnership Agreement), co-investment opportunities (including the opportunity to participate in co-invest vehicles) that will invest in certain portfolio companies alongside a Fund. Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle may purchase a portion of an investment from a Fund. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment, and the co-investor or co-invest vehicle may be charged interest on the purchase to compensate the relevant Fund for the holding period, and generally will be required to reimburse the relevant Fund for related costs.

Chicago Pacific Management GP, LLC, a Delaware limited liability company, acts as the general partner of Chicago Pacific Capital. Chicago Pacific Capital is controlled by Mary Tolan, Lawrence Leisure and Vance Vanier.

FEES AND COMPENSATION

In general, Chicago Pacific receives a management fee and a carried interest in connection with advisory services. Chicago Pacific Capital or other Chicago Pacific entities or affiliates receive additional compensation in connection with management and other services performed for portfolio companies of the Funds and such additional compensation will offset in whole or in part the management fees otherwise payable to Chicago Pacific Capital. Investors in Chicago Pacific Founders Fund, L.P. and Chicago Pacific Founders Fund-A, L.P. also bear certain fund expenses.

Management Fees

During a Fund's investment period, the Fund generally will pay Chicago Pacific an annual management fee (the "**Management Fee**") equal to 2.0% of aggregate investor capital commitments. Payment of the Management Fee will be made quarterly in advance. Generally, investors participating in a closing after the initial closing of a Fund bear the Management Fee from the date of the initial closing of such Fund, plus interest, as applicable. The Management Fee may be reduced upon the expiration of the investment period or earlier upon the occurrence of certain other events as described in the applicable Partnership Agreement.

The Management Fee will be reduced by 100% of any: (i) directors' fees, financial consulting fees or advisory fees paid to the General Partner with respect to any Fund investment;

(ii) transaction fees paid to the General Partner with respect to any Fund investment; and (iii) break-up fees with respect to Fund transactions not completed that are paid to the General Partner; but not including, in any event, any amount received by the General Partner or other person from a portfolio company as reimbursement for expenses directly related to such portfolio company, as payment for services provided to any portfolio company in the ordinary course of such portfolio company's business or as compensation for services provided by the General Partner or other person as an employee of or in a similar capacity for such portfolio company.

Portfolio company-related fees may also include amounts prepaid in anticipation of future services or otherwise accelerated in certain situations (*e.g.*, an initial public offering), which will be offset against the applicable Management Fee to the extent set forth in the relevant Partnership Agreement. Although such prepaid or accelerated fees generally will be based on the anticipated level and duration of services that Chicago Pacific believes at the time of such prepayment or acceleration are likely to be provided to the portfolio company, over time, they may be greater or less than the amount that is ultimately incurred with respect to services ultimately provided to such portfolio company.

Additionally, as further described below and in the applicable Memorandum and/or Partnership Agreement of each Fund, it is Chicago Pacific's practice to retain certain operating partners to provide services to (or with respect to) certain portfolio companies in which one or more Funds invest. Such operating partners receive compensation from a Fund or directly from such portfolio companies, including but not limited to transaction fees, and such compensation will not result in additional offsets to the Management Fee.

The Management Fee payable on each Management Fee due date shall be reduced by an amount (the "**Waived Fee Amount**") equal to the greater of (i) the amount of the Management Fee that the General Partner has irrevocably elected to waive in a written notice delivered to the applicable Fund prior to such Management Fee due date (or if later, the date of Commitment increase with respect to such increase) and (ii) such amount as is necessary to cause the unapplied Waived Fee Amount to be not less than zero. Waived or reduced Management Fees are not subject to the Management Fee offsets described above, and the amount of such waived or reduced Management Fees may be significant. Due to waived or reduced Management Fees by Chicago Pacific and/or timing of receipt of compensation subject to offsets (as described above), it is possible that Management Fee offsets will not be fully realized by investors in a Fund, resulting in a net additional benefit to Chicago Pacific.

Carried Interest

The General Partner will receive a carried interest with respect to the Fund equal to 20% of all realized profits subject to an 8% compound preferred return, as more fully described in the Partnership Agreement. The carried interest distributed to the General Partner is subject to a potential giveback at the end of life of the Fund if the General Partner has received excess cumulative distributions and at certain interim intervals as provided in the Partnership Agreement.

It is expected that any future Funds will have a similar fee structure.

Other Information

Chicago Pacific may exempt certain investors in the Funds from payment of all or a portion of Management Fees and/or carried interest, including Chicago Pacific Capital and any other person designated by Chicago Pacific. Any such exemption from fees and/or carried interest may be made by a direct exemption, a rebate by Chicago Pacific Capital and/or its affiliates, or through other Funds which co-invest with Chicago Pacific Founders Fund, L.P. or Chicago Pacific Founders Fund-A, L.P. Chicago Pacific may have the right to permit investors, affiliated with Chicago Pacific or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees or carried interest.

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Partnership Agreement, over the term of each relevant Fund and investors generally are not permitted to withdraw or redeem interests in any Fund.

Principals or other current or former employees of Chicago Pacific may receive a portion of the Management Fee, carried interest or other compensation received by Chicago Pacific Capital or its affiliates.

In addition to the Management Fee and carried interest payable to the General Partner, each Fund bears certain expenses. As set forth more fully in the applicable Memorandum and/or Partnership Agreement of each Fund, a Fund bears all expenses relating to the Fund's activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce transaction fees, including legal, accounting, administration, custodian, depository, auditing, insurance (including directors and officers and errors and omissions liability insurance), travel, litigation and indemnification costs and expenses, judgments and settlements, consulting, finders', financing, appraisal, filing and other fees and expenses (including expenses associated with the preparation or distribution of the Fund's financial statements, tax returns and Schedule K-1s or any other administrative, regulatory or other Fund-related reporting or filing). The Funds may also bear expenses indirectly to the extent a portfolio company pays expenses, including expenses of Chicago Pacific Capital and/or its affiliates. Excluded from Fund expenses are ordinary administrative and overhead expenses of the General Partners incurred in connection with managing, originating and monitoring investments, including rent, utilities and other similar expenses specified in the Partnership Agreement. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds. Brokerage fees may be incurred in accordance with the practices set forth in "Brokerage Practices."

In certain circumstances, one Fund may pay an expense common to multiple Funds (including without limitation legal expenses for a transaction in which all such Funds participate, or other fees or expenses in connection with services the benefit of which are received by other Funds over time), and be reimbursed by the other Funds by their share of such expense, without interest. Chicago Pacific may also advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

Chicago Pacific Capital and/or its affiliates generally have discretion over whether to charge transaction fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing and/or amount of such compensation. The receipt of such compensation may

give rise to conflicts of interest between the Funds, on the one hand, and Chicago Pacific Capital and/or its affiliates on the other hand.

Operating Partners

Additionally, as further described herein and in the applicable Memorandum and/or Partnership Agreement of each Fund, it is the Advisers' practice to retain certain operating partners to provide services to (or with respect to) one or more Funds or certain current or prospective portfolio companies in which one or more Funds invest. Such operating partners generally may provide services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. These services may also include serving in management or policy-making positions for portfolio companies. Operating partners receive compensation, including, but not limited to transaction fees, a profits or equity interest in a portfolio company, profits or equity interests in one or more Funds or General Partners, or other compensation, which may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such operating partners, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. No such compensation will offset the Management Fee. The use of operating partners subjects Chicago Pacific to conflicts of interest, as discussed under "Conflicts of Interest," below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under "Fees and Compensation," the General Partner receives a carried interest allocation on certain realized profits in the Funds. Chicago Pacific Capital does not advise Funds not subject to a carried interest, although it may waive carried interest with respect to certain affiliated partners as described under "Fees and Compensation."

TYPES OF CLIENTS

Chicago Pacific Capital provides investment advice to the Funds, including Chicago Pacific Founders Fund, L.P. and Chicago Pacific Founders Fund-A, L.P. The Funds may include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors participating in the Funds may include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and may include, directly or indirectly, principals or other employees of Chicago Pacific Capital and its affiliates and members of their families, operating partners or other service providers retained by Chicago Pacific.

Chicago Pacific Founders Fund, L.P. and Chicago Pacific Founders Fund-A, L.P. generally have a minimum investment amount of \$5,000,000 for third-party investors, and interests are offered and sold solely to qualified purchasers (or qualified knowledgeable Chicago Pacific personnel). Such minimum investment amount may be waived by the General Partner.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

Chicago Pacific seeks primarily to invest in healthcare service delivery and senior living companies. Chicago Pacific will seek to generate long-term capital gains and attractive rates of return for the limited partners. In sectors of the healthcare industry where Chicago Pacific has developed a proprietary investment thesis, Chicago Pacific will seek out potential portfolio companies utilizing its extensive sector-specific networks that match that thesis where each Fund can make (i) investments at reasonable valuations and (ii) partner with principals of the potential portfolio company to apply Chicago Pacific's industry and operational expertise to improve the portfolio company's growth trajectory. Chicago Pacific seeks to build companies that are more competitive and are more differentiated than they were prior to a Fund's investment.

Chicago Pacific will be primarily focused on control, or co-control investments (with likeminded co-investors), within companies in the healthcare services and senior living sectors. Chicago Pacific Capital will seek proprietary opportunities in target sectors that can be acquired at a reasonable entry valuation, usually outside of a competitive process, because the current principals value the operational expertise and growth assistance that Chicago Pacific brings to the table. Chicago Pacific intends to invest in opportunities where it has deep sector knowledge and relationships and believes that it can be a value added partner by using its relationships to source new revenue streams, expand margins, and add to the bench of clinical and management talent inside the company.

Once an investment opportunity has been identified, Chicago Pacific seeks to implement an effective operating strategy to improve the performance of the acquired company by (i) identifying leading management talent, (ii) aligning objectives with strategic industry partners, (iii) discovering opportunities to add revenue and (iv) finding cost savings opportunities to drive margin expansion.

There can be no assurance that Chicago Pacific will achieve the investment objectives of the Funds and a loss of investment is possible.

Investment and Operating Strategy

Deal Sourcing. Chicago Pacific leverages its prior experience and success to identify pockets of significant opportunity within our target sectors. As part of this process it rigorously defines the market opportunity including: (i) drivers of growth; (ii) competitive landscape; (iii) potential future interest in target companies by strategic acquirers; (iv) regulatory environment; and (v) benchmark valuations. Further, Chicago Pacific looks at the key fundamentals of how the incumbents are currently operating and looks for opportunities to realign the business model in a manner that better delivers on the "triple-aim" (higher quality, better patient experience, and lower cost) and also generates higher revenue growth, higher profit margins, and premium exit multiples.

Preliminary Due Diligence. For each investment opportunity, Chicago Pacific assesses the attractiveness of the company, management team, business model, competitive landscape, outlook, overall investment thesis, and Chicago Pacific's ability to add value using its network,

expertise and resources post-closing. Chicago Pacific has developed a rigorous and disciplined due diligence process designed for investing in founder owned and growth stage companies. Chicago Pacific utilizes a deliberate, value-oriented approach to due diligence and investment review, and places particular emphasis on validating sustainable growth trends, identifying highly visible/recurring revenue streams and companies well positioned to take advantage of the growth dynamic it believes is present in the broader healthcare and senior living markets.

Build Investment Team. An investment team is then assigned to manage all aspects of the prospective transaction. The deal team is involved in all facets of the due diligence process and before making a non-binding investment proposal, the investment team prepares a summary memorandum on the opportunity for discussion during its weekly meeting.

Maintain Active Involvement in Portfolio Companies. Chicago Pacific requires its portfolio companies to formally report to Chicago Pacific on a monthly basis. Informal conversations with company managers will occur more frequently (sometimes daily) depending on the situation. Performance is reviewed with the Chicago Pacific team at quarterly board meetings and more detailed analysis will be performed on an annual basis. The deal team responsible for each portfolio company will provide the full Chicago Pacific team with a detailed review of the company's financial performance, progress against strategic objectives, updates to the market dynamics, hiring/firing decisions, and liquidity outlook during its quarterly portfolio review meetings.

Potential to Add Value to Portfolio Companies. Chicago Pacific will seek to add value to each portfolio company by leveraging Chicago Pacific's investment and operational experience and focusing on areas in which lower middle market healthcare companies are often able to improve

Disposition of Portfolio Companies. A key component of Chicago Pacific's upfront investment process will be assessing the potential exit and interim liquidity options for each investment. During this process Chicago Pacific will seek to identify the necessary milestones, expected timing, strategic positioning that will make a portfolio company of high interest to the logical set of strategic buyers that are the most likely to be an acquirer. This includes a detailed analysis of past acquisitions, competitive pressures, publicly stated strategic priorities, and a detailed analysis of their product/service portfolio needs.

Risks of Investment

The Funds and their investors bear the risk of loss that Chicago Pacific's investment strategy entails. The risks involved with Chicago Pacific's investment strategy and an investment in the Funds include, but are not limited to:

Business Risks. The Funds' investment portfolios may consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Concentration of Investments. Each Fund will participate in a limited number of investments and intends to make most of its investments in one industry or one industry segment. As a result, each Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that capital raised is less than the targeted amount, each Fund may invest in fewer portfolio companies and thus be less diversified.

Lack of Sufficient Investment Opportunities. The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty. It is possible that each Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, limited partners will be required to bear management fees during the investment period based on the entire amount of the limited partners' Commitments to such Fund and other expenses as set forth in the Partnership Agreement.

Dynamic Investment Strategy. While each General Partner generally intends to seek attractive returns for a Fund through the investment strategy and methods described herein, the relevant General Partner may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the relevant Partnership Agreement(s). A General Partner may pursue investments outside of the industries and sectors in which Chicago Pacific has previously made investments or has internal operational experience.

Leveraged Investments. A Fund may make use of leverage by having a portfolio company incur debt to finance a portion of its investment in such portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both such Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates (which recently have been at or near historic lows) and could accelerate and magnify declines in the value of such Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Fund. Furthermore, should the credit markets be tight at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of each Fund's investments and hence, most of a Fund's

investments will be difficult to value. Certain investments may be distributed in kind to the limited partners of a Fund and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Partnership Agreement, including the value used to determine the amount of carried interest available to Chicago Pacific with respect to such investment.

Non-U.S. Investments. A Fund may invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risks due, among other things, to potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or the limited partners with respect to the Fund's income, and possible non-U.S. tax return filing requirements for such Fund and/or the limited partners.

General Risks of Investments in Healthcare Companies. While investments in healthcare companies offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. Healthcare companies may face intense competition, including competition from companies with greater financial resources, more extensive research and development, sales and marketing, customer services and support and other capabilities, and a larger number of qualified managerial and technical personnel. Companies in which a Fund invests could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, or an economic downturn.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by such Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon such Fund's portfolio companies.

Projections. Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by such company's management, with

adjustments to such projections made by Chicago Pacific in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a portfolio company, whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons. There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative impact on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made) or may result in a lost opportunity for such Fund to increase its participation in a successful operation.

Limited Operating History. Each Fund has limited operating history and will be entirely dependent on the General Partner. While the Principals of the General Partner have significant previous experience as founders, directors, operators and/or officers of companies in the healthcare industry, only certain of the Principals have experience at a manager of a committed pool of funds. Furthermore, there can be no assurance that any Fund's investments will achieve results similar to those attained by previous investments of the Principals. In addition, each Fund's investments may differ from previous investments made by the Principals in a number of respects.

Material Non-Public Information. As a result of the operations of Chicago Pacific and its affiliates, Chicago Pacific frequently comes into possession of confidential or material non-public information. Therefore, Chicago Pacific and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Chicago Pacific's internal policies. Due to these restrictions, a Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Conflicts of Interest

Chicago Pacific and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, investment advisory, legal, management and other services to the Funds and portfolio companies. In the ordinary course of Chicago Pacific conducting its activities, the interests of a Fund may conflict with the interests of Chicago Pacific, one or more other Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein.

During the commitment period of each Fund, all appropriate investment opportunities will be pursued by Chicago Pacific Capital principals through the Funds, subject to certain limited exceptions. Without limitation, Chicago Pacific Capital principals currently, and may in the future, manage several other investments similar to those in which the Funds will be investing, and may direct certain relevant investment opportunities to those investments. Chicago Pacific Capital's principals and Chicago Pacific Capital's investment staff will continue to manage and monitor such investments until their realization. Such other investments that Chicago Pacific Capital principals may control or manage may potentially compete with companies acquired by a Fund. Following the commitment period of each Fund, Chicago Pacific Capital principals may and likely will focus their investment activities on other opportunities and areas unrelated to a Fund's investments.

From time to time, Chicago Pacific will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of Chicago Pacific Capital. In determining which investment vehicles should participate in such investment opportunities, Chicago Pacific Capital and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Investments by more than one client of Chicago Pacific in a portfolio company may also raise the risk of using assets of a client of Chicago Pacific to support positions taken by other clients of Chicago Pacific. When and to the extent that employees and related persons of Chicago Pacific and its affiliates make capital investments in or alongside certain Funds, Chicago Pacific and its affiliates are subject to conflicting interests in connection with these investments. There can be no assurance that any Fund's return from a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

As a result of the Funds' controlling interests in portfolio companies, Chicago Pacific and/or its affiliates typically have the right to appoint portfolio company board members, or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to Chicago Pacific and/or its affiliates. Such amounts will be in addition to any Management Fees or carried interest paid by a Fund to Chicago Pacific.

Additionally, a portfolio company typically will reimburse Chicago Pacific or service providers retained at Chicago Pacific's discretion for expenses (including without limitation travel expenses) incurred by Chicago Pacific or such service providers in connection with its performance of services for such portfolio company. This subjects Chicago Pacific and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements may be substantial. Chicago Pacific determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to Chicago Pacific or such service providers generally is subject to: agreements with sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. These factors help to mitigate related conflicts of interest.

Chicago Pacific generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with (i) Chicago Pacific or a related person of Chicago Pacific (which may include a portfolio company of such Fund) or (ii) an entity with which Chicago Pacific or its affiliates or current or former members of their personnel has a relationship or from which Chicago Pacific or its affiliates or their personnel otherwise derives financial or other benefit. This subjects Chicago Pacific to conflicts of interest, because although Chicago Pacific selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Chicago Pacific may have an incentive to recommend the related or other person because of its financial or other business interest. There is a possibility that Chicago Pacific, because of such belief or for other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Whether or not Chicago Pacific has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Chicago Pacific and/or its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by Chicago Pacific and/or its affiliates; conversely, former personnel or executives of Chicago Pacific and/or its affiliates may serve in significant management roles at portfolio companies or service providers recommended by Chicago Pacific. Similarly, Chicago Pacific, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including managers of private funds, banks and brokers. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Chicago Pacific and/or its affiliates, and/or the Funds or other investment vehicles they advise. Chicago Pacific may have a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Chicago Pacific information about markets and industries in which Chicago Pacific operates (or is contemplating operations) or will provide other services that are beneficial to Chicago Pacific. Chicago Pacific may have a conflict of interest in making such recommendations, in that Chicago Pacific has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to the portfolio companies held by a Fund.

Chicago Pacific, its affiliates, and their respective equityholders, officers, principals and employees may buy or sell securities or other instruments that Chicago Pacific has recommended to a Fund. The investment policies, fee arrangements and other circumstances of these investments may vary from those of any Fund. Certain principals of Chicago Pacific have pre-existing ownership interests in a portfolio company in which the Funds have invested. Those interests are exempted from provisions in the Partnership Agreements that would otherwise limit outside investments or activities of Chicago Pacific's principals. As the principals' terms of investment vary from those of the Funds, the principals are subject to conflicts of interest with the Funds in determining whether to vote, maintain or sell their ownership interests in such portfolio company in the future.

Because certain expenses are paid for by a Fund and/or its portfolio companies or, if incurred by Chicago Pacific, are reimbursed by a Fund and/or its portfolio companies, Chicago Pacific may not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses.

In addition, as described above, portfolio companies (and, to a lesser extent, the Funds) typically pay certain fees to operating partners and other third party consultants (including consultants introduced or arranged by Chicago Pacific and/or its affiliates that may regularly provide services to one or more portfolio companies), and such fees do not offset the Management Fee as described herein. Operating partners may make use of Chicago Pacific resources or otherwise be associated with Chicago Pacific. Although the use of operating partners and the allocation of compensation paid to them by Chicago Pacific, its affiliates and/or the portfolio companies may subject Chicago Pacific and/or its affiliates to potential conflicts of interest, Chicago Pacific believes that such potential conflicts may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the operating partner is lower than market rates for the services provided and/or if the quality of the services of the operating partner make a greater contribution to the success of the portfolio company. Although Chicago Pacific seeks to retain operating partners with a view to reducing costs to portfolio companies and, ultimately, the Funds, a number of factors may result in limited or no cost savings from such retention. Chicago Pacific also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Chicago Pacific believes will align such persons' interests with those of the Funds' limited partners.

Because Chicago Pacific's carried interest is based on a percentage of net realized profits, it may create an incentive for Chicago Pacific to cause a Fund to make riskier or more speculative investments than would otherwise be the case. Also, because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure may create an incentive to deploy capital when the Chicago Pacific may not otherwise have done so.

Chicago Pacific may enter into side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures, information rights, co-investment rights, and liquidity or transfer rights.

Any of these situations subjects Chicago Pacific and/or its affiliates to potential conflicts of interest. Chicago Pacific attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Chicago Pacific's advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a fair and equitable manner. To the extent that an investment or relationship raises particular conflicts of interest, Chicago Pacific will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Chicago Pacific consults and receives consent to conflicts from an advisory board consisting of limited partners of the relevant Fund and such other investment vehicles.

DISCIPLINARY INFORMATION

Neither Chicago Pacific Capital nor its management persons have been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Chicago Pacific Capital is affiliated with the General Partner, which is registered with the SEC under the Advisers Act pursuant to Chicago Pacific Capital's registration in accordance with SEC guidance. These affiliated investment advisers operate as a single advisory business together with Chicago Pacific Capital and serve as managers or general partners of private investment funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

Chicago Pacific Capital has adopted the Chicago Pacific Code of Ethics and Securities Trading Policy and Procedures (the "**Code**"), which sets forth standards of conduct that are expected of Chicago Pacific principals and employees and addresses conflicts that arise from personal trading. The Code requires certain Chicago Pacific personnel to report their personal securities transactions, prohibits or requires pre-clearance for Chicago Pacific personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Chicago Pacific personnel from directly or indirectly acquiring beneficial ownership of securities with limited exceptions, without first obtaining approval from the Chicago Pacific Chief Compliance Officer. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Matt Doyle, the Chicago Pacific Chief Compliance Officer, at (312) 273-4750. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

Chicago Pacific Capital and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Chicago Pacific Capital and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Chicago Pacific Capital.

Accordingly, should Chicago Pacific Capital or any of its affiliated persons come into possession of material non-public or other confidential information with respect to any public company, Chicago Pacific Capital generally would be prohibited from communicating such information to clients, and Chicago Pacific Capital will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Chicago Pacific personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Funds.

Principals and employees of Chicago Pacific Capital and its affiliates may directly or indirectly own an interest in the Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles may invest in one or more of the same portfolio companies as the Funds. Co-invest opportunities may also be presented to certain affiliates of the Advisers, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles or directly in a particular portfolio company. Additionally, a Fund may invest together with other Funds advised by an affiliated adviser of Chicago Pacific Capital in the manner set forth in the Partnership Agreement and the Adviser's Allocation Policy. Chicago Pacific Capital will determine the allocation of investment opportunities in a manner that it believes is fair and equitable to its clients consistent with Chicago Pacific Capital's obligations and may take into consideration factors such as the following: the client's investment restrictions and objectives (including those set forth in the relevant client's governing documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition and cash level and applicable regulatory restrictions. In the case of co-investments, the Advisers may grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities.

Chicago Pacific Capital and its affiliates, principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in the Funds and may give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, the Funds, even though their investment objectives may be the same or similar. The operative documents and investment programs of certain vehicles sponsored by Chicago Pacific (the "**Reference Funds**") may restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Reference Funds or may give priority with respect to investments to such Reference Funds. Some of these restrictions could be waived by investors (or their representatives) in such Reference Funds.

BROKERAGE PRACTICES

Chicago Pacific focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, Chicago Pacific may also distribute securities to investors in the Funds or sell such securities, including through using a broker-dealer, if a public trading market exists. Although Chicago Pacific does not intend to regularly engage in public securities transactions, to the extent it does so, it follows the brokerage practices described below.

If Chicago Pacific sells publicly traded securities for the Funds, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Chicago Pacific. In such event, Chicago Pacific will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Chicago Pacific may consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

Chicago Pacific has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although Chicago Pacific generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with Chicago Pacific seeking to obtain best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although Chicago Pacific generally does not make use of such services at the current time and has not made use of such services since its inception. Such research services could include economic research, market strategy research, industry research, company research, fixed income data services, computer-based quotation equipment and research services and portfolio performance analysis. As a general matter, research provided by these brokers would be used to service all of Chicago Pacific’s Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by Chicago Pacific, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Fund. Research services may be shared between Chicago Pacific and its affiliates.

Chicago Pacific does not anticipate engaging in significant public securities transactions; however, to the extent that Chicago Pacific engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for the Funds are completed independently, Chicago Pacific may also purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, Chicago Pacific may, but is not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Fund of Chicago Pacific is favored over any other Fund. When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

REVIEW OF ACCOUNTS

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, Chicago Pacific closely monitors companies in which the Funds invest, and the Chicago Pacific Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund will provide to its limited partners (i) GAAP audited financial statements annually, (ii) unaudited financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each limited partner's U.S. tax returns, and (iv) descriptive investment information for each portfolio company periodically.

CLIENT REFERRALS AND OTHER COMPENSATION

Chicago Pacific and/or its affiliates may provide certain business or consulting services to companies in a Fund's portfolio and may receive compensation from these companies in connection with such services. As described in the applicable Partnership Agreement, this compensation may, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, reimbursements for out of pocket expenses directly related to a portfolio company), these fees may be in addition to Management Fees. See "Fees and Compensation."

From time to time, Chicago Pacific may enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents will be borne by Chicago Pacific indirectly through an offset against the Management Fee, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s). Chicago Pacific currently has retained CV Brokerage Inc., a Michigan corporation, to solicit Commitments from investors in exchange for a percentage-based fee of the aggregate commitments placed, a quarterly retainer plus payment of expenses.

CUSTODY

Chicago Pacific Capital maintains custody of assets held in each Fund's name with the following qualified custodian: The Private Bank, 120 S. LaSalle Street, Chicago, IL 60603.

INVESTMENT DISCRETION

Chicago Pacific has discretionary authority to manage investments on behalf of the Funds. As a general policy, Chicago Pacific Capital does not allow clients to place limitations on this authority. Pursuant to the terms of each Partnership Agreement, however, Chicago Pacific may enter into "side letter" arrangements with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. Chicago Pacific assumes this discretionary authority pursuant to the terms of the Partnership Agreement and powers of attorney executed by the limited partners of each Fund.

VOTING CLIENT SECURITIES

Chicago Pacific has adopted the Chicago Pacific Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how it will vote proxies, as applicable, for each Fund's (and any Fund's) portfolio investments. The Proxy Policy seeks to ensure that Chicago Pacific votes proxies (or similar instruments) in the best interest of each Fund, including where there may be material conflicts of interest in voting proxies. Chicago Pacific generally believes its interests

are aligned with those of each Fund's investors, for example, through the principals' beneficial ownership interests in the Funds and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Chicago Pacific may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board may approve Chicago Pacific's vote in a particular solicitation. Chicago Pacific does not consider service on portfolio company boards by Chicago Pacific personnel or Chicago Pacific's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Chicago Pacific when voting proxies on behalf of the Funds. If you would like a copy of Chicago Pacific's complete Proxy Policy or information regarding how Chicago Pacific voted proxies for particular portfolio companies, please contact Matt Doyle, the Chicago Pacific Chief Compliance Officer, at (312) 273-4750, and it will be provided to you at no charge.

FINANCIAL INFORMATION

Chicago Pacific does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.