

**ITEM 1: COVER PAGE**



CCMP Capital Advisors, LP ("CCMP Capital")

Form ADV, Part 2A  
(the "Brochure")

March 23, 2017  
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This Brochure provides information about the qualifications and business practices of CCMP Capital. If you have any questions about the contents of this Brochure, please contact us at (212) 600-9689 or [Investor.relations@ccmpcapital.com](mailto:Investor.relations@ccmpcapital.com). 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 CCMP Capital also is available on the SEC's Investment Adviser Public Disclosure (IAPD) website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

CCMP Capital may refer to itself as a "registered investment adviser." You should be aware that registration with the SEC or a state securities authority does not imply a certain level of skill or training.

## **ITEM 2: MATERIAL CHANGES**

This Item 2 discusses material changes since CCMP Capital filed its annual updating amendment to Part 2A of its Form ADV on March 29, 2016. Since that filing, the following changes have occurred to CCMP Capital's business or related entities that affect CCMP Capital's business.

1. Effective October 14, 2016, as part of a planned transition of responsibilities, Timothy Walsh assumed the titles Chief Executive Officer and President and Greg Brenneman, who had served as Chairman, Chief Executive Officer and President of CCMP since February 2015, assumed the title of Executive Chairman. Lastly, CCMP Capital's New York office moved effective October 1, 2016 and Item 1 has been revised to reflect the new address.

2. Since 2006, pursuant to one or more investment sub-advisory agreements with J.P. Morgan Partners, LLC and certain of its affiliates ("J.P. Morgan Partners") (referred to collectively as the "JPMP Sub-Advisory Agreement"), CCMP Capital has provided investment advisory and certain investor relations services to J.P. Morgan Partners and certain of its funds (the "CCMP Sub-Advised Funds"). Under the JPMP Sub-Advisory Agreement, investment discretion over portfolio companies in pooled investment vehicles managed by J.P. Morgan Partners, or in which affiliates of J.P. Morgan Partners have invested directly, remained with J.P. Morgan Partners and its affiliates, except in limited circumstances and as a result, the assets under CCMP Capital's management through the JPMP Sub-Advisory Agreement were considered non-discretionary assets. The JPMP Sub-Advisory Agreement ended as of September 30, 2016, and as a result CCMP is no longer providing services for the CCMP Sub-Advised Funds.

**This updated Brochure includes the following changes, among others, that recipients should consider:**

- CCMP no longer provides sub-advisory services to the CCMP Sub-Advised Funds. As a result, Items 4, 5, 6, 7, 8, 10, 11, 12, 15 and 17 have been revised to either remove references to the CCMP Sub-Advised Funds or, where appropriate, to refer to the services CCMP provided to the CCMP Sub-Advised Funds in the past. Additionally, for clarity, we have changed the defined term "CCMP Sub-Advised Funds" (used in prior versions of the Brochure) to "Former Sub-Advised Funds" and removed references to the non-discretionary investment advisory services provided to the Former Sub-Advised Funds by CCMP and to non-discretionary assets under management related to such activities.

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## ITEM 4: ADVISORY BUSINESS

### *Firm Overview*

CCMP Capital Advisors, LP (“CCMP Capital”) is a private equity firm that provides discretionary investment management services to pooled investment vehicles in accordance with the investment objectives, strategies and guidelines set forth in the relevant offering documents and partnership agreements for each respective pooled investment vehicle. CCMP Capital advises pooled investment vehicles for which affiliates of CCMP Capital serve as the general partner (the “CCMP Advised Funds”). To the extent that this Brochure discusses investment activities engaged in by CCMP Capital, such activities are undertaken by CCMP Capital as an investment adviser to the CCMP Clients and not for CCMP Capital’s own account.

CCMP Capital was formed in August 2006 by investment professionals who had previously managed the buyout and growth equity investment portfolio of J.P. Morgan Partners, LLC (“J.P. Morgan Partners”). From 2006 through September 2016, pursuant to one or more investment sub-advisory agreements with J.P. Morgan Partners and certain of its affiliates (referred to collectively as the “JPMP Sub-Advisory Agreement”), CCMP Capital provided non-discretionary investment advisory and certain investor relations services to J.P. Morgan Partners and certain of its funds (the “Former Sub-Advised Funds”).

CCMP Capital’s primary investment activity is making equity investments in privately owned companies, or making equity investments in publicly owned companies in connection with taking them private. CCMP Capital’s typical investment ranges from \$100 million to \$500 million, in companies valued at \$500 million to more than \$2 billion, although CCMP Capital may cause clients to invest outside of these ranges.

CCMP Capital focuses on buyout and growth equity investments in North America and Europe, primarily as the lead investor in companies in four targeted industry sectors: (1) consumer/retail; (2) industrial; (3) chemicals/energy; and (4) healthcare. Companies in which an investment is made through a pooled investment vehicle are known as “portfolio companies”.

As a private equity firm, CCMP Capital seeks to create value in its portfolio companies by working with management to implement operational enhancements and efficiencies. While CCMP Capital primarily seeks to make control investments, on occasion it may make a minority investment where it can exert a significant influence on management or secure appropriate corporate governance and other shareholder protections. After a period of time, typically several years, CCMP Capital seeks to sell the portfolio company privately or take the portfolio company public and dispose of its shares in the public markets. On occasion, CCMP Capital may cause a CCMP Client to hedge currency risk or exposure, but will not enter into other derivative or hedging transactions or engage in short selling.

CCMP Capital may also make private investments in public companies (“PIPE” transactions). Additionally, one CCMP Client, CCMP Capital Investors III, L.P. (“CCMP III”) may make distressed debt investments (“Distressed Investments”), generally in

contemplation of taking a meaningful minority or control equity position in a distressed company so as to be in a position to directly influence a restructuring such that holders emerge from the restructuring in control of such company's equity, by making direct investments in distressed investment opportunities which meet the investment objectives of CCMP III and subject to the limitations set forth in the partnership agreement for such fund. The risks and conflicts related to investing in Distressed Investments are discussed in greater detail throughout this Brochure and in the private placement memorandum for CCMP III.

Investments for CCMP Clients are managed in accordance with the pooled investment vehicle's particular investment objectives, strategies and guidelines and are not tailored to the individualized needs of any particular investor in the CCMP Client. Information about each CCMP Client, and the particular investment objectives, strategies, guidelines and risks associated with an investment in a CCMP Client, is described in the governing documents, including the private placement memorandum ("PPM") and limited partnership agreement of each CCMP Client, which are made available to investors only through CCMP Capital or another authorized party. Since CCMP Capital does not provide individualized advice to investors in any CCMP Client (and an investment in a CCMP Client does not, in and of itself, create an advisory relationship between the investor and CCMP Capital), investors must consider for themselves whether an investment in a particular CCMP Client meets their investment objectives and risk tolerance prior to investing.

CCMP Capital's total regulatory assets under management as of December 31, 2016, was approximately \$6,218,890,758, all of which are managed on a discretionary basis.

The general partner of CCMP Capital is CCMP Capital Advisors GP Corp, which is wholly-owned by CCMP Capital, LP. CCMP Capital, LP is the sole limited partner of CCMP Capital. No limited partner of CCMP Capital, LP owns 25% or more of the limited partnership interests of CCMP Capital, LP. The general partner of CCMP Capital, LP is CCMP Capital GP, LLC. No member of CCMP Capital GP, LLC owns 25% or more of the membership interests of CCMP Capital GP, LLC.

## **ITEM 5: FEES AND COMPENSATION**

### ***Compensation and Carried Interest***

CCMP Capital receives various fees from CCMP Advised Funds that are negotiated at the time of formation of a CCMP Advised Fund. Details of these fees are described in a CCMP Advised Fund's PPM and limited partnership agreement. CCMP Capital and/or its affiliates generally will earn the following compensation from a CCMP Advised Fund: (1) during the initial investment period, a management fee equal to a percentage of the aggregate capital commitments in the CCMP Advised Fund and, thereafter, a management fee equal to a percentage of invested capital minus distributions constituting the cost basis return of capital (and minus, in some cases, any realized losses or write-downs); in each case as may be offset by certain credits that may apply as described below; and (2) carried interest that is calculated based upon a percentage of the CCMP Advised Fund's return on

its invested capital. For an additional discussion regarding performance-based fees, please refer to *Item 6 – Performance-Based Fees and Side-by-Side Management*.

Fees and other economic terms for investments in CCMP Advised Funds made by CCMP Capital employees, former employees, its Executive Advisors (as defined in *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss*), and, in the discretion of the general partner of the applicable CCMP Advised Fund, certain other persons who have been associated with CCMP Capital or its affiliates, will generally differ from the fees and other economic terms applicable to other investors in such CCMP Advised Fund, as a result of waived or reduced management fees and carried interest. In addition, as determined by CCMP Capital in its discretion in connection with the organization of a CCMP Advised Fund, a reduced management fee has been applied in respect of one or more other investors in such CCMP Advised Fund, as set forth in the offering documents in respect of such CCMP Advised Fund. In addition, at the discretion of the general partner of a CCMP Advised Fund, certain investors may enter into side letter agreements with the general partner and/or form co-investment or other vehicles set up by the general partner which may provide for different terms and conditions than those set forth in the limited partnership agreement for the CCMP Advised Fund including, but not limited to, reduced fees.

#### ***Other Fees and Expenses***

Clients of CCMP Capital (as well as, indirectly, investors in a CCMP Client) will bear certain other fees, expenses and costs (in addition to CCMP Capital's management fee and carried interest described above, as applicable) related to the operations of a CCMP Client, as set forth in the applicable limited partnership agreement for each CCMP Client. Such fees, expenses and costs are generally incidental or related to the organization and maintenance of the CCMP Client (including, in some cases, feeder vehicles to the CCMP Client) or the buying, selling and holding of investments, including, but not necessarily limited to: (1) accounting, audit, legal, consulting, custody and other out-of-pocket fees, costs and expenses relating to the actual or proposed acquisition (whether or not the transaction is consummated), holding or disposition of investments (including, without limitation, travel expenses, transportation and meals, broken deal expenses, investment banking fees, brokerage and underwriting fees, commissions, hedging and custody costs and other related transactions costs and expenses charged to a CCMP Client); (2) fees and expenses of attorneys, consultants, accountants, third party appraisers, valuation experts and other professionals; (3) all expenses relating to investigating, acquiring, monitoring, distributing and disposing of investments, including but not limited to travel expenses, transportation and meals and other out of pocket expenses; (4) indemnification amounts payable to persons entitled to indemnification; (5) reimbursement of certain out of pocket expenses under a CCMP Client's partnership agreement (including out-of-pocket expenses of members of a CCMP Client's Advisory Committee, as described below); (6) all taxes imposed on a CCMP Client and all litigation expenses (and any judgments or settlements paid in connection therewith) and other extraordinary expenses; (7) the costs of forming and maintaining any blocker corporation, alternative investment vehicle or any other pooled investment vehicle through which to invest in or alongside (on a parallel basis) the CCMP Client (*e.g.*, feeder funds, offshore funds and funds established for CCMP Capital

employees and former employees); (8) insurance costs; (9) interest, commitment fees and other costs and expenses payable in connection with credit facilities made available to a CCMP Client; (10) the reasonable out-of-pocket expenses of the members of any advisory committee of limited partners of a CCMP Client or of any advisory council or investment committee formed to advise a CCMP Client with respect to existing investments and opportunities, in each case in connection with their services, including but not limited to, travel expenses in connection with attendance at Advisory Committee meetings; (11) the costs of the annual meetings of the general partner and limited partners of a CCMP Client; (12) fees of outside auditors and the costs of preparation of the books and records of a CCMP Client, including periodic reports to limited partners, and fund administration service provider expenses; (13) costs of liquidation and termination of a CCMP Client; and (14) all other costs incurred in connection with the administration of a CCMP Client (including in connection with any waiver, consent or approval under, or amendment of, the partnership agreement of such CCMP Client) or otherwise that may be authorized by a partnership agreement or approved by a majority in interest of the limited partners or an advisory committee. Expenses relating to the making, holding or disposition of an investment may be shared with a co-investor, as and when appropriate. As set forth in the relevant CCMP Clients' governing documents, certain expenses borne by a CCMP Client may be subject to an agreed-upon cap (e.g., organizational expenses) and certain types of fees and expenses (e.g., organizational expenses (to the extent they exceed any applicable cap) and placement fees) may be paid by the CCMP Client in the first instance but borne by CCMP Capital through management fee offsets.

Where outside service providers (e.g., legal counsel or accountants) are used, unless inconsistent with applicable governing documents, costs associated with services rendered to the benefit of CCMP Clients may be borne by CCMP Clients. CCMP Capital and its affiliates may use some of the same service providers as are retained on behalf of CCMP Clients. In some cases, fee rates, amounts or discounts may be offered to CCMP Capital and its affiliates by a third party service provider which differ from those offered to a CCMP Client as a result of scheduled or ad hoc rate changes, differences in the scope, type or nature of the service or transaction, alternative fee arrangements and negotiation.

From time to time, CCMP Capital or the general partner of one or more CCMP Clients will be required to decide how costs and expenses are to be allocated among one or more CCMP Clients and/or the general partner and CCMP Capital. In some cases, an expense may be relevant to only a particular CCMP Client and would be borne only by such CCMP Client, but it is often the case that expenses are relevant to, and generally will be allocated pro rata among, two or more CCMP Clients if the expenses relate to a matter that affects each of them. The general partner will make these judgments in a manner that it determines to be fair and reasonable in good faith, notwithstanding its interest in the outcome, and may make corrective allocations should it determine that such corrections are necessary or advisable.

As described below in *Item 10 – Other Financial Industry Activities and Affiliations*, on an investment by investment basis, CCMP Capital has offered in the past, and may, but is not obligated to offer in the future, co-investment opportunities to limited partners and/or third parties which it may select in its sole discretion (including where it believes that the particular co-investor may add strategic value) for investments in a portfolio company

either directly or through the formation of one or more co-investment vehicles. Certain co-investors have in the past paid, and may pay in the future, no or reduced management fees, carried interest and other fees generally borne by fund investors. Prospective co-investors generally evaluate a potential co-investment alongside an investment or prospective investment to be made by a CCMP Advised Fund. If the prospective investment is not consummated, the full amount of any expenses relating to such unconsummated co-investment may be borne entirely by the CCMP Advised Fund making or proposing to make such investment, rather than prospective co-investor. With respect to co-investment vehicles, any fees to be received by CCMP Capital are generally negotiated on a vehicle-by-vehicle basis, but may include asset-based fees. In addition, co-investment vehicles generally will be responsible for administrative and other expenses similar to those described above.

In certain cases, CCMP Capital (or its affiliates or employees) receives compensation for providing managerial and other services to certain portfolio companies of the CCMP Advised Funds, as well as other compensation and/or fees from portfolio companies, previous portfolio companies or potential portfolio companies, which may include, but not be limited to, transaction fees, acquisition and disposition fees, monitoring fees, directors' fees, break-up fees, management consulting fees, advisory fees and other fees (all such compensation from portfolio companies, previous portfolio companies or potential portfolio companies, collectively "Other Fees"). These Other Fees may be substantial and are generally not negotiated on an arms' length basis. Although Other Fees are in addition to the management fees received by CCMP Capital from the CCMP Advised Funds, Other Fees generally result in offsets to such management fees paid to CCMP Capital. The specific amount and manner of such offset is generally set forth in the relevant CCMP Advised Fund's limited partnership agreement. There may be circumstances (such as the occurrence of an initial public offering or strategic exit) which may accelerate the payment of such fees.

In connection with the managerial and other management services provided to certain portfolio companies in CCMP II, 100% of any Other Fees received by CCMP, its affiliates or employees is applied to any "broken deal" costs that CCMP II has incurred, and 80% of any remainder (to the extent allocable to limited partners not associated with CCMP Capital), is applied to offset management fees payable to CCMP Capital by the investors in CCMP II. The remaining 20% is retained by CCMP Capital. For CCMP III, 100% of Other Fees received by CCMP Capital, its affiliates or employees is applied to any broken deal costs that CCMP III has incurred, and 100% of any remainder (to the extent allocable to investors who are not associated with CCMP Capital) is applied to offset management fees payable to CCMP Capital. Arrangements for future funds may vary and will be set forth in the applicable governing documents of such funds.

Furthermore, a CCMP Advised Fund will, in most cases, only benefit from a fee offset with respect to its allocable portion of any Other Fees and not the portion of any Other Fee allocable to another entity (*e.g.*, another CCMP Advised Fund that has invested or proposed to invest alongside such CCMP Advised Fund in the applicable portfolio company or prospective portfolio company). Moreover, as certain CCMP Advised Funds do not pay management fees to CCMP Capital (*e.g.*, employee parallel or feeder vehicles and/or



certain co-investment vehicles formed for the purpose of investing alongside a CCMP Advised Fund in a single portfolio company), all or a portion of any such Other Fees which would otherwise be allocable to such vehicle will not benefit the investors in such fund.

Additionally, in certain instances, a portfolio company will reimburse CCMP Capital directly for certain expenses (including without limitation travel expenses, which may include expenses for chartered and privately owned planes, fares for business or first class travel, transportation, and meals and entertainment expenses) incurred by CCMP Capital in connection with its performance of services for such portfolio company in addition to the expenses borne by the applicable CCMP Advised Fund as set forth in the limited partnership agreement for such fund. Such reimbursements are not subject to a management fee offset described above.

CCMP Capital's receipt of Other Fees from portfolio companies of CCMP Advised Funds represents a potential conflict of interest particularly where CCMP Capital, through the CCMP Advised Funds' interest in the portfolio company, has or will have control or significant influence over such portfolio companies. This potential conflict of interest, however, is mitigated by the management fee offset provisions described above. For a discussion of potential material conflicts of interest created by the receipt of fees and reimbursements of expenses from portfolio companies, please see *Item 11 - Code Of Ethics, Participation Or Interest In Client Transactions And Personal Trading* below.

In addition, CCMP employees, on behalf of the CCMP Advised Funds, serve on the board of directors of certain portfolio companies and in certain cases receive in such capacity director fees or other compensation (including stock awards) from the portfolio companies. Such compensation results in an offset to the management fees paid to CCMP Capital as described in the applicable limited partnership agreement for such CCMP Advised Fund.

Unlike director fees and compensation received by CCMP employees described above, director fees and other compensation (including stock awards) paid to CCMP Capital's Executive Advisors (as defined in *Item 8- Methods of Analysis, Investment Strategies and Risk of Loss*), who are not employees of CCMP Capital but rather are engaged as consultants pursuant to a consulting agreement with CCMP Capital (or its UK affiliate, CCMP Capital Advisors (UK) II Limited) and receive compensation from CCMP (or CCMP Capital Advisors (UK) II Limited), may be retained by the Executive Advisor and are not subject to a management fee offset. In addition, reasonable out-of-pocket expenses incurred by the Executive Advisor for services related to a portfolio company may be reimbursed by the portfolio company or a CCMP Advised Fund to the Executive Advisor.

Furthermore, on occasion, an Executive Advisor may provide additional services to a portfolio company, or be hired either on a temporary or permanent basis as an employee or executive of, or consultant to, a portfolio company and in such capacity receive compensation directly from such portfolio company. Such role may, but will not always, be concurrent with serving as an Executive Advisor to CCMP Capital. CCMP Capital may also engage and retain other senior advisors, consultants and other similar professionals who are not employees or affiliates of CCMP Capital and who, from time to time, receive payments or other compensation from portfolio companies (as well as from CCMP Capital

or CCMP Advised Funds). In such circumstances, such payments or other compensation from portfolio companies and/or the funds will not result in the offset of any management fees otherwise due. In addition, these Executive Advisors, other senior advisors, consultants and/or other similar professionals sometimes have the right or may be offered the ability to co-invest alongside the CCMP Advised Funds, including in those investments in which they are involved, or otherwise participate in equity plans for management of any such portfolio company, and such co-investment and/or participation (which generally will reduce the amount invested by the funds in any investment) generally will not be considered as part of CCMP Capital's side-by-side co-investment rights. The nature of the relationship with each of the Executive Advisors, other senior advisors, consultants and/or other similar professionals and the amount of time devoted or required to be devoted by them varies considerably. In certain cases, they provide CCMP Capital with industry-specific insights and feedback on investment themes, assist in transaction due diligence, make introductions to and provide reference checks on management teams. In other cases, they take on more extensive roles and serve as executives or directors on the boards of portfolio companies or contribute to the origination of new investment opportunities.

For an additional discussion regarding brokerage fees, commissions and other related transactions costs and expenses, please refer to *Item 12 – Brokerage Practices*.

### ***Valuation of Portfolio Investments***

In certain cases, CCMP Capital's compensation may be reduced if CCMP Capital determines to write-down the value of a portfolio investment, creating a disincentive for CCMP Capital to do so. CCMP Capital's valuation policies for its portfolio investments serve to mitigate this conflict. CCMP Capital's valuation policies are consistent with ASC Topic 820, requiring that CCMP Capital assign a "fair value" to certain investments representing "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date." When there is not readily available market pricing information, CCMP Capital personnel assign a price based on various factors and inputs and take into account a variety of relevant pricing methodologies. Because fair value pricing requires the application of judgment to establish a good faith approximation of the value of an asset as of the measurement date at the time the valuation is performed, fair valuation will not necessarily reflect the actual or empirical value of any asset as might be determined with the benefit of hindsight. Thus, the fair value assigned to an asset may not match the next available and reliable market price or, in retrospect, have been the price that would have been paid had that asset actually been sold on the measurement date. When fair valuing loans or debt securities including Distressed Investments, CCMP generally uses third party pricing sources. Where a third party pricing source is not able to provide a price, or where CCMP believes that the third party pricing source's data may not be reliable, CCMP may seek direct quotes from independent broker-dealers. Where CCMP still is unable to obtain a price that it believes to be reliable, CCMP will apply alternative valuation techniques, as set forth in CCMP's Valuation Policy.

Although CCMP Capital is responsible for determining fair values for assets, these valuations are reviewed by the relevant CCMP Clients' limited partner advisory

committees and independent auditors annually and, in the case of Level 3 assets held by a CCMP Advised Fund, by an independent valuation adviser semi-annually (newly formed funds that only hold recent investments are excluded, as such independent review would not be meaningful).

### ***Billing***

Investors in a CCMP Advised Fund bear the fund's fees and expenses. At or prior to the time that fees or expenses must be paid, the CCMP Advised Fund will either issue a "capital call" by which the investor is required to pay the required amount from its undrawn capital commitment to the CCMP Advised Fund, or, if sufficient cash is available in the CCMP Advised Fund and at the discretion of CCMP Capital or its affiliate serving as general partner of the CCMP Advised Fund, by reserving all or a portion of the available cash held by the CCMP Advised Fund, including cash that may have arisen from a realization. In some cases, a capital call may be wholly or partially offset by a concurrent distribution such that investors are distributed, or required to contribute, a net amount equal to the difference between the capital call and the distribution. Available cash, including cash from capital calls, remains in the fund as a fund asset until fees or expenses are paid.

Management fees are billed semiannually and are paid by the CCMP Advised Fund (which may be from the available cash discussed above) less than six months in advance. If a CCMP Advised Fund is dissolved before the end of a six-month period, management fees will be pro-rated based on the period the CCMP Advised Fund was operational, and CCMP Capital will return the excess amount.

In the event that an agreement for CCMP Capital's advisory services is terminated, any fees paid in advance may or may not be refundable, depending upon the circumstances of the termination and the terms of the advisory contract. If a refund is due, CCMP Capital will return the applicable amount to its client for distribution to the investors.

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

In addition to the compensation discussed in *Item 5 – Fees and Compensation*, CCMP Capital may receive performance-based compensation, generally through the payment of "carried interest" to an affiliate that serves as general partner to a CCMP Advised Fund. Any performance-based compensation will be paid in accordance with Section 205(3) of the Investment Advisers Act of 1940, as amended (the "Advisers Act"), or Rule 205-3 thereunder.

The existence of carried interest in a CCMP Advised Fund may create an incentive for CCMP Capital to make more speculative investments on behalf of CCMP Advised Funds than it would otherwise make in the absence of such performance-based compensation. However, this risk is mitigated to some extent since: (1) carried interest is based on the success of the CCMP Advised Fund as a whole and not any single investment and therefore CCMP Capital's total carried interest would be affected by any single unsuccessful investment and (2) CCMP Capital's management and other personnel have made significant personal capital commitments to the CCMP Advised Funds, and/or to

investment vehicles that invest in the same securities at the same time and on the same terms as the CCMP Advised Fund. These reduce the incentive to take excessive risks with respect to particular portfolio investments by aligning CCMP Capital's and its personnel's financial interests with those of fund investors.

***Performance-Based Compensation to Personnel and Affiliates of CCMP Capital May Create Differing Pecuniary Interests***

As discussed above, with respect to CCMP Advised Funds, an affiliate of CCMP Capital in its capacity as the general partner of the CCMP Advised Fund is eligible to receive carried interest, ultimately calculated based upon a percentage of the relevant CCMP Advised Fund's return on its invested capital across its entire portfolio. Certain of CCMP Capital's investment professionals and other personnel participate in the carried interest paid to the general partner of one or more CCMP Advised Funds as a result of their ownership (or other interest) in such general partners. . Accordingly, CCMP Capital and its personnel, including personnel involved in the management of one or more CCMP Clients, may have differing pecuniary interests with respect to different CCMP Clients.

***Conflicts of Interest and Mitigants***

These differing pecuniary interests may create conflicts of interests with respect to the allocation of time, resources and investment opportunities, as CCMP Capital and its personnel may have an incentive to favor funds in which they have a greater pecuniary interest. However, CCMP Capital's fiduciary obligations to seek to act in the best interest of its clients, as well as its contractual obligations to CCMP Clients that obligate CCMP Capital and its personnel to meet certain professional standards of care serve to mitigate potential conflicts of interest that may exist with respect to CCMP Capital's allocation of time, resources and investment opportunities based on differing compensatory or pecuniary interests. These and other potential conflicts may also be addressed through Advisory Committees comprised of investors in a CCMP Client that are not affiliated with CCMP Capital. These Advisory Committees are established through the CCMP Clients' governing documents and are authorized to act on behalf of the relevant CCMP Client for certain purposes under the Advisers Act and the relevant governing documents. In particular, Advisory Committee members may be called upon to review, and determine whether or not to approve or consent to, various transactions or other potential conflicts that may arise. The existence and use of an Advisory Committee may mitigate, but does not eliminate conflicts of interest.

The potential conflicts of interests among CCMP Clients with respect to side-by-side management of overlapping investments and the allocation of investment opportunities in circumstances where more than one CCMP Client is eligible (and has resources) to invest in a particular investment opportunity, and related mitigants, are described in more detail in "*Conflicts Related to Overlapping Investment Opportunities*" in *Item 10 - Other Financial Industry Activities and Affiliations*, below.

## ITEM 7: TYPES OF CLIENTS

As discussed in *Item 4 – Advisory Business*, CCMP Capital provides discretionary investment management services to CCMP Advised Funds, which are pooled investment vehicles exempt from registration under the Investment Company Act of 1940, as amended (the “Act”).

Investors in the CCMP Advised Funds may include:

- Banks and thrift institutions;
- Private investment funds;
- Insurance companies;
- Investment companies;
- Public and private pension plans;
- Trusts;
- Charitable organizations and foundations;
- State and municipal government entities;
- Sovereign wealth funds; and
- High net worth individuals (both U.S. and non-U.S.).

All investors are subject to the CCMP Advised Fund’s stated eligibility requirements. These generally include that each investor be (i) an “accredited investor” as defined in Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and (ii) except with respect to an employee fund, a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended, and meet other suitability requirements (including, in some circumstances, a person that is not a U.S. Person as defined in Regulation S under the Securities Act). Additionally, “knowledgeable employees” are generally permitted to invest in the CCMP Advised Funds.

The terms and conditions of client accounts may vary depending on the type of services provided or the type of client, and these terms and conditions may also vary from client to client. Furthermore, CCMP Advised Funds generally impose investment minimums for investors, as described in more detail in the CCMP Advised Fund’s PPM. In certain circumstances, such investment minimums may be reduced. CCMP Capital may offer more favorable terms (*e.g.*, lower investment minimums, reduced or eliminated fees) to its personnel, related persons or others, in its discretion, including through dedicated vehicles that invest in or alongside a CCMP Client.

This Brochure may be provided to current or prospective investors in a CCMP Client, together with the CCMP Client's PPM, organizational documents and other related documents, prior to or in connection with such person's consideration or execution of an investment in the CCMP Client, and may subsequently be provided in CCMP Capital's discretion or, annually, at the request of an investor in the CCMP Client. Investors and other recipients should be aware that while the Brochure may include information about a CCMP Client, as necessary or appropriate, it should not be considered to represent a complete discussion of the features, risks or conflicts associated with the CCMP Client. More complete information about each CCMP Client is included in the CCMP Client's PPM and other relevant organizational documents which are provided to investors only by CCMP Capital or another authorized party and should be reviewed in their entirety by an investor prior to making an investment in a CCMP Client.

**In no event should this Brochure be considered to be an offer of interests in a CCMP Client or relied upon in determining whether to invest. It is also not an offer of, or agreement to provide, advisory services directly to any recipient.** Rather, this Brochure is designed solely to provide information about CCMP Capital for the purpose of compliance with certain obligations under the Advisers Act and, as such, responds to relevant regulatory requirements under the Advisers Act, which may differ from the information provided in a PPM or other relevant organizational documents. To the extent that there is any conflict between disclosures herein and similar or related disclosures in any PPM or other relevant organizational documents, the PPM and other relevant organizational documents shall govern.

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

### ***Methods of Analysis and Investment Strategies***

As discussed in *Item 4 – Advisory Business*, CCMP Capital's primary investment activity is making equity investments in privately owned companies, or making investments in publicly owned companies in connection with taking them private. CCMP Capital may also make private investments in public companies ("PIPE" transactions). CCMP III may make Distressed Investments, generally in contemplation of taking a meaningful minority or control equity position of a distressed company so as to be in a position to directly influence a restructuring such that holders emerge from the restructuring in control of such company's equity. CCMP Capital may also cause a client to hedge currency exposure. CCMP Capital does not engage in short selling. Although it is not a primary strategy, CCMP Capital may invest in other pooled investment vehicles where it has the right to "opt out" of investments that the pooled investment vehicle proposes to make. In these cases, the CCMP Client bears the expenses associated with such vehicles, provided that CCMP Capital reduces the management fees and carried interest payable by the CCMP Client to CCMP Capital by the amount of management fees and carried interest payable by the CCMP Client to such other pooled investment vehicle.

The foundation of CCMP Capital's investment approach is to leverage its industry expertise and proprietary global network of relationships by focusing on four core industry

sectors (consumer/retail; industrial; chemicals/energy; and healthcare) to make private equity investments in buyout and growth equity transactions. CCMP Capital develops its own proprietary research in various subsectors of the four industry sectors, which leads to the development of discrete investment themes and proactive target investment identification. CCMP Capital also utilizes the internal research of various investment banking firms and other sources, and publicly available information in developing its investment themes. CCMP Capital performs extensive due diligence with the management of a potential portfolio company prior to investing, and, in connection with that review, routinely gains access to material, non-public information from the potential portfolio companies themselves and from other sources. CCMP Capital's operating and growth initiatives for its portfolio companies benefit from CCMP Capital's proprietary operating resources, which include full time senior personnel with Chief Executive or Chief Financial Officer experience at public companies, and additional seasoned executive advisors with extensive management experience who supplement CCMP's operating expertise and resources ("Executive Advisors"). CCMP Capital's investment strategy is primarily long term investment in privately held companies, however, it is possible that some investments may be held for less than a year.

CCMP Capital's investment methodology includes a risk identification and mitigation process through which CCMP Capital seeks to identify potential concerns within its focus sectors, prospective investments, current portfolio companies and the broader economy before they manifest themselves as larger unremediated problems within a CCMP Client's portfolio. CCMP Capital shares its risk management expertise across its portfolio, coordinating with management teams to fine tune their views of the risks specific to the businesses and take any preemptive or remedial actions necessary. CCMP Capital seeks to actively manage seven key areas of risk through "Centers of Excellence" – Foreign Exchange, Commodity Markets, Interest Rates, Debt Capital Markets, Equity Capital Markets, Counterparty Exposure, and Cybersecurity – each led by individual Investment Committee members.

CCMP Capital's Investment Committee, comprised of senior members of CCMP Capital and its affiliate, CCMP Capital Advisors (UK) II Limited ("CCMP UK"), is ultimately responsible for making final investment decisions for the CCMP Advised Funds.

Additional information about the investment processes and methods of analysis employed with respect to each CCMP Client is available in the CCMP Client's PPM.

### ***Investment Risks***

CCMP Capital's investment activities involve a significant degree of risk that investors should be prepared to bear. While CCMP Capital seeks to manage CCMP Clients so that risks are appropriate to the return potential for the strategy, it is often not possible to fully mitigate risks. An investment in a CCMP Client contemplates the risk of loss and there can be no guarantee that a particular level of return will be achieved. Investors should be aware that CCMP Clients are not diversified or intended to provide a complete investment program. CCMP Capital assumes that investors in CCMP Clients will not invest all of

their assets in the CCMP Client. Investors are responsible for appropriately diversifying their assets to guard against the risk of loss.

As a private equity focused investment firm, the securities in which a CCMP Client may invest are generally highly illiquid and, although these investments may occasionally generate some current income, the return of capital and the realization of gain, if any, from an investment generally will occur only upon the partial or complete disposition of such investment. It is unlikely for there to be a public market for most of the securities recommended by CCMP Capital on behalf of CCMP Clients, and such securities may require a substantial period of time to liquidate. It is expected that certain portfolio companies will, after a period of time, become publicly traded companies, as part of the strategy to exit the initial investment.

As it is not possible to identify all of the risks associated with investing, this section discusses certain material risks of CCMP Capital's investment activities. Moreover, the particular risks applicable to a CCMP Client will depend upon various factors, including the CCMP Client's investment strategies, restrictions and holdings and whether the CCMP Client is within its investment period. For example, certain of the risks relating to new investment activities are not applicable to certain CCMP Clients including, particularly, those CCMP Advised Funds that are no longer making investments in new portfolio companies (although they may make "follow-on" investments in existing portfolio companies). Additionally, certain risks associated with particular types of investments (e.g., distressed debt) are applicable only to CCMP Clients making such investments. Investors and prospective investors in a CCMP Client should consult the relevant CCMP Client's PPM for a more detailed discussion of applicable risks.

*Impact of Economic and Geopolitical Conditions.* The activities of, and investments made by, CCMP Clients are impacted by various economic factors. Interest rates, general levels of economic activity, the prices of securities and participation by other investors in the financial markets may affect the value and number of investments made by a CCMP Client or considered for prospective investment. General economic and market conditions, including market liquidity, are also influenced by geopolitical factors. For example, an unstable geopolitical climate, the continued threat of terrorism and the possibility of pandemics or natural disasters could adversely impact economic fundamentals and consumer confidence, increasing the risk of default of particular investments, negatively impacting market value, increasing market volatility and causing credit spreads to widen and reduce liquidity. Additionally, during times of political uncertainty, markets often become more volatile. Markets, including established markets, in which clients invest may experience political uncertainty (e.g., Brexit), that subjects investments to heightened risks. Political and policy decisions, and regulatory changes, may also impact the businesses in which CCMP Clients invest.

The value of investments may fluctuate in accordance with changes in the financial condition of portfolio companies and other factors that affect the markets in which CCMP Clients invest, and not all CCMP Clients will necessarily be impacted similarly by changing conditions. While portfolio companies generally will be subject to the same



general conditions, not all portfolio companies will be similarly impacted. Any adverse impact on portfolio companies could adversely impact fund returns.

Economic slowdowns or downturns could result in financial losses for portfolio companies and CCMP Clients, and their respective investors. Recent events in the global financial markets have caused significant dislocations, illiquidity and volatility in the wider global economy. To the extent that such marketplace events are not temporary and continue (or even worsen), there could be an adverse impact on the availability of credit to businesses generally and could lead to further overall weakening of the U.S. and global economies. Any resulting economic downturn could adversely affect the financial resources of portfolio companies in which CCMP Clients invest or have invested and result in the inability of such portfolio companies to make principal and interest payments on, or refinance, outstanding debt when due. In the event of such defaults, a CCMP Client may suffer a partial or total loss of capital invested in such portfolio companies which would, in turn, have an adverse effect on the CCMP Client's returns. Such marketplace events could also restrict the ability of a CCMP Client to make new investments, or to sell or liquidate investments at favorable times or for favorable prices. There can be no assurance as to the duration of the current market dislocation or as to the timing of future market dislocations.

*Possible Lack of Diversification.* CCMP Clients may not be subject to any comprehensive diversification or asset allocation requirements or be limited to a particular investment strategy. To the extent a CCMP Client concentrates investments in a particular geographic region, security, investment sector or stage of investment, investments may become more susceptible to fluctuations in value resulting from adverse economic or business conditions applicable to such region, type of security, sector or stage of investment. In addition, a CCMP Client may participate in a limited number of investments in which case the investment returns of the CCMP Client could be substantially adversely affected by the unfavorable performance of a single investment.

*Competition for Investment Opportunities.* The activity of identifying, completing and realizing attractive investments on a global basis is competitive and involves a high degree of uncertainty. CCMP Clients may compete with other potential investors including private funds, hedge funds, other financial institutions or other corporate or strategic buyers for limited investment opportunities. When multiple CCMP Clients are simultaneously in a period where new and/or follow-on investments are permissible, such CCMP Clients may compete for investment opportunities. In these cases, CCMP will seek to allocate investment opportunities fairly and equitably over time in accordance with CCMP's written policies and procedures, as described below – see “*Allocation of Co-Investment Opportunities*” in *Item 10 – Other Financial Industry Activities and Affiliations*, below. As a result of the foregoing factors, there can be no assurance that a CCMP Client will be able to locate and complete portfolio investments that satisfy the CCMP Client's return objectives or realize their potential values or that the CCMP Client will be able to become fully invested for a significant period of time, if at all. Management fees payable by a CCMP Client during its Investment Period (as defined in *Item 10 – Other Financial Industry Activities and Affiliations*) are based on aggregate capital commitments, regardless of whether the CCMP Client is able to become fully invested.

*Uncertain Nature of Investments.* CCMP Clients may enter into high-risk investment opportunities of all kinds in all markets globally, including in, but not limited to, equity securities, distressed debt, pooled investment vehicles and investments denominated in foreign currencies. Additionally, these investments are often made in reliance on projections made by CCMP Capital or the management of a portfolio company concerning future performance, outcomes, cash flows and other matters that may rely on assumptions and are subject to uncertainties and factors beyond the control of CCMP Capital or the portfolio company. The inaccuracy of certain assumptions, incomplete knowledge of relevant information (which may or may not be knowable at the time of the investment) or the occurrence of unforeseen events could impair the ability of a portfolio company to realize projected values, outcomes or cash flows. In some cases, investments must be completed on an expedited basis in order to take advantage of an opportunity. This may further reduce CCMP Capital's or a portfolio company's knowledge of facts and circumstances that could impact a projection or the investment and there can be no assurance, in any event, that CCMP Capital will have knowledge of all circumstances that could adversely affect an investment. Companies in which the CCMP Clients invest may not achieve their expected operational objectives and might experience substantial fluctuations in their operating results or cash flows. In all such cases, CCMP Clients are subject to the risks associated with the underlying businesses engaged in by portfolio companies, including market conditions, changes in regulatory environment, general economic and political conditions, the loss of key management personnel and other factors. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value and number of investments made by a CCMP Client or considered for prospective investment. Potential investors should realize that realization events could be delayed as a result of general economic conditions, illiquidity of portfolio investments, contractual prohibitions or other reasons mentioned herein.

*Reliance on Portfolio Company Management.* Although CCMP Capital will monitor the performance of each portfolio company investment, it will primarily be the responsibility of company-level management to operate portfolio companies on a day-to-day basis. Although CCMP Clients generally intend to invest in portfolio companies operated by strong management teams, there can be no assurance that the management team of a portfolio company will be able to successfully operate the company or will meet CCMP Capital's expectations.

*Control Positions and Board Participation.* CCMP Clients generally seek investment opportunities that provide the opportunity to have significant influence on the management, operations and strategic direction of their portfolio companies. The exercise of influence or control imposes additional risks of liability for environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability generally characteristic of business operations may be ignored. This could expose the assets of a CCMP Client to claims by a portfolio company, its securities holders and its creditors.

In some cases, CCMP Clients may be represented on the boards of directors of portfolio companies or have board observation rights. While such representation or observation

rights may be important to a CCMP Client's investment strategy and may enhance CCMP's ability to manage the CCMP Client's investments, they may also have the effect of impairing the CCMP Client's ability to sell the related securities when, and upon the terms, that it may otherwise desire. Such rights also may subject a CCMP Client, CCMP or its related persons to claims they would not otherwise be subject as an investor, including claims of breach of the duty of loyalty, securities-related claims and director-related claims. CCMP Clients may, to the extent provided for in governing documents and where permitted by applicable law, indemnify CCMP or its related persons from such claims.

*Minority Investments.* A CCMP Client may make, or may have made, minority equity investments in entities that may develop economic or business interests or goals that are inconsistent with those of the CCMP Client. There is no assurance that CCMP Capital will be able to control the CCMP Client's investment in such a portfolio company.

*Investments in Less Established Companies.* CCMP Clients may invest a portion of their assets in securities issued by less established companies. Such investments involve greater risks than generally are associated with later stage companies. To the extent that there is any public market for such securities, price movements may be more abrupt and erratic than is the case for securities issued by more established companies. Less established companies also tend to have lower capitalizations and fewer resources, making them potentially more vulnerable to financial failure. These companies also may have shorter operating histories on which to judge future performance and, if operating, may have negative cash flow.

*Bridge Financings and Other Loans to Portfolio Companies.* From time to time, a CCMP Client may lend to portfolio companies on an unsecured basis, or lend or invest on an interim basis in portfolio companies, generally in anticipation of a future issuance of equity or long-term debt securities or other refinancing or syndication. Such long-term securities issuances or other refinancings or syndications may not occur and such loans, bridge loans and interim investments could remain outstanding, in which case the interest rate on such loans or the terms of such interim investments may not adequately reflect the risk associated with the position taken by a CCMP Client.

*Third Party Investments.* CCMP Clients may co-invest with third parties through partnerships, joint ventures, or other vehicles. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third party co-venturer or partner may have economic or business interests or goals that are inconsistent with those of a CCMP Client, or may be in a position to take action contrary to the CCMP Client's investment objectives, and other risks associated with not having control over the investment.

*Insufficient Capital for Follow-On Investments.* From time to time, a portfolio company may require additional capital. There is no assurance that a CCMP Client will make follow-on investments or that the CCMP Client will have sufficient resources to, or be permitted to, make such follow-on investments. A decision to not make follow-on investments or its inability to make them may have a substantial negative impact on a portfolio company,

may result in missed opportunities for a CCMP Client or may result in dilution of the CCMP Client's investment.

*Investments in Regulated Industries.* The industries targeted for investments by CCMP Clients may be subject to various regulatory regimes. Such regulations could impact a CCMP Client's ability to make an acquisition or disposition of an investment as well as a portfolio company's operations and results. Changing regulations may increase the impact on CCMP Clients and portfolio companies and there can be no assurance that CCMP will be able to anticipate or react to changing regulations.

*Labor Relations.* CCMP Clients may invest in portfolio companies with unionized work forces or where employees are covered by a collective bargaining agreement, which could subject the portfolio company's activities and labor relations to complex laws and regulations. A portfolio company's operations and profitability could suffer if it experiences labor relations problems. Upon the expiration of any collective bargaining agreement, a portfolio company might be unable to negotiate new collective bargaining agreements on equally favorable terms and its business operations could be interrupted as a result of labor disputes, which could have a material adverse effect on the portfolio company.

*Investments Longer than Term.* A CCMP Client may make investments that, due to various reasons, may not be capable of an advantageous disposition prior to the date the CCMP Client is required to be dissolved, either by expiration of the CCMP Client's term or otherwise, and therefore a risk exists that a CCMP Client may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

*Portfolio Company Leverage.* Although CCMP Clients do not use leverage for investment purposes at the fund level, to the extent that any investment is made in a portfolio company with a leveraged capital structure, such investment will be subject to increased exposure to adverse economic factors, including fluctuations in interest rates, a severe downturn in the economy or deterioration in the condition of such company or its industry. In the event that such a company is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of a CCMP Client's investment in such portfolio company could be significantly reduced or even eliminated.

*Non-U.S. Investments.* A CCMP Client may invest in the assets and securities of non-U.S. issuers and may invest in companies located in emerging markets. Investments of this type are subject to certain risks not typically associated with investing in U.S. securities including, but not limited to, price fluctuations, currency exchange rate fluctuations and costs, differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less governmental supervision and regulation, certain economic and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital, the risks of political, economic or social instability, the possibility of expropriation or confiscatory taxation, and the possibility of non-U.S.

taxes on income and gains recognized with respect to such securities. These risks may be more pronounced in emerging markets.

*Non-OECD Investments.* Certain CCMP Clients may invest a portion of its assets in countries which are not members of the Organization for Economic Cooperation and Development (OECD), which entails additional risks. For example, some non-OECD countries may require prior government approval for foreign investments and the repatriation of investment income, capital and the proceeds of sales of investments and the process of obtaining those approvals may require a significant expenditure of time and resources. In addition, many non-OECD countries do not have well-developed shareholder rights and provide inadequate legal remedies for breaches of contract, and companies in non-OECD countries are not generally subject to uniform accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to U.S. companies. As a result, information about a particular company may be difficult to obtain or assess. The prices at which a CCMP Client may sell its investments may be affected by other market participants' anticipation of the CCMP Client's activities and by trading by persons with material non-public information. Securities markets in non-OECD countries are generally smaller in size, less liquid and experience greater volatility than U.S. securities markets. Political or social instability may also have an adverse effect on non-OECD countries and the performance of a CCMP Client's investments in such markets.

*Currency Exchange Risk.* Capital contributions to a CCMP Client are generally payable in U.S. dollars and the CCMP Client's assets will be valued in U.S. dollars. A portion of CCMP Client's investments may be denominated in currencies other than the U.S. dollar, and hence the value of such investments will depend in part on the relative strength of the U.S. dollar. A CCMP Client may be affected by exchange control regulations or changes in the exchange rate between foreign currencies and the U.S. dollar, as well as the transaction costs associated with converting foreign currencies into U.S. dollars. Changes in foreign currency exchange rates may also affect the value of dividends and interest earned, and the level of gains and losses realized on the sale of such investments. The rates of exchange between the U.S. dollar and other currencies are affected by many factors, including forces of supply and demand in the foreign currency exchange markets, the international balance of payments and other economic and financial conditions, government intervention, speculation and other factors. CCMP Capital or a CCMP Client may, but are not obligated to, seek protection against currency-related risks by using certain hedging strategies. Currency hedging is a highly specialized activity and there can be no assurance that the intended result will be achieved. Additionally, currency hedging may reduce potential profits to the extent that an increase in the value of investments relates to changes in currency prices. In addition, if judgments made with respect to future currency prices or conditions impacting currency prices such as exchange rates, market conditions or trends are not correct, these hedging strategies could result in losses to the CCMP Clients. Hedging also entails additional risks, including counterparty credit risk and market liquidity risk. CCMP Capital and the CCMP Clients may rely on CFTC "de minimis" exemptions or other exemptions in accordance with Commodity Futures Trading Commission ("CFTC") rules and regulations that may reduce CCMP Capital's or the CCMP Clients' ability to hedge currency exchange risks.

*Inflation.* Some non-OECD countries have experienced substantial rates of inflation. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economics and securities markets of certain non-OECD economies. There can be no assurance that inflation will not become a serious problem in the future and thus have an adverse impact on a CCMP Client's returns.

*Contingent Liabilities on Dispositions of Investments.* CCMP Clients invest primarily in private securities. In connection with the disposition of an investment in a portfolio company, a CCMP Client may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of a business or may be responsible for the contents of disclosure documents under applicable securities laws. The CCMP Client may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be inaccurate or misleading. These arrangements may result in the incurrence of contingent liabilities, which may adversely impact the CCMP Client (or its investors who may be called upon to fund the payment of such liabilities to the extent that the investors have received prior distributions from the CCMP Client).

*Litigation.* Litigation can and does occur in the ordinary course of the management of an investment portfolio of securities. A CCMP Client may be engaged in litigation both as a plaintiff and as a defendant. This risk is somewhat greater where the CCMP Client exercises control or significant influence over a portfolio company's direction, including as a result of board participation. Such litigation can arise as a result of issuer default, issuer bankruptcies and/or other reasons. In certain cases, such issuers may bring claims and/or counterclaims against the CCMP Client, CCMP Capital, the CCMP Client's general partner and/or their respective principals and affiliates alleging violations of securities laws and other typical issuer claims and counterclaims seeking significant damages. The expense of defending against claims made against the CCMP Client by third parties and paying any amounts pursuant to settlements or judgments would be borne by the CCMP Client to the extent that (1) the CCMP Client has not been able to protect itself through indemnification or other rights against the portfolio companies, (2) the CCMP Client is not entitled to such protections or (3) the portfolio company is not solvent. CCMP Capital, its affiliates and others may be indemnified by a CCMP Client in connection with such litigation.

***Distressed Investments (Applicable to CCMP III Only)***

As discussed above, CCMP III may, but is not required to, invest up to 10% of its committed capital in Distressed Investments when CCMP Capital believes such investments may provide an opportunity for CCMP III to take a meaningful minority or control equity position in a distressed company so as to be in a position to directly influence a restructuring such that holders emerge from the restructuring in control of the company's equity. The level of analytical sophistication, both financial and legal, necessary for successful Distressed Investments in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that CCMP will correctly evaluate the value of the assets underlying these investments or the prospects for a successful reorganization or similar action.

Distressed Investments may involve securities and other instruments that have a high degree of risk including, principally, loans, debt securities or other interests that CCMP Capital believes are or may become non-performing and possibly in default at the time of purchase, so there can be no assurance as to the timing or amount of payments of principal or interest. In some cases, the obligor or a relevant guarantor may also be in the midst of a workout, restructuring, bankruptcy or liquidation, subjecting holders of distressed debt to additional risks, and potential costs and liabilities, including the following:

*Investments in Restructurings.* Investments in restructurings involve companies that are experiencing or are expected to experience financial difficulties and may be subject to potential liabilities in excess of the original investment. A portfolio company's financial difficulties may never be overcome and may lead to bankruptcy proceedings. Applicable bankruptcy and insolvency law as well as local statutes relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and a bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims may adversely impact the value of these investments.

*Bankruptcy Claims, Trade Claims and Other General Unsecured Claims.* Distressed Investments may include bankruptcy claims, trade claims and other general unsecured claims of a debtor (collectively "Claims"). Because Claims are frequently unsecured and may be subordinated to other unsecured obligations of the debtor, the repayment of Claims may be subject to significant uncertainties, including potential set-off by the debtor as well as the other uncertainties described herein with respect to other distressed securities or debt instruments. Such investments could, in certain circumstances, subject CCMP III to certain additional potential liabilities that may exceed the value of its original investment. Investments in Claims may also be subject to the risk of fraud on the part of an assignor of the Claim as well as logistical and mechanical issues which may affect collections. In addition, under certain circumstances, payments to CCMP III and distributions by CCMP III to its limited partners may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment, or similar transaction under applicable bankruptcy and insolvency laws.

*Participation on Creditors' Committees.* CCMP Capital or an affiliate may participate on committees formed by creditors to negotiate with the portfolio company's management (or may seek to negotiate directly with the portfolio company's management) with respect to restructuring issues. Creditors' committees generally include multiple participants and multiple parties may join in, or undertake separate, negotiations. Each committee member or negotiating party will seek an outcome that is in its best interest and there can be no assurance that favorable results will be obtained for CCMP III. Additionally, CCMP III may incur significant legal fees and other expenses, and be subject to potential liability to other creditors, in connection with committee participation or negotiation with an issuer. If negotiations result in CCMP Capital receiving material non-public information, CCMP III may be unable to trade in the company's securities or other debt instruments, which could prevent CCMP III from achieving gains or avoiding losses with respect to its investment in the company.

*Allegations of Equitable Subordination or Lender Liability.* CCMP III could be subject to lender liability claims by an obligor or equitable subordination claims by other creditors, as a result of actions taken on its behalf or on behalf of other holders. This may reduce or eliminate returns or result in CCMP III's claims being subordinated to (*i.e.*, paid after) other claims that would otherwise have been of equal or lower priority to CCMP III's claims. Where CCMP III is not the lead creditor, it is possible that actions of the lead creditor could result in lender liability or equitable subordination even without the direct involvement of CCMP III.

*Other Risks Associated with Bankruptcies.* Issuers of a Distressed Investment held by CCMP III may declare bankruptcy. Bankruptcy cases are adversarial and may be lengthy. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions that may be contrary to the interests of CCMP III. If CCMP III were determined to have taken over management and functional operating control of a debtor, it could lose its ranking and priority as a creditor. Reorganizations can involve substantial legal, professional and administrative costs, and are subject to unpredictable and lengthy delays. During the process, the company's competitive position may erode, key management may depart and the company may not be able to invest adequately.

#### ***Fund Related Risks***

In addition to the risks identified above, investors in a CCMP Client may be subject to certain fund-related risks, including the lack of liquidity for interests of the CCMP Client, as set forth in the applicable PPM and operative documents of a CCMP Client. Clients of CCMP Capital, as well as investors in CCMP Clients, should be prepared to incur losses.

### **ITEM 9: DISCIPLINARY INFORMATION**

Not Applicable

### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

#### ***Other Financial Industry Affiliations***

##### *CCMP Capital Advisors (UK) II Limited ("CCMP (UK)")*

CCMP Capital's United Kingdom affiliate, CCMP (UK), is registered with the Financial Conduct Authority in the United Kingdom. CCMP Capital and CCMP (UK) are under common control. CCMP (UK) provides investment advisory services to CCMP Capital, including identifying investment opportunities in the United Kingdom and Europe for CCMP Advised Funds. It has no other business besides providing advice and other services to CCMP Capital with respect to CCMP Clients. As discussed above, CCMP Capital's Investment Committee, which is ultimately responsible for making final decisions on new



investments for CCMP Clients, is comprised of senior members of CCMP Capital and CCMP UK.

### ***Other Investment Related Activities***

CCMP Capital has filed for an exemption from registration as a commodity trading adviser in accordance with CFTC Rule 4.14(a)(8) and certain affiliates of CCMP Advised Funds have filed for exemptions from registration as commodity pool operators in accordance with CFTC Rule 4.13(a)(3) on behalf of the CCMP Advised Funds.

### ***Conflicts of Interest Associated with Other Activities and Affiliations***

Due to CCMP Capital's and its personnel's various business activities, including the management of CCMP Clients, actual or potential conflicts of interest may exist or arise that may be material to CCMP Clients. In particular, due to (1) the ownership structure of CCMP Capital, and (2) the fact that CCMP Capital, and its affiliates, owners and personnel, may invest, directly or indirectly in funds managed by CCMP Capital and may also receive carried interest with respect to investments in such funds, CCMP Capital and its affiliates, owners and personnel may have differing investment, compensatory and other pecuniary interests that could serve to influence such persons to favor one CCMP Client over another – including in circumstances where personnel are in position to influence investment or other decisions that impact clients.

CCMP Capital has developed processes, including those described below, reasonably designed to mitigate the incentive that CCMP Capital and its respective personnel may have to direct more favorable investments to certain clients or to engage in transactions where the assets of some clients are committed to transactions that may unduly benefit other clients. These processes are also intended to assist CCMP Capital and its personnel in seeking to resolve in the best interest of the CCMP Clients and in a manner that is, over time, fair and equitable: (1) conflicts between or among CCMP Clients; and (2) conflicts between the interests of CCMP Capital and its affiliates and those of CCMP Clients such as circumstances where the activities or decisions of CCMP Capital, its affiliates or their personnel may ultimately disadvantage one or a group of clients.

### ***Conflicts Related to Overlapping Investment Opportunities***

While not typical, situations involving overlapping investments or opportunities may arise among CCMP Clients. In particular, an investment opportunity in a single issuer may arise that would be appropriate for more than one CCMP Client which is able to invest. Such opportunities will be allocated in accordance with CCMP Capital's allocation policies and procedures and, in relevant circumstances, such clients may co-invest in accordance with the relevant governing documents of each client. Such situations may create a variety of conflicts of interest between CCMP Clients.

Conflicts may arise between CCMP Clients to the extent that (1) more than one CCMP Client is eligible to invest contemporaneously in the same investment opportunity initially or (2) one CCMP Client (a "new holder") has the opportunity to invest in a portfolio company held by another CCMP Client (an "earlier holder") with or without a

contemporaneous additional investment by an earlier holder (collectively, “Overlapping Investment Opportunities”). Certain CCMP Clients are “parallel funds” or “alternative investment vehicles” that are intended to invest together and otherwise to act generally in lock-step with other CCMP Clients. The considerations discussed in this section generally do not apply to such funds or vehicles.

Certain conflicts arising from Overlapping Investment Opportunities between CCMP Clients are partially mitigated because CCMP Clients follow the traditional private equity model pursuant to which a CCMP Client is eligible to make new private equity investments for only a specified period (the “Investment Period”). Following the Investment Period, a CCMP Client’s investments are generally limited to: (1) completing investments committed to during the Investment Period; and (2) making follow-on investments in the CCMP Client’s existing portfolio companies, as described in its organizational documents. Although it is generally the case that Investment Periods do not significantly overlap for CCMP Clients, it is possible that a new CCMP Client (a “Successor Fund”) may be formed and enter its Investment Period prior to the end of another CCMP Client’s Investment Period. As a result, more than one CCMP Client may be in an active Investment Period at the same time, although this situation would be expected to exist, if at all, for a limited period of time as the older fund entity reaches the end of its Investment Period. Any new investment opportunities will be allocated between the CCMP Clients in a manner CCMP Capital determines to be fair and equitable under the circumstances, taking into account various factors including but not limited to unfunded capital commitments of the CCMP Clients, reserves for follow-on investments, the likely hold period of such investments and such other factors as CCMP Capital reasonably determines to be relevant.

With respect to investment opportunities in a portfolio company of an earlier holder, priority generally is given to the earlier holder (*i.e.*, a “follow-on investment”). However, from time to time, an opportunity may arise for a new holder to invest in a portfolio company held by an earlier holder with or without a contemporaneous additional follow-on investment by the earlier holder (*e.g.*, when one CCMP Client invests in a portfolio company of another CCMP Client where the earlier holder lacks sufficient assets to make a follow-on investment). These types of subsequent investments in a common portfolio company may adversely impact earlier holders through diluting or otherwise disadvantaging the value of investments held by earlier holders or impacting the cost to earlier holders of implementing portfolio decisions or strategies. In other cases, a subsequent investment by a new holder might have the effect of increasing the value of the earlier holders’ interests in the portfolio company but, in hindsight, have provided little or no benefit to the new holder. To the extent permitted in the new holder’s organizational documents, such investments may be made in the same or similar securities as the earlier holder but acquired at different times at lower or higher prices. Such investments may also be in securities with terms that differ significantly from the securities held by an earlier holder, including with respect to seniority, dividends, voting rights and participation in liquidation proceeds, all of which may create conflicts of interests.

Although subsequent investments may improve the prospects of a portfolio company (or even be necessary to prevent a portfolio company from failing), in determining to make an investment or in negotiating the terms and conditions of any such investment, or

subsequent amendments or waivers, or in voting proxies or exercising rights with respect to such investments, CCMP Capital may find that its own interests, the interests of a client, and/or the interests of one or more other clients could conflict. For example, CCMP Capital may have an incentive to use a new holder's assets to avoid losses to earlier holders or to structure a new holder's investment so as to minimize dilution to the earlier holder, even though that might not be in the best interests of the new holder.

CCMP Clients may not always have the same economic interests or investment objectives with respect to a common portfolio company. Investments and actions taken for one CCMP Client or group of CCMP Clients may overlap, compete or conflict with other CCMP Clients and CCMP Client interests may diverge, particularly when the portfolio company experiences financial distress. Depending on the nature of the opportunity or investments, and of the potential actions that CCMP Capital may take in connection therewith, CCMP Capital may, when acting in a fiduciary capacity, take an investment position or action for certain clients that may be different from, or inconsistent with, an action or position taken for other clients. See *"Actions Taken in the Interests of One CCMP Client May Impact Other CCMP Clients"* below.

In certain cases CCMP Clients may be prohibited from, or required to obtain the consent of an Advisory Board (which generally consists of investors in the CCMP Client) prior to, making an investment in a portfolio company held by another CCMP Client. Obtaining Advisory Board approval may assist in assuring that such investments are in the new holder's best interest. However, approval by a new holder's Advisory Board does not take into account the existing holder's interests and it is not generally the case that an existing holder will have the authority to prevent or limit such investments by a new holder.

In addition, without the consent of its Advisory Board, certain CCMP Clients may make investments in companies in which the CCMP Client's general partner, CCMP Capital, a member of its Investment Committee or any other investment professional employee of CCMP Capital (each of the foregoing, a "CCMP Party") owns less than 5% of the ownership interests in such company. Certain CCMP Clients may make such investments with the consent of its Advisory Board if a CCMP Party owns 5% or more of the ownership interests in such company. The investment by any CCMP Party may create conflicts of interest in such circumstances.

#### *Actions Taken in the Interests of One CCMP Client May Impact Other CCMP Clients*

As the investments held by, and actions taken with respect to, different CCMP Clients will depend on the particular interests of those clients (which may not be aligned, particularly where clients hold different, or overlapping but not identical, investments in an issuer), decisions made by CCMP Capital for one CCMP Client may differ in some cases from those made for other CCMP Clients. Actions taken for one CCMP Client in that CCMP Client's interest could adversely impact other CCMP Clients.

In cases where an issuer in which multiple CCMP Clients hold interests acquired at different points in time or in different positions within the issuer's capital structure experiences financial distress, decisions over the terms of any workout may raise conflicts

of interest (including, for example, conflicts over proposed waivers and amendments to debt covenants). This conflict is partially mitigated because CCMP III is the only CCMP Client who is permitted to invest in distressed debt and, as discussed above, CCMP Capital has placed limitations on CCMP III's ability to make Distressed Investments.

When called upon to take action with respect to an investment (*e.g.*, to sell, to vote, or to exercise a right or remedy) a client's overall holdings, and related rights, may be such that it is in the client's best interest to take action (or refrain from taking action) in a manner that would be contrary to the interest of a person holding only the particular class of interest on which the right is conferred, when doing so is in the overall best interests of the client based on its overall holdings. In these circumstances, clients that have co-invested in some, but not all, of the classes of interests of the issuer held may be disadvantaged.

When considering whether to pursue a particular course of action, including asserting available claims or remedies, factors that may be considered include the costs of pursuing the course of action (or alternative courses of action) and the likelihood of a favorable outcome. As a result, not every potential claim or course of action will be pursued and it will not always be the case that conflicts will be able to be resolved in the best interest of any particular client nor can there be any assurance that actual or potential conflicts of interest can be resolved such that the ultimate terms of an investment (or an amendment to such terms) will be as favorable as they would be in the absence of such conflicts.

#### ***Arrangements between Portfolio Companies May Impact Clients***

Certain of the CCMP Advised Funds' portfolio companies are or will be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of the same CCMP Advised Fund or other funds managed by CCMP Capital. Although CCMP Capital determines these arrangements to be consistent with the requirements of such Funds' governing agreements, in some cases, the arrangement might not have otherwise been entered into absent the fact that both participants are portfolio companies of CCMP Capital. These arrangements will typically involve commissions, servicing payments, discounts and/or other remuneration that may, directly or indirectly inure to the benefit of CCMP Capital, CCMP Clients and affiliates or portfolio companies. To the extent that a portfolio company of a CCMP Advised Fund is providing a service to another portfolio company of that or another CCMP Advised Fund, such portfolio company will benefit. Where between portfolio companies of different CCMP Clients, these arrangements may result in one (or the other) receiving a greater benefit. Further, the benefits received by the particular portfolio company providing the service may be greater than those received by the Fund(s) and its portfolio companies receiving the service. CCMP Capital expects all such arrangements between portfolio companies to be beneficial to both portfolio companies involved and negotiated at arm's length but notes that these arrangements may impact the operations of one or more portfolio companies. In some cases, CCMP Capital representatives sit on the board of each portfolio company. CCMP Capital may choose to submit a conflict of interest that it views to be significant relating to any arrangement between portfolio companies (whether or not there is a common board member between the portfolio companies) to an Advisory Board.

Certain CCMP Clients' advisors and service providers (including, for example, accountants, administrators, lenders, bankers, brokers, attorneys, consultants and investment or commercial banking firms) may provide goods or services to, or have business, personal, financial or other relationships with CCMP Capital, its affiliates and portfolio companies. Such advisors and service providers may be investors in the Funds, sources of investment opportunities or co-investors or commercial counterparties or entities in which CCMP Capital has an investment. Additionally, certain employees of CCMP Capital may have family members or relatives employed by such advisors and service providers. These relationships may influence CCMP Capital or its personnel in deciding whether to select or recommend such service providers to perform services for the CCMP Clients or portfolio companies (the cost of which will generally be borne directly or indirectly by the CCMP Clients). Notwithstanding the foregoing, transactions relating to the Funds that require the use of a service provider will generally be allocated by CCMP Capital based on its reasonable judgment as for the value provided. Advisors and service providers, often charge different rates or have different arrangements for specific types of services. Therefore, based on the types of services used by the CCMP Clients and portfolio companies as compared to CCMP Capital and its affiliates and the terms of such services, CCMP Capital or its affiliates may benefit to a greater degree from such vendor arrangements than the CCMP Clients or such portfolio companies.

#### ***Decision-Making Bodies, Policies and Procedures and Methodologies***

While the mitigants described above help to reduce conflicts associated with investments in common portfolio companies, CCMP Capital recognizes that these mitigants may not be sufficient to prevent or resolve every conflict that might arise as a result of CCMP Clients investing in common portfolio companies.

Because these conflicts vary based on the particular circumstances that exist at the time the conflict arises and must be resolved, it is anticipated that most conflicts will be resolved on a case-by-case basis pursuant to general fiduciary principles, under which CCMP Capital will seek to resolve potential conflicts associated with overlapping opportunities (including those described herein) in the best interests of each client without consideration of CCMP Capital's own interests, or the interests of other CCMP Clients. As appropriate, decisions as to the resolution of material conflicts with respect to investments of a particular CCMP Client may be referred to a CCMP Client's Advisory Committee. While CCMP Capital expects that the role and decision making methods of these committees will help mitigate conflicts, it will not eliminate them.

#### ***Allocation of Co-Investment Opportunities***

On an investment-by-investment basis, CCMP Capital may, but is not obligated to, offer co-investment opportunities to limited partners and/or third parties, which it may select in its sole discretion, for investments in a portfolio company either directly or through the formation of one or more co-investment entities. There is no guarantee that any investor would be offered a co-investment opportunity.

In determining to offer any co-investment opportunity in a specific portfolio investment, CCMP Capital will generally first determine the appropriate amount of such portfolio investment to be allocated to the CCMP Client taking into account relevant circumstances (including, without limitation, the size of the investment opportunity, the CCMP Client's investment objectives, risk profile and return expectations, and the CCMP Client's diversification requirements, unfunded capital commitments, the probability of follow-on investments related to such investment and the overall construction of the CCMP Client's portfolio of investments) before allocating any portion of such portfolio investment to one or more co-investors. CCMP Capital may also offer a co-investment opportunity if it determines a particular co-investor may potentially add strategic value with respect to such portfolio investment or that offering such co-investment opportunity is otherwise in the best interests of the CCMP Client.

Certain co-investors may pay no or reduced management fees, carried interest and other fees. Otherwise, the terms of any such co-investment will be no more favorable to the co-investors than those received by the CCMP Advised Fund. In addition, in the case of CCMP III, the terms of the limited partnership agreement provide that other than with the consent of the CCMP III advisory committee, the terms of any co-investment: (1) will be made, subject to legal, tax, regulatory and other similar considerations, on substantially the same terms and conditions as the investment by CCMP III; and (2) other than an investment that, at the time of disposition by the applicable co-investor or CCMP III, consists of an investment of marketable securities, will be disposed of, subject to legal, tax, regulatory and other similar considerations, at the same time, and on substantially the same terms and conditions, as the investment by CCMP III; provided, however, that in the event of an initial public offering of a portfolio company held by CCMP III, such co-investor will not be permitted to sell marketable securities independently of CCMP III until after CCMP III has made its first disposition of securities after such initial public offering.

#### ***Competition for Resources, Time or Attention; Competing Duties***

Certain of CCMP Capital's investment professionals may divide their business time among multiple CCMP Clients (including any parallel fund, any co-investment entity, and any alternative investment vehicle and any entity formed in connection with an investment of a CCMP Client and/or other activities. Notwithstanding, such persons continue to devote substantially all of their business time to the investment activities of CCMP Capital. CCMP Capital, its affiliates and their respective personnel may have an incentive to devote greater resources, time or attention to certain clients, investments or activities, based on pecuniary or other interests.

In addition, related persons of CCMP Capital may serve as directors and officers of, and provide business advice to, publicly traded and private companies including some that are portfolio companies. Conflicts may arise when such persons are required to make decisions, in their role as officers and directors, in the best interest of a portfolio company and its shareholders generally but a CCMP's Client's interest diverges from this general interest. This may occur, for example, where a portfolio company is experiencing severe financial distress, near-insolvency or bankruptcy.

### ***Trading Restrictions Due to Material Non-Public Information***

Due to the nature of CCMP Capital's business, and due to certain activities of CCMP Capital personnel, CCMP Capital and its personnel may come into possession of material non-public information that could preclude CCMP Capital from effecting transactions in the securities of such companies for clients. Under applicable securities laws, this may limit CCMP Capital's ability to buy or sell securities issued by such companies on its own behalf or on behalf of others. This may result in CCMP Clients being unable to engage in certain transactions it would otherwise find attractive, or being able to engage in such transactions only during limited periods of time. A CCMP Client may be unable to initiate a transaction that CCMP Capital otherwise might have to sell an investment that it otherwise might have sold or purchase an investment that it otherwise might have purchased. Similarly, CCMP Capital may decline to receive material non-public information in order to avoid trading restrictions with regard to any other investment vehicle advised or managed by CCMP Capital even though access to such information may have been advantageous to the Fund. CCMP Clients may be adversely affected by such restrictions.

CCMP Capital maintains policies and procedures designed to control the possible risks arising from possession of material non-public information and provides training to its supervised persons with respect to the receipt and handling of material non-public information, which policies and procedures includes the maintenance of a list of restricted securities as to which CCMP Capital may have access to material non-public information and in which CCMP Clients are not permitted to trade. Nevertheless, notwithstanding the maintenance of restricted lists and other internal controls, it is possible that the internal controls relating to the management of material non-public information could fail and result in CCMP Capital, or one of its investment professionals, buying and selling a security while, at least constructively, in possession of material non-public information. Inadvertent trading on material non-public information could have adverse effects on CCMP Capital's reputation, result in the imposition of regulatory or financial sanctions, and as a consequence, negatively impact CCMP Capital's ability to perform its investment management services on behalf of the CCMP Clients.

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

#### ***Code of Ethics***

CCMP Capital has adopted a Code of Ethics in accordance with Rule 204A-1 under the Advisers Act covering such matters as: (1) prohibitions against securities transactions when in possession of material nonpublic information; (2) personal conflicts of interest, including outside activities and gifts; (3) personal securities transactions policies; and (4) general standards of ethical business conduct. Any client or prospective client may obtain a copy of the Code of Ethics upon request by contacting CCMP Capital. CCMP Capital's contact information appears on the cover page of this Brochure.

### ***Participation or Interest in Client Transactions***

CCMP Capital may recommend to a CCMP Client that it purchase from, or sell securities to, another CCMP Client (a “cross transaction”). A CCMP Advised Fund may be the buyer or seller of such securities. Such a transaction would be unusual and not in the ordinary course of business, but it is possible that CCMP would determine to engage in such a transaction if it determines, in its discretion, that doing so is in its Clients’ best interest. If CCMP Capital were to engage in any such transaction it would only do so in accordance with the requirements of Section 206(3) of the Advisers Act (where relevant) and the governing documents of the relevant CCMP Clients including, where relevant, requesting the prior consent of one or more of the participating CCMP Clients to the transaction. This prior consent would generally be requested from an advisory committee of the limited partners of such CCMP Clients.

It is not anticipated that CCMP Capital would for its own account, or for the account of one of its employees or affiliates, purchase securities from, or sell securities to, a CCMP Client (a “principal transaction”). Principal transactions may give rise to potential conflicts of interest, such as the execution of transactions with clients at unfavorable prices, the sale of unwanted securities into client accounts, or the purchase of desirable securities from Client accounts. If CCMP Capital were to engage in any such transaction, it would only do so in accordance with the requirements of Section 206(3) of the Advisers Act, including the requirement to obtain the prior consent of any CCMP Client involved in the transaction. This prior consent would generally be requested from an advisory committee of the limited partners of the CCMP Client.

As described above in Item 5 – *Fees and Compensation*, CCMP Capital may receive fees for managerial and other management services to certain portfolio companies in CCMP Clients. This ability to receive fees for such services represents a potential conflict of interest to the extent the CCMP Client has or will have control or significant influence over such portfolio companies, although this potential conflict of interest is mitigated by the fact that the amount of such fees is typically negotiated with the applicable portfolio company’s management team and/or any roll-over equity holders, as well as by the management fee offset provisions previously described.

Due to “co-investment” and “carried interest” arrangements, most CCMP Capital senior investment professionals will have a financial interest in the securities purchased and sold by a CCMP Advised Fund. Many senior employees have made or may make personal investments through investment vehicles that invest in securities at the same time, and on the same terms, as the CCMP Advised Funds. In addition, affiliates of CCMP Capital may invest directly in a CCMP Client. These types of investment are intended to align the interests of CCMP Capital and its personnel with the investors in the CCMP Client. In addition, as discussed in Items 5 and 6 above, most CCMP Capital senior employees also have a carried interest in the overall performance of the CCMP Advised Funds, providing them with a financial interest in the securities purchased and sold by the CCMP Client.

Other than through the arrangements described above, it is not expected that CCMP Capital or its personnel will have a financial interest in the securities purchased or sold by a CCMP



Client. An exception may be made in the event that an individual owns an investment in a security owned by a CCMP Client at the time the individual joins CCMP Capital as an employee, the employee owns the security in a “managed account” over which the employee cannot exercise investment discretion with respect to particular transactions or to the extent that an individual owns an interest in a security owned by a CCMP Client indirectly through such individual’s investment in third-party investment vehicles, which investments are permitted subject to compliance with CCMP’s compliance policies and procedures.

In addition, as described in Item 5, CCMP Capital’s Executive Advisors, who are not employees of CCMP Capital but rather are engaged as consultants, may also serve as directors on the boards of CCMP portfolio companies and in such capacity may receive, in addition to compensation paid by CCMP Capital, director fees or other compensation (including stock awards) paid by the portfolio company. Such fees and compensation may be retained by the Executive Advisor and are not subject to any management fee offsets that apply to such fees. In addition, reasonable out-of-pocket expenses incurred by the Executive Advisor related to a portfolio company may be reimbursed by the portfolio company to the Executive Advisor. In the event an Executive Advisor later joins CCMP Capital as a full-time employee, any compensation previously awarded to the Executive Advisor prior to becoming a full-time employee shall be retained by the Executive Advisor and not be subject to a management fee offset; however any board fee or similar compensation awarded after becoming a full time employee will be subject to management fee offset.

### ***Personal Trading***

CCMP Capital’s policy on personal trading prohibits purchases of publicly traded securities by CCMP employees, with limited exceptions. This policy limits the risk that CCMP Capital employees might individually purchase for their own account any securities that are purchased or sold by a CCMP Client. Purchases or sales of private securities, and any permitted public securities trades, must be pre-cleared with CCMP Capital’s compliance department so that a determination may be made as to whether the transaction should be prohibited due to CCMP Capital’s possession of material nonpublic information, or because the transaction would otherwise create a material conflict of interest. Each employee is required to report their securities holdings periodically to CCMP Capital’s compliance department. Transactions in “managed accounts”, where the employee does not have investment discretion over the trading activity in the account, are generally not subject to the pre-clearance or reporting requirements since the employee does not make the investment decisions in those accounts.

## **ITEM 12: BROKERAGE PRACTICES**

### ***Selection of Broker-Dealers***

As a private equity firm, CCMP Capital’s typical acquisition of a security will involve a privately negotiated transaction with the issuer of the securities, and will not involve the services of a broker or dealer. In disposing of securities that have become publicly traded,

or purchasing or selling Distressed Investments, CCMP Capital will select broker-dealers or underwriters for transactions on behalf of the CCMP Advised Funds.

In selecting or recommending brokers or dealers, CCMP Capital will consider various factors. As a fiduciary, CCMP Capital must execute securities transactions in such manner that a CCMP Client's total cost or proceeds in each transaction is the most favorable under the circumstances. The determinative factor is whether the transaction represents the best qualitative execution for the account and not whether the lowest possible commission cost was obtained. Thus, CCMP Capital will consider the full range and quality of a broker's service in selecting or recommending brokers to meet best execution obligations, including the ability to access or otherwise execute large transactions in the public market. CCMP Capital may not pay the lowest commission rate available. As a starting point, though, the primary consideration is the trade price and commission quoted by the broker-dealers. With respect to transactions in Distressed Investments, CCMP Capital does not typically pay commissions, but rather seeks to obtain the best overall terms at the time of execution. In addition, in some instances CCMP Capital's transactions on behalf of its clients may be privately negotiated and may not involve the use of a broker or dealer. In those cases, CCMP Capital will seek to negotiate and execute transactions in an efficient manner and consistent with its fiduciary duties to its Clients.

CCMP Capital may, in a manner consistent with its duty to seek best execution, recommend or select a broker-dealer or, with respect to a portfolio company, an underwriter or other service provider, that is an investor in a CCMP Client.

### ***Underwriting and Lending Syndicates***

Certain investors in a CCMP Advised Fund may from time to time participate in underwriting or lending syndicates with respect to portfolio companies of that or another CCMP Advised Fund, or otherwise be involved in the public offering and/or private placement of debt or equity securities issued by, or loan proceeds borrowed by, a CCMP Advised Fund's portfolio companies, or otherwise arrange financing (including loans) for portfolio companies. Such transactions will be on either a firm commitment basis or an uncommitted "best efforts" basis. Subject to applicable law, the investors will from time to time receive underwriting fees, discounts, placement commissions, lending arrangement and syndication fees (or, in each case, rebates of any such fees, whether in the form of purchase price discounts or otherwise, even in cases where CCMP Capital or a CCMP Client is purchasing debt) or other compensation with respect to the foregoing activities, which are not required to be shared with the CCMP Client. Investors involved in underwriting or lending syndicates may also receive information that other investors or CCMP Clients would not have.

### ***Aggregation and Allocation of Orders***

From time to time, CCMP Capital manages parallel and alternative vehicles of certain CCMP Clients, which are generally bound to act in "lock-step" with such CCMP Clients. Unless restricted by agreement with a CCMP Client, CCMP Capital may combine transactions for multiple CCMP Clients (including their parallel and alternative vehicles)

into a bunch or block transaction, in order to seek more favorable or efficient execution. Where appropriate, transactions for CCMP Capital's related persons may be included in such a transaction. The price at which an allocation is made among participating accounts will, to the extent possible, be the average price per unit of the total transaction (taking into account relevant fees or commissions and other transaction expenses). Bunched transactions are generally allocated among participating accounts on a pro rata basis, with exceptions generally based upon the investment objectives, strategies and guidelines of the participating clients. (See also, "*Conflicts Related to Overlapping Investment Opportunities*" in *Item 10 - Other Financial Industry Activities and Affiliations*, above for a discussion of allocation of investment opportunities).

## **ITEM 13: REVIEW OF ACCOUNTS**

### ***Nature and Frequency of Client Account Reviews***

CCMP Capital's investment professionals monitor and review CCMP Capital's investment portfolio on a regular basis. Most assets in the investment portfolio are illiquid investments in privately held companies. There may also be public securities positions derived from original positions in private companies (which have gone public or have merged with a public company), often with trading restrictions or limitations due to CCMP Capital personnel being on the issuer's board of directors and/or the size of CCMP Capital's position. Valuations are assessed by the investment professionals together with the finance professionals responsible for the portfolio company at least on a quarterly basis, and on a quarterly basis are reviewed with senior management of CCMP Capital, including the senior deal professional, Chief Executive Officer, Executive Chairman and the Chief Financial Officer. When fair valuing loans or debt securities including Distressed Investments, CCMP generally uses third party pricing sources. Where a third party pricing source is not able to provide a price, or where CCMP believes that the third party pricing source's data may not be reliable, CCMP may seek direct quotes from independent broker-dealers. Where CCMP still is unable to obtain a price that it believes to be reliable, CCMP will apply alternative valuation techniques, as set forth in CCMP's Valuation Policy. For additional information regarding the valuation of portfolio securities, please see "*Valuation of Portfolio Investments*" in *Item 5 – Fees and Compensation*.

### ***Frequency and Content of Client Account Reports***

CCMP Capital will provide written reports (at such frequency) as will be required by the applicable agreements with each CCMP Client. As a general matter, however, audited financial statements with respect to each fiscal year, as well as unaudited quarterly reports, will be provided to the investors in a CCMP Client as per agreements entered into involving investors and the CCMP Client. The quarterly reports, where applicable, typically will include a summary of investments held by a CCMP Client at the end of the related quarterly period.

Upon request, CCMP Capital may provide an investor in a CCMP Advised Fund additional information relating to a CCMP Advised Fund. Investors that request and receive such information will consequently possess information regarding the business and affairs of the

CCMP Advised Fund that may not be known to other investors. As a result, certain investors may be able to take actions on the basis of such information which, in the absence of such information, other investors do not take.

#### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

##### ***Placement Agent Arrangements***

CCMP Capital will enter into placement agent agreements from time to time in connection with its periodic activities in raising capital for new CCMP Clients. On occasion, CCMP Capital may have a conflict of interest in selecting a broker who acts as a placement agent to also execute portfolio transactions for a CCMP Client.

To the extent permitted by applicable law, any placement agent fees are paid by the applicable CCMP Client but are borne by the CCMP Capital through a 100% offset against the management fee paid by the CCMP Client.

##### ***Other Compensation***

As discussed in *Item 5 – Fees and Compensation*, CCMP Capital may receive fees for the managerial and other management services that it or its related persons provide to certain portfolio companies in CCMP Clients. This represents a potential conflict of interest to the extent the CCMP Client has or will have control of significant influence over such portfolio companies, although this potential conflict of interest is mitigated by the fact that the amount of such fees is typically negotiated with the applicable portfolio company's management team and/or any roll-over equity holders, as well as by the management fee offset provisions described above in *Item 5 – Fees and Compensation*.

In addition, CCMP Capital and its related persons may, in certain instances, receive discounts on products and services provided by portfolio companies of CCMP Advised Funds and/or the customers or suppliers of such portfolio companies.

#### **ITEM 15: CUSTODY**

An affiliate of CCMP Capital serves as general partner of the CCMP Advised Funds. Consequently, CCMP Capital is deemed to have “custody” over the CCMP Advised Funds within the meaning of Rule 206(4)-2 under the Advisers Act. To comply with this Rule, CCMP Capital provides each investor in a CCMP Advised Fund audited financial statements within 120 days following its fiscal year end. Investors should review these audited financial statements carefully. If you have invested in the CCMP Advised Funds and have not received audited financial statements timely, please contact us immediately.

#### **ITEM 16: INVESTMENT DISCRETION**

As discussed in *Item 4 – Advisory Business*, CCMP Capital generally provides advisory services on a discretionary basis to the CCMP Advised Funds. The limits upon CCMP Capital's investment discretion are established through negotiations with the investors in the CCMP Advised Funds, and are ultimately reflected in the governing documents (such

as the limited partnership agreement or side letter agreements) for each CCMP Advised Fund. These limits are negotiated on a case by case basis and may vary from fund to fund.

#### **ITEM 17: VOTING CLIENT SECURITIES**

CCMP Capital has adopted written proxy voting policies and procedures as required by Rule 206(4)-6 under the Advisers Act. Under these policies and procedures, CCMP Capital will vote proxies in the best economic interests of its clients.<sup>1</sup> These policies and procedures also include how CCMP Capital seeks to address material conflicts that may arise between its interests and those of its clients. The following is a brief summary of CCMP Capital's proxy voting procedures and guidelines.

All proxy materials received by CCMP Capital for CCMP Clients are forwarded to CCMP Capital's Chief Financial Officer or designee. The proxy information is recorded onto a proxy log, including the name of the issuer to which the proxy materials relate, the shareholder meeting date, voting number of shares, date voted, and the means of vote (*i.e.*, mail/electronic), including a brief description of the matter voted on, whether the matter was proposed by the issuer or security holder, how the vote was cast and whether a material conflict of interest was presented.

It is CCMP Capital's policy to vote all proxies in the best interests of CCMP Capital's clients pursuant to the goals of the client's investment strategy, which is generally to achieve significant capital appreciation through its investments. CCMP will follow the procedures set forth below in order to ensure that proxies are voted in the best economic interests of CCMP Capital's clients.

CCMP Capital shall generally vote proxies in favor of: (1) management's recommendation for the election of the board of directors; (2) the selection of independent auditors; and (3) the approval of the financial statements as presented by management.

Prior to exercising voting authority on any other matter, the Chief Financial Officer or designee shall review the proxy materials and share them with the Investment Committee member of the relevant deal team who will undertake a reasonable review to determine whether any of the matters to be voted on present a material conflict of interest between CCMP Capital and the interests of its clients and in conducting its review, will be sensitive to the possibility for conflicts of interest between CCMP Capital and its clients and portfolio company shareholders when a CCMP Capital representative sits on the board of directors of the portfolio company that is the subject of a proxy.

Where it is determined that a material conflict of interest may exist, in voting the proxy, CCMP Capital shall take reasonable steps to ensure that the conflict does not influence the

<sup>1</sup> For purposes of this section, references to "proxies" and "proxy voting" refer to those situations where CCMP Capital receives on behalf of its clients a proxy statement from a public company in which a client of CCMP Capital holds a non-controlling interest. CCMP Capital's proxy voting policies and procedures are not intended to govern situations where CCMP Capital, or a CCMP Capital representative who is a member of the board of directors of a portfolio company, is required to make decisions concerning the affairs of any other portfolio company. In those cases, the CCMP Capital, or the CCMP representative (as applicable), will exercise decision making authority consistent with applicable fiduciary duties. See *Item 10 – Other Financial Industry Activities and Affiliations*, above.

decision to vote in a manner that is not in the best interests of CCMP Capital's clients. These steps may include, but are not limited to any one or a combination of the following: (1) consult with CCMP Capital's General Counsel, Chief Compliance Officer, or outside counsel to determine how to vote in a manner that will be in the best interests of CCMP Capital's clients; and (2) provide disclosure of the conflict to a representative group of investors in a CCMP Client (*i.e.*, an advisory committee) and obtain its consent to vote.

CCMP shall make and maintain a record describing any steps taken to prevent a potential material conflict of interest from causing a proxy to be voted in a manner that is not in the best economic interest of CCMP Capital's clients. Where it is determined that no material conflict of interest exists, the matter shall be analyzed based on its specific facts and circumstances and the proxy shall be voted in the best interests of CCMP Capital's clients.

Clients of CCMP Capital, as well as investors in CCMP Clients, may obtain (1) information about how CCMP Capital voted proxies on their behalf and (2) a copy of CCMP Capital's proxy voting policy and procedures, by contacting Investor Relations, at:

CCMP Capital Advisors, LP  
Attn: Investor Relations  
277 Park Avenue, 27th Floor  
New York, New York 10172  
(212) 600-9689  
Investor.relations@ccmpcapital.com

#### **ITEM 18: FINANCIAL INFORMATION**

Not Applicable