

ITEM 1 – COVER PAGE

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VMG PARTNERS II, LLC

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This brochure provides information about the qualifications and business practices of VMG Partners II, LLC. If you have any questions about the contents of this brochure, please contact us at (415) 632-4200 and/or eisenbarth@vmgpartners.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about VMG Partners II, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

VMG Partners’ status as an investment adviser registered with the SEC under the Advisers Act does not imply any level of skill or training.

ITEM 2 - MATERIAL CHANGES

Since the last annual update of this brochure dated March 28, 2018, VMG Partners II, LLC (“VMG”) filed an other-than-annual update on August 24, 2018 to reflect the departure of Mary Kayser, Chief Financial Officer and Chief Compliance Officer, on July 31, 2018 and the appointment of Emily Eisenbarth as the Chief Compliance Officer of VMG on August 1, 2018.

There have been no other material changes to this brochure since the March 28, 2018 annual update. VMG routinely makes changes throughout its brochure in an effort to improve and clarify the descriptions of its and its affiliates’ business practices and compliance policies and procedures or in response to evolving industry and firm practices.

We encourage all recipients to read this brochure carefully in its entirety.

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ITEM 4 - ADVISORY BUSINESS

A. Description of Advisory Firm

VMG Partners II, LLC, a Delaware limited liability company ("VMG Partners"), formed in 2011, together with its affiliate, VMG Partners, LLC, a Delaware limited liability company (the "Fund I Manager") and together with VMG Partners, "VMG"), formed in 2005, is a San Francisco, California-based private equity investment advisory firm that was formed to provide investors with the opportunity to generate long-term capital appreciation through private equity and equity related investments in small-to-medium-sized companies that deal in branded consumer products primarily in the United States and Canada. The members of VMG Partners control the Fund I Manager. The Fund I Manager currently provides investment advisory services to VMG Equity Partners, L.P., a Delaware limited partnership (together with its separate investment vehicles, "Fund I"). VMG Partners currently provides investment advisory services to VMG Partners II, L.P., a Delaware limited partnership (together with any separate investment vehicles formed from time to time, "Fund II"), VMG Partners III, L.P., a Delaware limited partnership, and VMG Partners Mentors Circle III, L.P., a Delaware limited partnership (collectively and together with any of their respective separate investment vehicles formed from time to time, "Fund III"), and VMG Partners IV, L.P., a Delaware limited partnership, VMG Partners IV Coinvest, L.P., a Delaware limited partnership ("Coinvest Fund") and VMG Partners Mentors Circle IV, L.P. (collectively and together with any of their respective separate investment vehicles formed from time to time, "Fund IV"). In addition, VMG Partners manages co-investment vehicles which invest alongside Fund II, Fund III and Fund IV, and Fund I Manager manages co-investment vehicles which invest alongside Fund I. As used herein, "VMG Funds" refers to Fund I, Fund II, Fund III, Fund IV and any co-investment vehicles formed from time to time, together with subsequently sponsored funds and their related vehicles and co-investment vehicles formed from time to time, and any similar pooled investment vehicles formed or managed by VMG Partners or its affiliates. The general partner of Fund I is VMG Equity Partners GP, L.P., a Delaware limited partnership (the "Fund I General Partner"), the general partner of Fund II is VMG Partners II GP, L.P., a Delaware limited partnership (the "Fund II General Partner"), the general partner of Fund III is VMG Partners III GP, L.P., a Delaware limited partnership (the "Fund III General Partner"), and the general partner of Fund IV is VMG Partners IV GP, L.P., a Delaware limited partnership (the "Fund IV General Partner", and together with the Fund I General Partner, the Fund II General Partner and Fund III General Partner, the "General Partners"). The General Partners and VMG are affiliates. The General Partners have the power and authority to delegate the management of the VMG Funds to VMG Partners or the Fund I Manager, as applicable. The General Partners and each of Fund I, Fund II, Fund III and Fund IV have entered into management agreements with VMG Partners (or in the case of Fund I, the Fund I Manager) to document the delegation of the management of each VMG Fund to VMG Partners or the Fund I Manager, as applicable. The principal owners of VMG Partners are Michael L. Mauzé and Kara M. Roell.

B. Types of Advisory Services Offered

VMG provides advice to the VMG Funds in respect of their investment portfolios, as well as certain ancillary managerial and administrative services, including, without limitation, identifying and screening potential investments, recommending strategies for the management and disposition of investments, monitoring the performance of investments, and preparing reports necessary or

appropriate for compliance with the governing agreements of the VMG Funds. Investments in VMG Funds are privately offered only to qualified investors, typically institutional investors and eligible high-net-worth individuals. See also Item 4.A. above. In some cases, private equity professionals from other firms or other services professionals may also be investors in the VMG Funds.

C. Services Tailored to Individual Needs of Clients

VMG's advisory services are geared to the management of the VMG Funds, which are tailored to the investment objectives, parameters and restrictions of which are disclosed to investors in the applicable governing agreements before they invest. Investment restrictions applicable to specific VMG Funds are customarily imposed in the governing agreements for such VMG Funds, as agreed upon with investors.

VMG or certain affiliates may also enter into side letters or other writings with specific investors in VMG Funds which have the effect of establishing rights under, or altering or supplementing, the terms of the governing agreements of the VMG Funds, in respect of the investor to whom such letter or writing is addressed. Any rights established, or any terms altered or supplemented, will govern only that investor and not a VMG Fund as a whole. Such side letters may impose restrictions on participation in certain investments or types of investments made by the VMG Funds (in the event a VMG Fund pursues such an investment, the indirect ownership percentage of the VMG Fund's other investors in such investment will be greater than their pro rata share of the VMG Fund), and may also provide benefits to certain investors in a VMG Fund not provided to investors in such VMG Fund generally (for example, adjustments to fees or other economics, access to information, ability to transfer interests in a VMG Fund or compliance with specified laws or regulations). Disclosure of applicable side letter practices is made to investors prior to their investment in the applicable VMG Fund.

D. Client Assets

As of December 31, 2018, VMG Partners managed \$1,905,151,431 of client assets on a discretionary basis. As of December 31, 2018, VMG Partners did not manage any assets on a non-discretionary basis.

ITEM 5 - FEES AND COMPENSATION

A. Fees

The applicable fees for each VMG Fund are disclosed to investors in the private offering materials for the relevant private offering of each VMG Fund. VMG (or its affiliates) receives or will receive a management fee and the General Partners receive or will receive a "carried interest" or performance fee, in each case, from the respective VMG Funds they manage. Performance fees are typically measured as a percentage of the proceeds of the disposition of each portfolio company investment by a VMG Fund as more fully described in Item 6 below and are negotiated separately for each VMG Fund.

In addition, VMG or its affiliates may receive directors' fees, transaction fees, topping and break-up fees, advisory monitoring fees or other fees in connection with portfolio investments or prospective portfolio investments of a VMG Fund. Typically, the management fees payable by each investor in a VMG Fund will be reduced by a percentage of its pro rata share of any transaction fees, topping and break-up fees, advisory monitoring fees or other fees received by VMG or its affiliates in connection with portfolio investments or prospective portfolio investments of a VMG Fund. VMG Funds that do not pay a management fee do not receive the benefit of the offset or otherwise share in such fees. Offsets are applied after taking into account the effect of any management fee waiver described below.

As permitted under the applicable governing documents of a VMG Fund, VMG may waive a portion of the management fee. Any such waived portion of the management fee reduces the amount of capital VMG (or its affiliates) would otherwise be required to contribute to the respective VMG Fund. Upon a waiver, the investors in a VMG Fund are then required to make a pro rata contribution according to their respective commitments to fund any such waived management fee that VMG elects to treat as a contribution.

B. How Fees are Charged

Management fees are assessed semi-annually and payable or will be payable by each investor in a VMG Fund partially in advance on a semi-annual basis. Management fees are collected no earlier than the business day after the beginning of each semi-annual period. Management fees are paid by capital contributions from investors to each VMG Fund pursuant to capital call notices delivered by each VMG Fund's General Partner out of the total amount of capital an investor agrees to contribute to the applicable VMG Fund (*i.e.*, an investor's "capital commitment") or are paid out of cash that is otherwise distributable to the investors in the VMG Funds, including cash held by the VMG Fund after a portfolio investment of a VMG Fund is disposed of and before the proceeds are distributed to investors (*i.e.*, deducted from the assets of a VMG Fund). Management fees may also be paid out of cash reserves of the applicable VMG Fund.

"Carried interest" or performance fees are assessed periodically, typically after the receipt by the VMG Funds of proceeds from a portfolio investment and are paid out of cash otherwise distributable to VMG Fund investors.

C. Other Fees and Expenses

Generally, each VMG Fund, bears all of the fees, costs, expenses and other liability or obligations relating to or arising from its operations, activities, meetings and eventual liquidation (either directly or indirectly through the payment of such expenses by portfolio companies). The operating and offering documents of each VMG Fund, set forth the particulars of each operating expenses that may be borne by a VMG Fund, but such operating expenses may include, but not limited to, fees, costs and expenses related to the purchase, holding, sourcing, monitoring and sale of investments and potential investments (including travel-related expenses (which may include private jet, first class and business class commercial travel)), expenses relating to syndicated sell through industry market data, performance analytics of online purchase data, market intelligence platforms, and other data and analytics services as set forth in the applicable governing documents, out-of-pocket implementation, licensing, consulting and maintenance costs relating to technology

systems (such as CRM, portfolio monitoring, valuation and reporting systems), reporting to investors, tax preparations, meetings of limited partners and VMG Fund advisory committees, expenses of any administrators, advisors, custodians, brokers, consultants, counsel and accountants (including audit fees), expenses of certain VMG education events and meetings (including industry networking and trade show events), any insurance, indemnity or litigation expenses, all debt service obligations, including principal, interest, premium, if any, fees, expenses and other amounts payable in respect of indebtedness of the VMG Fund, and any taxes, fees or other governmental charges levied against a VMG Fund investment vehicle, and expenses arising in connection with the formation, launch and closings of a VMG Fund (as described in, and subject to limits on such organizational expenses as set forth in, the applicable VMG Fund governing agreements). Each VMG Fund (other than certain co-investment vehicles) will also pay all expenses for transactions not completed, including amounts payable to third parties and all fees and expenses of lenders, investment banks and other financing sources in connection with arranging financing for transactions which are not consummated, and any deposits or down-payments which are forfeited in connection with unconsummated transactions regardless of whether any potential co-invest was contemplated.

Each VMG Fund will also pay any placement agent fees incurred in connection with the marketing and offering of limited partnership interests in the VMG Fund, however, the management fees payable by the investors in a VMG Fund will be reduced dollar-for-dollar by their share of the amount of placement agent fees paid by the VMG Fund, such that the investors in the VMG Fund will not bear the economic burden of any placement agent fees.

Given the nature of the VMG Funds' investment programs, VMG does not usually transact through broker-dealers. Therefore, the VMG Funds do not generally incur brokerage costs. A discussion of VMG's brokerage practices may be found at Item 12 of this brochure.

D. Refunds for Fees Charged in Advance

Investors in VMG Funds agree to commit a certain amount of capital to a VMG Fund in advance of any investment advisory functions performed by VMG. Management fees assessed by the VMG Funds are paid from these amounts and are payable partially in advance for each semi-annual period, as described above in Item 5.B. VMG's services may be terminated under very limited circumstances. Should VMG's services be terminated before services are provided for the applicable period, fees that have been paid in advance will generally be pro-rated from the date of VMG's termination to the end of the period to which the advance fee covered and will be returned to the investors that paid those fees in advance.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

A VMG Fund may be assessed a "carried interest" or performance fees that are paid to the applicable General Partner. The "carried interest" is assessed periodically, typically after the receipt by the VMG Funds of proceeds from a portfolio investment and is paid out of cash otherwise distributable to investors. "Carried interest" is typically measured as a percentage of the proceeds of the disposition of each portfolio company investment by a VMG Fund and is negotiated separately for each VMG Fund in compliance with the Investment Advisers Act of

1940, as amended (the “Advisers Act”). “Carried interest” is distributed to the General Partners with respect to each receipt of net proceeds attributable to a portfolio investment of a VMG Fund only after the investors in the applicable VMG Fund receive the aggregate of (i) the capital contributions of such investor made in respect to such portfolio investment, (ii) the investor’s proportionate share of capital contributions used to pay organizational and other expenses described in Item 5 that have been allocated to such portfolio investment, and (iii) a preferred return on such capital contributions.

Generally, upon the termination of a VMG Fund, the applicable General Partner will be required to restore funds to the applicable VMG Fund to the extent that (i) the investors have not received their return of realized capital and costs and preferred return described above, or (ii) the applicable General Partner has received cumulative distributions in respect of its “carried interest” in excess of a certain percentage of the proceeds of the disposition of each portfolio company investment by a VMG Fund, in each case, applied on an aggregate basis covering all transactions of the applicable VMG Fund. In no event will the applicable General Partner be required to restore more than the cumulative distributions in respect of its “carried interest” received by such General Partner, less income taxes thereon and taxes attributable to property distributed in kind. The General Partners may engage certain professionals (“VMG Services Professionals”) to provide the VMG Funds and its portfolio companies sales, field activation and marketing strategy, legal, manufacturing and operations and/or ecommerce strategy advice. These VMG Services Professionals may participate in the General Partners’ “carried interest” and be investors in the VMG Funds.

The existence of the General Partners’ “carried interest” or performance fee may create an incentive for the General Partners and VMG to make riskier or more speculative investments on behalf of the VMG Funds than would be the case in the absence of these arrangements. These potential conflicts of interest are addressed in the manner described in Item 11.

VMG does not manage accounts other than the VMG Funds and generally all of the VMG Funds pay performance-based fees. However, VMG has, and in the future may form co-investment vehicles, some of which pay management fees or carried interest and some of which do not pay management fees or carried interest. There will not be any offset applied to the co-investments vehicles, whether or not they pay any management fees. While VMG advises both clients that pay performance-based fees and clients that do not, VMG believes that any potential conflict is generally mitigated by the fact that co-investment funds or vehicles sponsored by VMG (i) generally participate in investment opportunities to the extent there is excess capacity after the applicable VMG Funds make their investment allocations and (ii) are generally required to acquire and dispose of their investments on substantially the same terms and at substantially the same time as the main VMG Funds. Furthermore, VMG does not permit investment allocation decisions to be based on its potential to earn performance-based fees.

ITEM 7 - TYPES OF CLIENTS

VMG provides investment advice only to the VMG Funds, which are its only clients. Interests in the VMG Funds are offered privately to a limited number of sophisticated investors, including institutional investors (for example, public and private pension funds) and individuals who qualify to invest in the VMG Funds because they have a sufficiently high income or net worth. Such

investors are generally limited to “qualified purchasers” as defined in the Investment Company Act of 1940, as amended. VMG typically imposes a minimum investment in connection with investing in a VMG Fund, often in the range of \$5 million to \$10 million, although such minimums may be waived in the discretion of VMG. In addition, each General Partner will make a capital commitment to the applicable VMG Fund and its capital commitment will be funded through such General Partner by members and employees of VMG, the applicable General Partner and in some cases, other third parties.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

The VMG Funds primarily invest principally in marketing-driven, branded consumer product companies within the United States and Canadian lower-middle markets. In particular, VMG Funds focus on making investments in private companies in defined industries where VMG believes its operating and marketing expertise and resources can accelerate value creation. These focused industries include food, beverage, personal care, pet products, lifestyle, wellness, apparel and household products. VMG Partners’ investment strategy for each industry is generally executed through independent research, which may include direct contact with companies and consultants. VMG’s methods of analysis include economic and industry analysis, fundamental research concerning specific companies and securities, technical analysis, and other methods that one or more of VMG’s investment personnel may deem appropriate from time to time.

Participation in any VMG Fund involves a risk of loss that investors should be prepared to bear, including up to the entire amount of their investment or commitment. For a discussion of material risks, see Items 8.B and 8.C immediately below. In addition, prospective investors in VMG Funds are provided with more detailed information about risks and conflicts of interest specific to any VMG Fund before they invest.

B. Material Risks

The transactions in which the VMG Funds engage involve substantial risks and are suitable only for those investors who have the financial sophistication and expertise to understand and accept such risks. No assurance can be given that the investment objectives of the VMG Funds will be achieved or that investors will receive a return of or will realize a profit on their investments in the VMG Funds.

Prior to committing to any VMG Fund, potential investors are furnished with a confidential offering memorandum which sets forth in detail the material risks associated with such investment and cautions that returns may be unpredictable, that the possibility of a partial or total loss of capital will exist and that investors should not commit unless they can readily bear the consequences of such loss. All investors are required to represent in their subscription materials that they have carefully read the risk factor disclosure and understand all such risks. Prospective investors are also advised in the offering materials that the risk factors and other investment

considerations described therein are not necessarily a complete list or explanation of all risks involved and are advised to consult their own counsel and other advisors.

Without limiting (i) the foregoing, (ii) the disclosure set forth in the VMG Funds' offering documents and governing agreements and (iii) the acknowledgements made by investors in their subscription agreements or otherwise, the discussion below summarizes certain of the material risks associated with investments in the VMG Funds:

Nature of Investment: An investment in a VMG Fund requires a long-term commitment, with no certainty of return. Portfolio investments of a VMG Fund may not generate current income. Therefore, the return of capital and the realization of gains, if any, from a portfolio investment generally will occur upon the partial or complete realization or disposition of such portfolio investment. While a portfolio investment may be realized or disposed of at any time, it is generally expected that the ultimate realization or disposition of most of a VMG Fund's portfolio investments will not occur for several years after such portfolio investments are made. There can be no assurances that purchasers of, or realization opportunities for, a VMG Fund's portfolio companies will be found. Further, the terms of any disposition or realization transaction will necessarily be affected by economic and other market conditions at the time. Similarly, a VMG Fund generally will not be able to sell portfolio company securities publicly unless the issuer has gone public and such sale is registered under applicable securities laws or unless an exemption from such registration requirements is available. In addition, in some cases, a VMG Fund may be prohibited or limited by contract from selling certain portfolio company securities for a period of time, and, as a result, may not be permitted to sell a portfolio investment at a time it might otherwise desire to do so.

Restrictions on Transfer and Withdrawal; Lack of Liquidity: The interests in VMG Funds are not registered under the Securities Act of 1933, as amended, or any other applicable securities laws and there will be no public or private market for the interests in VMG Funds and none is expected to develop. In addition, the interests in VMG Funds are not transferable and may not be sold, transferred, pledged, mortgaged, charged, assigned, hypothecated or otherwise encumbered except with the consent of the relevant General Partner, which may be withheld by such General Partner in its sole discretion, and subject to the terms and conditions of the partnership agreements. Investors may not withdraw capital from the VMG Funds. Consequently, investors may not be able to liquidate their investments prior to the end of the applicable VMG Fund's term.

Risks of Investments in Less Established Companies: The VMG Funds may invest in the securities of smaller, less-established companies. Investments in such companies may involve greater risks than are generally associated with investments in more established companies. Smaller companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing which may not be available through institutional private placements or the public markets. The securities of such companies may be subject to more abrupt and erratic market price movements than larger, more-established companies, because trading volumes for their securities are generally quite low. Less-established companies tend to have less capital and fewer resources and, therefore, are often more vulnerable to financial failure. Such companies may also have shorter operating histories on which to judge future performance.

Uncertainty of Financial Projections: The General Partners will generally establish the capital structure of portfolio companies on the basis of financial projections for such portfolio companies. Projected operating results will typically be based primarily on management judgments. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General economic, political and market conditions, which are not predictable, can have a material adverse impact on the reliability of such projections.

Risk Relating to Due Diligence and Conduct at Portfolio Companies: Before a VMG Fund makes an investment, the General Partners and/or VMG will conduct such due diligence as they deem reasonable and appropriate based on the facts and circumstances applicable to the investment. Due diligence may entail feasibility and technical studies, studies regarding reserves, environmental studies, marketing studies, business plan development, evaluation of important and complex business, financial, tax, accounting, environmental and legal issues as well as background investigations of individuals. Outside professionals, engineers, consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment. The involvement of such third parties may present a number of risks primarily relating to reduced control of the functions that are outsourced and may entail significant third-party expenses, which will be borne by the VMG Funds subject to certain limitations thereon set forth in the relevant partnership agreements. In addition, if the VMG Funds are unable to timely engage third-party providers, its ability to evaluate and acquire more complex assets could be adversely affected. Due diligence investigations with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating the investment opportunity. Moreover, there can be no assurance that attempts to identify risks associated with an investment will achieve their desired effect. Potential investors should regard an investment in the VMG Funds as being speculative and having a high degree of risk.

In the event of fraud, any material misrepresentation or omission or any professional negligence by any seller of assets acquired by a portfolio company or such seller's representatives, by a portfolio company or any of its affiliates, or by any other third party, the VMG Funds may suffer a material loss of capital and the value of the VMG Funds' investments may be adversely impacted. The VMG Funds will rely upon the accuracy and completeness of representations made by various persons in the due diligence process and cannot guarantee such accuracy or completeness.

Prior Investment Performance Not Indicative of Future Results: The performance of prior investments made by a VMG Fund is not indicative of any VMG Fund's future results. On any given investment, total loss of the investment is possible.

Dependence on Key Personnel: The success of a VMG Fund depends in substantial part upon the skill and expertise of the investment professionals of VMG and the other individuals employed to assist them. There can be no assurance that the investment professionals will continue to be partners of or employed by the General Partners, VMG or any of their respective affiliates. The loss of service to a VMG Fund of one or more the investment professionals could have a material adverse effect on the success of a VMG Fund.

Risks in Effecting Operating Improvements: In many cases, the success of a VMG Fund's investment strategy will depend, in part, on the ability of a VMG Fund to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing potential operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that a VMG Fund will be able to successfully identify and implement such improvements.

Limited Number of Investments: A VMG Fund may participate in a limited number of investments and, consequently, the aggregate return of a VMG Fund may be substantially affected by the unfavorable performance of a single investment.

Leverage: A VMG Fund's investments may include companies whose capital structures may have significant leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. Although VMG will seek to use leverage in a prudent manner, the leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the portfolio companies or their respective industry. Additionally, the securities acquired by a VMG Fund may be the most junior in what may be a complex capital structure and thus subject to the greatest risk of loss.

Bridge Financing: A VMG Fund may provide bridge financing or investments in connection with one or more of its equity investments. A VMG Fund will bear the risk of any changes in capital markets that may adversely affect the ability of a portfolio company to refinance any bridge investments. If the portfolio company were unable to complete a refinancing, a VMG Fund could have a long-term investment in a junior debt security or a junior debt security that is convertible into equity and the interest rate on such bridge financing may not adequately reflect the risk associated with the unsecured position taken by such VMG Fund.

Credit Facility: The General Partners may establish one or more credit facilities for a VMG Fund with one or more financial institutions. Implementation and utilization of any credit facility may result in fees and expenses to a VMG Fund. In order to obtain any credit facility, the General Partners expect that (i) they may be required to assign or pledge to each such credit facility issuer/lender the General Partners' rights to call capital from the investors as may be required to honor any credit facility draws and/or repay any loans, including any interest accrued thereon, and (ii) the investors may be required to acknowledge and consent to the assignment of the General Partners' rights in respect thereof. If a VMG Fund does not honor its obligations pursuant to any credit facility, the provider(s) of such credit facility may have the right to take action against any investor or its interests, including directly drawing capital from the investors. Investors may also be required to provide certain representations and other documents and information as required by (and for the benefit of) credit facility lenders in connection with any credit facility, at the investor's own expense. Such costs will not be reimbursed by a VMG Fund.

Investments in Public Companies: A VMG Fund may take private portfolio companies public. Investments in public companies may subject the portfolio company to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a VMG Fund to

dispose of such securities at certain times (including due to the possession by a VMG Fund of material non-public information), increased likelihood of shareholder litigation against such companies' board members, which may include the principals and other members of the VMG team, regulatory action by the domestic or foreign securities regulators and increased costs associated with each of the aforementioned risks.

Competitive Marketplace: A VMG Fund will be competing with a significant number of other private equity and venture capital funds, as well as institutional investors and strategic investors, for investments in prospective portfolio companies. As a result of this competition, there can be no assurance that a VMG Fund will be able to locate suitable investment opportunities, acquire them for an appropriate level of consideration, achieve its targeted rate of return or fully invest its committed capital.

Risks Upon Dispositions of Investments: In connection with the disposition of a portfolio investment, a VMG Fund 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. It may also be required to indemnify the purchasers of such investment to the extent that any such representation turns out to be inaccurate. These arrangements may result in contingent liabilities of a VMG Fund, which might ultimately have to be funded by the investors in a VMG Fund (either out of unfunded capital commitments on a return of distribution) to the extent that such contingent liabilities exceed the reserves and other assets of a VMG Fund. Furthermore, under the Delaware Revised Uniform Limited Partnership Act, each investor that receives a distribution in violation of such Act will, under certain circumstances, be obligated to return such distribution to the applicable VMG Fund.

Reinvestment: Under certain circumstances, proceeds distributable (or previously distributed) to the investors in a VMG Fund that constitute a return of capital contributions may be retained and reinvested (or recalled for reinvestment) by VMG or used (or recalled for use) by VMG for any other proper purpose. Amounts available for recall will be restored to the investors' respective available capital commitments. Accordingly, an investor may be required to fund for investments or expenses during the term of a VMG Fund an aggregate amount that significantly exceeds its capital commitment.

Distributions in Kind: Although, under normal circumstances, a VMG Fund intends to make distributions in cash or in publicly traded securities, it is possible that under certain circumstances (including the liquidation of a VMG Fund) distributions may be made in kind and could consist of securities for which there is no readily available public market.

Recourse to a VMG Fund's Assets: A VMG Fund's assets, including any investments made by a VMG Fund and any capital held by a VMG Fund, are available to satisfy all liabilities and other obligations of a VMG Fund. If a VMG Fund itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to a VMG Fund's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.

Indemnification: VMG, the General Partners, the principals and their respective members, partners, shareholders, directors, officers, employees, agents and affiliates, and the members of the investor advisory committee, their employers and the investors they represent will be entitled to

indemnification from a VMG Fund, except in certain circumstances. All of the assets of a VMG Fund and unfunded capital commitments will be available to satisfy these indemnification obligations, and investors in a VMG Fund may be required to return distributions to satisfy such obligations. Such obligations will survive the dissolution of a VMG Fund.

Effects of Bankruptcy: A VMG Fund may make investments in portfolio companies that are or may become the subject of voluntary or involuntary bankruptcy proceedings under applicable bankruptcy laws. Certain risks that are faced in bankruptcy cases that must be factored into the investment decision include, for example, the potential total loss of any such investment. Upon confirmation of a plan of reorganization under applicable bankruptcy laws, or as a result of a liquidation proceeding, a VMG Fund could suffer a loss of all or a part of the value of its investment in a portfolio company. A bankruptcy filing may adversely and permanently affect a portfolio company. The portfolio company could lose market position and key employees, and the liquidation value of the portfolio company may not equal the liquidation value that was believed to exist prior to the making of the initial investment. In general, bankruptcy laws may be expected to have a variety of adverse impacts on the value of a VMG Fund's investments and the timing and amount of any distributions a VMG Fund is able to receive therefrom. In addition, investments in restructurings may be adversely affected by statutes related to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims or re-characterize investments made in the form of debt as equity contributions.

Pension Liabilities: A VMG Fund could face risk of loss from employee pension-related liabilities arising from investments in portfolio companies that maintain or contribute to defined benefit pension plans in the United States and certain other jurisdictions. Under certain circumstances, U.S. courts have held (and certain non-U.S. laws provide) that certain shareholders may be responsible for satisfying certain pension liabilities incurred by their direct and indirect operating company investments (including liabilities associated with the operating company's withdrawal from a pension plan). While U.S. law is unsettled regarding the circumstances under which an investment fund could be responsible for these types of pension liabilities and the principals intend to consider (among many factors) potential pension liabilities in determining whether to invest in a particular portfolio company, it is possible that a VMG Fund could become subject to pension-related liabilities of portfolio companies in which it invests and that such pension liabilities could exceed the value of such investment.

Hedging: A VMG Fund may enter into swaps, forward contracts and other arrangements to seek to preserve a return on a particular investment or to seek to protect against currency fluctuations. Such transactions have special risks associated with them, including the possible default by the counterparty to the transaction and the illiquidity of the instrument acquired by a VMG Fund relating thereto. Although such transactions may reduce a VMG Fund's exposure to currency fluctuations or decreases in the value of investments, the costs associated with these arrangements may reduce the returns that a VMG Fund would have otherwise achieved if it had not entered into these transactions.

Failure to Make Capital Contributions: If any investor in a VMG Fund fails to fund its subscription obligation or make required capital contributions when due, a VMG Fund's ability to

complete its investment program or otherwise continue operations may be impaired and the investor may be subject to significant consequences.

Limited Partners Will Not Participate in Management of a VMG Fund: Investors in any VMG Fund will not have the right to participate in the management of a VMG Fund or in decisions made by the applicable General Partner on its behalf. As a result, investors will have almost no control over their investments in a VMG Fund or their prospects with respect thereto. The General Partners of the VMG Funds manage the VMG Funds based on the particular VMG Fund's overall investment objectives, not the objectives of individual investors. Individual investors may have interests that conflict with or compete with the VMG Funds and their portfolio companies or may be service providers to or counterparties of the VMG Funds and their portfolio companies.

Advisory Committee: Although the investor advisory committee of a VMG Fund is intended to act as the representative of the investors of a particular VMG Fund in respect of certain matters (including being authorized to provide consent on behalf of the VMG Fund in connection with certain affiliate transactions, Advisers Act "assignments" or as otherwise requested by VMG), that investor advisory committee may not have the same interests as all investors. Furthermore, the advisory committee cannot be expected to be an expert in all matters presented to it, and certain of its determinations may, in fact, adversely affect the performance of the particular VMG Fund. In addition, members of the investor advisory committee may have conflicts of interest that do not disqualify them from voting on or consenting to matters submitted for consideration or review. The VMG Funds will indemnify the members of the investor advisory committee, any affiliate or employer of any such members and any investor represented on the investor advisory committee by any member, in connection with any involvement with the investor advisory committee, respectively, but only to the extent that such person acted in good faith and as specifically required by the partnership agreement. In addition, the investor advisory committee generally does not owe a fiduciary obligation to the VMG Fund or the investors.

Unspecified Use of Proceeds: Investors in a VMG Fund do not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by a VMG Fund and, accordingly, will be dependent upon the judgment and ability of VMG in investing and managing the capital of a VMG Fund.

Effect of Fees and Expenses on Returns: A VMG Fund will pay fees and will bear all expenses related to its operations. Such fees are expected to reduce the actual returns to investors in a VMG Fund. Most of the fees and expenses will be paid regardless of whether a VMG Fund produces positive investment returns.

General Economic Conditions; Market Dislocation: U.S. and global market and economic conditions may decrease the demand for consumer products and may impact the VMG Funds' ability to, among other things: (a) make and dispose of investments on favorable terms, (b) access credit markets on favorable terms (or at all), and (c) attract co-investors and other counterparties to do business with the VMG Funds. There can be no assurance as to the future direction of national and global market and economic conditions.

The United Kingdom and Brexit: In June 2016, a majority of voters in the United Kingdom elected to withdraw from the European Union in a national referendum. The results of the

referendum is subject to being enacted by Parliament, and the terms of any withdrawal are subject to a negotiation period that could last at least two years after the government of the United Kingdom formally initiates a withdrawal process. Nevertheless, the referendum has created significant uncertainty about the future relationship between the United Kingdom and the European Union, including with respect to the laws and regulations that will apply as the United Kingdom determines which European Union laws to replace or replicate in the event of a withdrawal. The referendum has also given rise to calls for the governments of other European Union member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict the ability of a VMG Fund and/or its portfolio companies to access the capital markets, any of which could have a material adverse effect on the business, financial condition and results of operations of a VMG Fund and/or its portfolio companies, and accordingly, the value of the VMG Funds and/or their portfolio companies and, accordingly, the interests in the VMG Funds.

Anti-Corruption Laws: In recent years, regulators have placed an increased focus on the U.S. Foreign Corrupt Practices Act (“FCPA”), the U.K. Bribery Act, the Canadian Corruption of Foreign Public Officials Act and other anticorruption laws, anti-bribery laws and regulations, as well as anti-boycott regulations, to which VMG, the General Partners, the VMG Funds and/or the portfolio companies may be subject (collectively, the “Anti-Corruption Laws”). Any determination that VMG, the General Partners, the VMG Funds and/or any portfolio company has violated any Anti-Corruption Law could subject it to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct and/or securities litigation, any one of which could adversely affect VMG, the General Partners, the VMG Funds and/or the portfolio companies.

Legal, Tax and Regulatory Risks: During the term of a VMG Fund, legal, tax and regulatory changes could occur that may adversely affect a VMG Fund.

Cyber Security Breaches and Identity Theft: VMG, each VMG Fund, certain portfolio companies and service providers to VMG, the VMG Funds and the portfolio companies generally rely on information technology systems for current and planned operations. Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Information and technology systems of VMG, the VMG Funds, and their respective affiliates and each VMG Fund’s portfolio companies as well as service providers to the foregoing may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons, security breaches and usage errors by their respective professionals. There can be no guarantee that VMG or the VMG Funds will be able to prevent or mitigate such incidents. The failure of these systems could cause significant interruptions in the operations of VMG, the VMG Funds, their affiliates and the portfolio companies and could result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). A cybersecurity incident could have numerous material adverse effects, including on the operations, liquidity and financial condition of the funds. Cyber threats and/or incidents could cause financial costs from the theft of fund

assets (including proprietary information and intellectual property) as well as numerous unforeseen costs including, but not limited to: litigation costs, preventative and protective costs, remediation costs and costs associated with reputational damage, any of which could be materially adverse to the VMG Funds.

VMG, the VMG Funds, their affiliates, service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect a VMG Fund and its investors, despite the efforts of such VMG Fund's service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to a VMG Fund and its investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of a VMG Fund's service providers, counterparties or data within these systems.

Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of systems to disclose sensitive information in order to gain access to data or that of a VMG Fund's investors. A successful penetration or circumvention of the security of systems could result in the loss, theft or corruption of an investor's data, a loss of fund data, a loss of funds, the inability to access electronic systems, overall disruption in operations systems, loss, theft or corruption of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. These threats may also indirectly affect a VMG Fund through cyber incidents with third party service providers or counterparties. Data taken in such breaches may be used by criminals in identity theft, obtaining loans or payments under false identities, and other crimes that could affect a VMG Fund's investors directly as well as affect the value of assets in which a VMG Fund invests. These risks can disrupt the ability to engage in transactional business, cause direct financial loss and reputational damage, lead to violations of applicable laws related to data and privacy protection and consumer protection or incur regulatory penalties, all or part of which may not be covered by insurance. Cybersecurity risks also result in ongoing prevention and compliance costs. In addition, VMG Funds may incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information and adverse reputational reaction or litigation.

Similar types of operational and technology risks are also present for the portfolio companies in which VMG Funds invest, which could have material adverse consequences for such companies, and may cause the VMG Funds' investments to lose value

Benefit Plan Investors: VMG Funds are generally structured so that their underlying assets will not constitute assets of any plan subject to Title I of ERISA or Section 4975 of the United States Internal Revenue Code of 1986, as amended. This may restrict a VMG Fund's activities, preclude it from making certain investments, and require it to take actions that may expose the assets of the VMG Fund to claims or liabilities. Failure to structure a VMG Fund accordingly may also expose a VMG Fund to additional duties and liabilities under ERISA.

General Tax Considerations: VMG Funds are generally expected to be treated as pass-through vehicles for U.S. federal income tax purposes. Investments in VMG Funds give rise to a variety

of complex U.S. federal income tax and other tax issues for both tax-exempt and non-tax-exempt investors.

Co-Invest; Access to Information: The interests of investors that participate in co-investments may not align with the interests of investors in the VMG Funds. In addition, investors that participate in co-investments may be in a position to obtain additional information regarding the applicable investment that may not generally be available to investors in the VMG Fund. See Item 11 for further information regarding co-investments.

Potential Conflicts of Interest: There will be occasions when VMG and its affiliates may encounter potential conflicts of interest in connection with the VMG Funds. Such conflicts may include, but are not limited to, the following:

- the existence of “carried interest,” which is discussed further in Item 6 above;
- a VMG Fund’s General Partner may engage in transactions on behalf of a VMG Fund with VMG or its affiliates (for example, VMG or its affiliates may receive certain fees for services rendered to, or in connection with, a particular investment);
- the General Partner of a VMG Fund may elect to co-invest the VMG Fund’s capital with other investors who have preexisting investments with other VMG Funds or VMG affiliates on different terms;
- VMG personnel generally devote time to multiple VMG investment vehicles and activities of other VMG affiliates;
- VMG Funds may on occasion engage in certain affiliated or interested transactions, as further discussed in Item 11 below; and
- as further discussed in Item 10.C below, VMG may be presented from time to time with investment opportunities that meet the investment objectives of one or more VMG Funds and/or other VMG-advised investment vehicles.

Conflicts of interest, and the methods VMG and its supervised persons utilize to address these conflicts, are generally disclosed to investors in each applicable VMG Fund’s governing agreements before they invest.

To address conflicts of interest such as those described above, VMG investment professionals prepare an investment memorandum for each new investment opportunity or other transaction. If the CCO identifies any actual or potential conflicts of interest, the CCO reviews the actual or potential conflicts with VMG’s managing members and legal counsel, if deemed appropriate, in order to recommend courses of action to VMG’s managing members.

In addition, the governing agreements for VMG Funds generally contain specified procedures to address certain conflicts of interests. These procedures may include (i) requiring a VMG Fund General Partner take certain actions to mitigate the conflict of interest, or (ii) referring a conflict of interest transaction to a VMG Fund’s investor advisory committee. A VMG Fund’s investor advisory committee is typically comprised of representatives of investors in the applicable VMG Fund and is typically authorized to grant consents on behalf of the VMG Fund.

C. Recommendations of Particular Securities

VMG Funds have and will continue to seek to invest in portfolio companies involved in marketing-driven, branded consumer product companies primarily within the United States and Canada. These companies may be subject to regulatory oversight. Changes in laws or regulations relating to consumer products companies could have an adverse effect on the portfolio companies of the VMG Funds. Please see Items 8.A and 8.B for additional risks associated with investments in the VMG Funds. In addition, prospective investors in VMG Funds are provided with more detailed information about risks before they invest in any VMG Fund.

ITEM 9 - DISCIPLINARY INFORMATION

VMG is not aware, after having conducted due diligence on the firm and its management persons, of any legal or disciplinary events that would be material to a client's or prospective client's evaluation of VMG's advisory business or the integrity of its management.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Material Relationships

VMG and its affiliates formed the existing VMG Funds to make investments in portfolio companies involved in marketing-driven, branded consumer product companies primarily within the United States and Canada. VMG provides investment management services to such VMG Funds. These relationships and related management or other fees are disclosed in the private offering materials in connection with the launch of such VMG Funds.

Each of the General Partners of the VMG Funds are related persons to VMG. The General Partners are controlled by individuals who are also principals of VMG. As previously described, because the General Partners may receive a "carried interest" or performance fee, there may be an incentive for the General Partner and VMG Partners to make riskier or more speculative investments on behalf of the VMG Funds than would be the case in the absence of these arrangements. VMG Partners is affiliated with Fund I Manager, VMG Equity Partners GP, L.P., VMG Partners II GP, L.P., VMG Partners III GP, L.P. and VMG Partners IV GP, L.P. Fund I Manager is a relying adviser that is a registered investment adviser in accordance with SEC guidance under the Advisers Act pursuant to VMG Partners' registration. These affiliated entities operate as a single advisory business together with VMG Partners, serve as managers or general partners of the VMG Funds, may share common owners, officers, partners, employees, consultants or persons occupying similar positions, are under common control, and are subject to VMG Partners' code of ethics ("Code of Ethics") and compliance programs adopted pursuant to the requirements of the Advisers Act.

ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics

VMG is a fiduciary to its clients, currently the VMG Funds. This means that VMG and its employees must put the interests of the VMG Funds first. To that end, VMG employees are required to:

- Place the interests of the VMG Funds above any personal interests;
- Seek to identify conflicts of interest and observe established resolution procedures as described in VMG Partners' Code of Ethics and Compliance Manual;
- Avoid misleading or inaccurate statements that may be attributed to VMG;
- Conduct personal securities transactions in a manner consistent with VMG Partners' Code of Ethics (including pre-clearance (if applicable) and reporting of transactions);
- Report any violations of VMG Partners' Code of Ethics, or VMG Partners' Compliance Manual generally, to its CCO; and
- Comply with VMG Partners' Code of Ethics, its Compliance Manual, and applicable provisions of the federal securities laws as well as any other laws applicable to VMG.

See Items 11.C and 11.D below for further details regarding VMG Partners' Code of Ethics.

Copies of VMG Partners' Code of Ethics are available to any client or prospective client upon request.

VMG Partners' policies and procedures for addressing conflicts of interest generally are also described in more detail at Item 8 above.

B. Participation or Interest in Client Transactions

VMG provides ongoing portfolio management services for the VMG Funds. VMG's managing members are responsible for monitoring and managing each respective VMG Fund's investment portfolio in accordance with the particular VMG Fund's investment objectives, limitations, and guidelines, and as set forth in the VMG Fund's governing agreements.

VMG is subject to restrictions disclosed to investors in the applicable VMG Fund offering materials and governing agreements relating to principal transactions, cross trades and other affiliated transactions, in which VMG or its employees may have interests that are averse to, or in any event potentially not aligned with, the interests of one or more of the VMG Funds.

A "principal transaction" occurs when VMG, or one of its affiliates, acquires investments from, or sells investments to a VMG Fund. Principal transactions are only permitted if made in accordance with the Advisers Act and applicable governing agreements which generally require, subject to certain limited exceptions, that VMG obtains the prior consent to such principal transaction of either the advisory committee of the applicable VMG Fund or a majority in interest of the investors

of the applicable VMG Fund. To the extent that an affiliate of VMG may control one or more VMG Funds (*i.e.*, if the General Partner of a VMG Fund has a 25% interest in a VMG Fund that is entering into a transaction for the purchase or sale of a portfolio company investment from or to another VMG Fund, the transaction would be a principal transaction as discussed above), it faces conflicts of interest in seeking to establish fair terms for such a transaction.

VMG will not ordinarily enter into principal transactions. However, if the managing members of VMG deem it to be in a VMG Fund's best interest to be party to a principal transaction, VMG may enter into a principal transaction if the transaction complies with the governing agreement of the particular VMG Fund (which agreement will include provisions that comply with the Advisers Act) and consults with the CCO prior to entering into the transaction.

A "cross trade", *e.g.*, a sale of a portfolio company investment from one VMG Fund to another, also presents a risk that the terms of the transaction favor one VMG Fund (and its underlying investors) at the expense of the other VMG Fund. Absent special circumstances approved by the CCO or compliance with the procedures and limitations set forth in the applicable governing agreements of the VMG Funds, the consent of both VMG Funds is required for a "cross trade."

An "affiliated transaction" includes "principal transactions," "cross trades" and any other transaction in which VMG, its affiliates or its employees has any other interest in the transaction. The governing agreement of each VMG Fund will generally prohibit affiliated transactions with certain limited exceptions without the prior approval of either the advisory committee of the applicable VMG Fund or a majority in interest of the investors of the applicable VMG Fund. A VMG Fund may enter into an affiliated transaction if the transaction complies with the governing agreement of the particular VMG Fund and if the VMG Fund consults with the CCO (and, if appropriate, legal counsel) prior to entering into such transaction.

To address the conflicts of interest described above, VMG investment professionals prepare an investment memorandum for each new investment opportunity or other transaction. If the CCO identifies any actual or potential conflicts of interest, the CCO reviews the actual or potential conflicts with the managing members of VMG and/or legal counsel, if deemed appropriate, in order to recommend courses of action to the managing members of VMG. The managing members of VMG determine the specific actions to be taken.

C. Personal Trading

VMG's principals, employees or senior advisors invest in other private equity investment vehicles (including single investor co-investments) managed by other advisers, including those which invest in consumer products. In some cases, the VMG Funds may purchase portfolio companies that are owned by such other investment vehicles, which may indirectly benefit any principals, employees or senior advisors.

Conflicts of interest may arise between a VMG Fund and VMG when VMG or a related person invests in the same securities that it recommends to VMG Funds, or has another interest in a transaction that is, or may be, in conflict with the interest of any of the VMG Funds.

VMG employees may have personal conflicts of interest, such as (i) a material interest in a transaction to be entered into with or for a VMG Fund, (ii) a relationship that gives or may give rise to a conflict of interest in relation to a transaction or (iii) another interest in a transaction that is, or may be, in conflict with the interest of any VMG Funds.

To address these conflicts, VMG Partners' Code of Ethics (discussed in Item 11.A above) requires, among other items, that each VMG employee submit to the CCO a report of his or her current holdings of covered securities, including securities holdings of any account which such employee manages or exercises (or shares) investment discretion, as well as holdings of his or her immediate family members. The employee must update this report annually. In addition, VMG Partners' Code of Ethics requires that all VMG employees disclose all outside business activities and other occupations and obtain the prior approval of the CCO before engaging in any such activities or occupations.

VMG Partners' Code of Ethics also requires that all VMG employees and their immediate family members obtain the approval of the CCO before directly or indirectly acquiring beneficial ownership in any security in an initial public offering or a private transaction (e.g., private placements and limited offerings). The CCO may place additional restrictions on an employee's personal trading activities. The CCO monitors employees' personal securities trading for unusual or excessive trading patterns.

D. Personal Trading Contemporaneous with Client Transactions

Conflicts of interest may arise when VMG (or a related person) or its employees buy or sell securities for client accounts at or about the same time as it buys or sells the same securities for its own account. In these situations, VMG addresses actual or potential conflicts of interest in the manner outlined in Items 11.B and 11.C above.

In addition to the report of current holdings described in Item 11.C above, VMG Partners' Code of Ethics requires that employees submit a quarterly transaction report giving information on the employee's personal trading activities. All VMG employees and their immediate family members must also obtain the approval of the CCO before directly or indirectly acquiring beneficial ownership in any security in an initial public offering or a private transaction (e.g., private placements and limited offerings). The CCO may place additional restrictions on an employee's personal trading activities. The CCO monitors employees' personal securities trading for unusual or excessive trading patterns.

Employees are not permitted to buy or sell any security (or cause another person to do so) if the employee is in possession of "material" non-public information relating to the issuer or the transaction. Employees also may not disclose this information to a third party to use in securities transactions. In general, "material" information means information that would reasonably affect, or have a significant impact on, an investor's decision to buy or sell a security, or information that would have been viewed by a reasonable investor as having significantly altered the "total mix" of information available.

VMG seeks to allocate investment opportunities among the VMG Funds in a fair and equitable manner, bearing in mind, among other things, the size, investment objectives, term, investment

restrictions and available capital of each VMG Fund. In addition, certain VMG Fund governing agreements prescribe additional requirements for the allocation of investment opportunities, which will be disclosed to investors prior to their investment in such VMG Fund. For Fund I, Fund II and Fund III, under no circumstances may VMG or any affiliate allocate investment opportunities based on anticipated compensation or profits to VMG, any affiliates or their employees. Alongside Fund IV, VMG raised a committed blind pool co-invest vehicle, VMG Partners IV Coinvest, L.P. (the “Coinvest Fund”). All limited partners of the Coinvest Fund are also limited partners of Fund IV. In the event the Fund IV General Partner determines in its discretion to make available co-investment opportunities alongside Fund IV, it shall first offer any such co-investment opportunities to the Coinvest Fund, in amounts and at the discretion of the Fund IV General Partner; provided that the Fund IV General Partner may offer any such co-investment opportunities to strategic investors prior to offering such opportunities to the Coinvest Fund. The Fund IV General Partner shall collect a management fee and earn carried interest on investments made by the Coinvest Fund. The Coinvest Fund’s allocable portion of partnership expenses, including broken-deal expenses, shall be reasonably determined by the Fund IV General Partner with reference to the aggregate capital commitments of the Coinvest Fund invested in a portfolio company or proposed to be invested in a prospective portfolio company in relation to the related aggregate capital commitments in Fund IV. Each VMG Fund has its own investment guidelines, charter and organizational documents that are taken into account when making investment allocation determinations.

As noted in Item 6 “Performance-Based Fees and Side by Side Management”, VMG and its affiliates may raise co-investment funds, establish co-investment vehicles or otherwise make available direct co-investment opportunities, and the existence of, and participation by VMG and its affiliates in, such funds, vehicles and other opportunities may create conflicts of interest. VMG will generally select which investors or other persons are permitted to co-invest based on various factors, including (but not limited to) the sophistication of the investor, the ability of the investor to fund and complete the investment on a timely basis, the investor’s expression of interest or right to co-invest granted by such investor’s side letter arrangement, and any other reason for including such investor or person.

Although a co-invest fund or co-investor will generally invest at the same time as a VMG Fund, it is possible that from time to time, for strategic and other reasons, a co-invest fund or co-investor may subsequently purchase a portion of an investment from a VMG Fund. In such event, the co-investment buy-down generally would occur shortly after the applicable VMG Fund’s completion of the investment to avoid any changes in valuation of the investment. Such co-investors or co-invest funds typically dispose of their investments in the applicable portfolio company at the same time and on the same terms as the VMG Fund making the investment. In certain circumstances, a co-invest fund or other co-investor may evaluate a potential investment alongside a VMG Fund. Except as noted above with respect to the Coinvest Fund, if the potential investment or co-investment is not consummated, the full amount of any expenses relating to such potential but not consummated investment will typically be borne entirely by the primary VMG Fund or VMG Funds allocated such investment rather than the co-invest fund or other co-investor.

Since VMG and/or its affiliates may be reimbursed for certain compensation and other fees and expenses that relate to the employment of certain expected portfolio company employees, they could have a conflict of interest in connection with the applicable VMG Fund’s initial investment

in such portfolio company and the resulting reimbursement of such amounts. In addition, as a result of the VMG Funds' controlling interests in portfolio companies, VMG and its affiliates typically have the right (i) to appoint, or to influence the appointment of, board members to such portfolio companies, (ii) to retain, or influence the retention of, certain persons to serve as employees or independent consultants (including consultants introduced or arranged by VMG and/or its affiliates that may regularly provide services to one or more VMG Fund portfolio companies, such as VMG Services Professionals) of a portfolio company and (iii) to determine or influence a determination of the compensation for such board member, employee or consultant. VMG Fund portfolio companies that engage any such consultants (including VMG Services Professionals) will bear their expenses and any compensation and/or fees for their services, which may be paid on a retainer basis. Any fees paid by VMG Fund portfolio companies for services provided by VMG Services Professionals are typically collected in advance by VMG and then subsequently paid to the VMG Services Professionals in arrears. In addition, such compensation and fees paid to consultants or expense reimbursements received by such consultants from portfolio companies (or from a VMG Fund to the extent not paid or reimbursed by a portfolio company) will not offset the management fee. See Item 6 above for a discussion on how certain professionals may also be engaged by VMG and its affiliates and participate in the "carried interest".

VMG and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the VMG Funds that will not be subject to the management fee offset or otherwise shared with the VMG Funds, investors and/or portfolio companies. For example, airline travel or hotel stays incurred as fund or account expenses typically result in cash rebates, "miles," "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to VMG and/or such personnel (and not the VMG Funds, investors and/or portfolio companies) even though the cost of the underlying service is borne by the VMG Funds, investors and/or portfolio companies.

Principals and employees of VMG may serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interests of such portfolio company and its shareholders. In certain circumstances (for example in situations involving bankruptcy or near-insolvency of a portfolio company), actions that may be in the best interests of the portfolio company may not be in the best interests of a VMG Fund, and vice versa. Accordingly, in these situations, there may be conflicts of interests between such individual's duties as an employee of VMG and such individual's duties as a director of such portfolio company.

VMG and its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the VMG Funds.

In addition, VMG Fund portfolio companies, from time to time, make discounts and other benefits available to employees in connection with products or services offered by such companies.

ITEM 12 - BROKERAGE PRACTICES

A. Selection of Broker-Dealers

Given the nature of the VMG Funds' investment program, VMG does not usually transact through broker-dealers. However, in situations where VMG may need to select a broker-dealer, VMG will seek to obtain "best execution," although VMG is not obligated to obtain the lowest transaction price. VMG will also consider the broker's execution capabilities, including block positioning, research, financial stability, ability to maintain confidentiality, delivery and ability to obtain best execution for all client securities transactions. In addition, with respect to private company securities transactions on behalf of the VMG Funds, VMG may retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant VMG Funds and/or their portfolio companies. In doing so, VMG may consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although VMG generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the VMG Funds may not necessarily pay the lowest commission or fee for such services. VMG does not have any agreements in place that require that VMG give any specified amount of brokerage to any broker-dealer.

1. Research and Other Soft Dollar Benefits

In practice, the investment program of the VMG Funds managed by VMG typically does not include substantial investments in publicly traded securities. As a result, it is VMG's policy not to enter into soft dollar arrangements or to accept soft dollars.

2. Brokerage for Client Referrals

VMG does not consider whether it or a related person receives client referrals from a broker-dealer or a third party when selecting or recommending broker-dealers.

3. Directed Brokerage

Directed brokerage occurs when a client directs an adviser to execute transactions through a specified broker-dealer. This practice may cause clients to pay more money because the adviser cannot aggregate purchases or sales of securities with a broker-dealer and obtain a more favorable rate. Given that VMG or its affiliates maintain investment discretion on behalf of the VMG Funds, VMG can generally require the VMG Funds to use a specified broker-dealer, and the VMG Funds (and investors in the VMG Funds) do not select brokers to be used for VMG Fund transactions.

B. Aggregation of Orders of Securities for Client Accounts

Although the investments of the VMG Funds do not generally require the services of a broker-dealer, VMG may seek to aggregate orders of securities for the accounts of the VMG Funds where practicable.

ITEM 13 - REVIEW OF ACCOUNTS

A. Periodic Review of Client Accounts

The portfolio investments of VMG Funds are continuously reviewed by VMG's investment professionals. These professionals monitor operations, overall performance, financial performance and strategic direction of each portfolio investment owned by the VMG Funds. VMG's investment professionals perform periodic comprehensive reviews. In addition, the managing members of VMG meet on a regular basis regarding the VMG Funds. In connection with their regular meetings, the managing members will, among other things, (i) review market events and their effect on investments; (ii) discuss investment ideas, economic developments, current events, investment strategies and issues related to portfolio companies; (iii) review the operations, financial condition and other matters regarding the portfolio companies; (iv) consider any departures from applicable investment guidelines; and (v) assess any proposed investments or divestments, in whole or in part, of any portfolio companies. The offering materials for each VMG Fund contain additional specific descriptions of the oversight and monitoring of the portfolio investments of such VMG Fund.

B. Reports to Clients Regarding Their Accounts

VMG delivers written financial reports to the investors in VMG Funds on a quarterly basis. These reports include information relevant to the VMG Fund's investments (and each investor's investment in such VMG Fund). In general, the investors in VMG Funds receive written audited annual financial statements (including a balance sheet and a statement of income or loss) and a summary of the portfolio investments of the applicable VMG Fund. In addition to the information typically provided to all investors, the VMG may in certain circumstances (e.g., in connection with a co-investment opportunity) provide certain investors with additional information with respect to a VMG Fund or portfolio company or more frequent reports that other investors will not necessarily receive.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

A. Client Referrals

VMG does not accept economic benefits from a person who is not a client for providing investment advice or other advisory services to the VMG Funds. VMG or its affiliates may receive directors' fees, transaction fees, topping and break-up fees, advisory fees or other fees in connection with portfolio investments or prospective portfolio investments of a VMG Fund or prospective portfolio investments of a VMG Fund. Typically, the management fees payable by each investor in a VMG Fund will be reduced by a certain percentage of its pro rata share of any transaction fees, topping and break-up fees, advisory fees or other fees received by VMG or its affiliates in connection with portfolio investments or prospective portfolio investments of a VMG Fund. VMG Funds that do not pay a management fee do not receive the benefit of the offset or otherwise share in such fees. Offsets are applied after taking into account the effect of any management fee waiver.

B. Compensation for Client Referrals

VMG or its affiliates may, from time to time, enter into arrangements in which persons who are not supervised persons (such as placement agents or financial advisors) assist in the capital-raising efforts of a VMG Fund in exchange for a fee. The fee paid, if any, to such persons may be calculated as a percentage of funds raised by such persons, as specifically negotiated between VMG and each such person or a flat fee. VMG Funds may pay a fee but such payments offset the management fee. These relationships could affect the independence of such person in connection with their recommendations of a particular VMG Fund. Neither VMG nor its affiliates engage any placement agent or finder that is not a member of FINRA (or, if applicable, corresponding non-U.S. authorities) and duly registered with the SEC as a broker-dealer. These types of arrangements are disclosed in the relevant VMG Fund offering materials.

ITEM 15 - CUSTODY

To the extent required by SEC rules, VMG generally maintains client funds and securities with “qualified custodians.”

For those clients for which VMG is deemed to have custody of client assets within the meaning of the Advisers Act, such clients are audited and receive audited financial statements within 120 days of the end of each fiscal year (as do investors therein). Consequently, such clients (as well as investors therein) will not receive reports directly from VMG’s “qualified custodian.”

ITEM 16 - INVESTMENT DISCRETION

VMG has discretionary authority to manage the investment portfolios of each of the VMG Funds. This authority is limited by each VMG Fund’s governing agreements and investment guidelines, as specifically negotiated between VMG and VMG Fund investors. For additional discussion of limitations clients may impose on investing in certain investments or types of investments, see Item 4.C above.

ITEM 17 - VOTING CLIENT SECURITIES

A. Authority to Vote Client Securities

VMG has policies and procedures that VMG believes are reasonably designed to ensure that proxies are voted in the best interests of VMG Funds and to recognize and resolve any material conflicts of interest that may arise in the course of such voting. Although VMG does not generally vote proxies for public companies, the general policy of VMG is to vote proxy proposals, amendments, consents or resolutions (collectively, “proxies”) relating to VMG Funds in a manner that serves the best interest of the VMG Fund, as determined by VMG in its discretion, taking into account relevant factors, such as (but not limited to) the impact on the value of the returns of the relevant VMG Fund and industry and business practice.

If VMG determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, VMG will take action in accordance with the governing agreements of the applicable VMG Fund or as otherwise determined by VMG to be in the best interest of the VMG Fund in voting such proxy.

The CCO is responsible for identifying any potential conflict of interest for each proxy and reporting this information to the managing members of VMG. The managing members of VMG are responsible for determining how to vote such proxies and whether to confer with the advisory committee of an applicable VMG Fund before voting.

The CCO is responsible for monitoring compliance with VMG Partners' proxy voting policies and procedures. The CCO will also maintain, or have available, written or electronic copies of each proxy statement received and of each executed proxy, as well as all applicable records relating to each proxy.

ITEM 18 - FINANCIAL INFORMATION

VMG is unaware of any financial condition reasonably likely to impair its ability to meet contractual commitments to its clients. VMG has not been the subject of a bankruptcy petition at any time during the past ten years.