

**INVESTMENT ADVISER BROCHURE
PART 2A OF FORM ADV**

MONOMOY CAPITAL MANAGEMENT, L.P.

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Monomoy Capital Management, L.P. (the “Management Company”). If you have any questions about the contents of this Brochure, please contact us at (212) 699-4000. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

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

Additional information regarding the Management Company is also available on the SEC’s website at www.adviserinfo.sec.gov.

MATERIAL CHANGES

Monomoy Capital Management, L.P. filed its most recent Form ADV Part 2 in March 2018. This annual amendment updates the description of the business practices of Monomoy and its affiliates, including Monomoy's Operating Team (previously referred to as the Operations Group).

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ADVISORY BUSINESS

Monomoy Capital Management, L.P. (the “**Management Company**”), a registered investment adviser, is a Delaware limited partnership. The Management Company and its affiliated investment advisers provide discretionary investment advisory services to their clients, which consist of private investment funds privately offered to qualified investors in the United States and elsewhere. The Management Company commenced operations in January 2005.

The following are the registered investment advisers and general partners affiliated with the Management Company:

- Monomoy General Partner, L.P. (the general partner of Fund I)
- Monomoy General Partner II, L.P. (the general partner of Fund II)
- Monomoy General Partner III, L.P. (the general partner of Fund III) (each, a “**General Partner**”)
- Monomoy Fund Management, L.P. (“**Monomoy Fund Management**,” and together with the General Partners, the Management Company and their affiliated entities, “**Monomoy**”)

The General Partners listed above each serve as general partner to one or more of the Funds (described below) and have the authority to make investment decisions on behalf of such Funds. Monomoy Fund Management is registered under the Advisers Act pursuant to the Management Company’s registration in accordance with SEC guidance. The Management Company and Monomoy Fund Management operate as a single investment advisory firm and are under common control with the General Partners.

The Management Company’s clients include the following funds focused on private equity strategies (each a “**Fund**”, and together with any future private equity fund or co-investment vehicle to which the Management Company or its affiliates provide investment advisory services, the “**Funds**”):

Monomoy Capital Partners, L.P.	Together, “ Fund I ”
Monomoy Executive Co-Investment Fund, L.P.	
MCP Supplemental Fund, L.P.	
Monomoy Capital Partners II, L.P.	Together, “ Fund II ”
MCP Supplemental Fund II, L.P.	
Monomoy Capital Partners AIV II, L.P.	
Monomoy Capital Partners III, L.P.	Together, “ Fund III ”
Monomoy Capital Partners AIV III, L.P.	

Monomoy is also in the process of establishing an investment vehicle focused on credit strategies.

Interests in the Funds are privately offered to qualified investors in the United States and elsewhere. The Funds are private equity funds and invest through negotiated transactions in operating entities generally referred to herein as “**portfolio companies**.” Monomoy’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted in certain instances. From time to time, where such investments consist of portfolio companies, the principals or other personnel of Monomoy may serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

Monomoy’s advisory services for the Funds are detailed in the applicable private placement memoranda or other offering documents (each, a “**PPM**”) and limited partnership or other operating agreements (each, a “**Limited Partnership Agreement**” and together with the PPM, the “**Governing Documents**”) and are further described below under “Methods of Analysis, Investment Strategies and Risk of Loss.” Investors in the Funds participate in the overall investment program for the applicable Fund, but may be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the relevant Limited Partnership Agreement. The Funds or Monomoy have entered into side letters or other similar agreements with certain investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing a Fund’s Limited Partnership Agreement. Certain investors have entered into side letters with one or more Funds that, in some cases, provide such investors the right to opt-out of certain investments for legal, policy, tax, regulatory or other reasons (e.g., investments in tobacco products or gaming).

Additionally, from time to time, Monomoy has provided certain investors or other persons, including Monomoy employees and/or certain other persons associated with Monomoy and/or its affiliates (to the extent not prohibited by the applicable Limited Partnership Agreement), co-investment opportunities (including the opportunity to participate in co-invest vehicles) that will invest in certain portfolio companies alongside a Fund. Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle may purchase a portion of an investment from a Fund. Any such purchase from a Fund by a co-investor or co-invest vehicle could occur after the Fund’s completion of the investment to avoid any changes in valuation of the investment, and the co-investor or co-invest vehicle may be charged interest on the purchase (or otherwise their purchase price may be equitably adjusted under certain conditions) to compensate the relevant Fund for the holding period.

As of December 2018, Monomoy managed approximately \$1,150,275,671.00 in client assets on a discretionary basis. The Management Company is principally owned by Justin Hillenbrand, Stephen Presser and Daniel Collin.

FEES AND COMPENSATION

The following is a general description of fees, compensation, and expenses of the Funds. Differences exist from Fund to Fund, and certain Funds may not charge certain fees, compensation, or expenses that other Funds charge. The Limited Partnership Agreements of the Funds describe fees, compensation and expenses in greater detail.

In general, Monomoy receives a management fee (the “**Management Fee**”) and a carried interest in connection with advisory services. The General Partners or other Monomoy entities or affiliates receive additional compensation in connection with monitoring and other services performed for portfolio companies of the Funds (*e.g.*, monitoring and other fees) and such additional compensation, that is allocable to the Fund’s ownership interest in the investment, will generally offset in whole or in part the Management Fees otherwise payable to Monomoy. As described below, fees received for services provided by Monomoy Operating Professionals (as defined below) to portfolio companies will not offset the Management Fee. Investors in the Funds also bear certain fund expenses, as described below.

Management Fees

Commencing on the effective date and ending on the five-year anniversary (unless extended as provided in the applicable Limited Partnership Agreement) or earlier upon the occurrence of certain events as set forth in the applicable Limited Partnership Agreement, a Fund generally will pay Monomoy a Management Fee, payable semi-annually, partially in advance, partially in arrears, equal to 2% of aggregate commitments. After five years (unless extended as provided in the applicable Limited Partnership Agreement) or earlier upon the occurrence of certain events as set forth in the applicable Limited Partnership Agreement, the Management Fee generally will equal 2% of (i) the sum of the aggregate investment contributions and the aggregate amount of unrecouped bridge financings, less (ii) the aggregate amount of investment contributions with respect to the portion of each investment that has been disposed of or permanently written down.

As more fully described in each Fund’s Limited Partnership Agreement, the Management Fee generally will be reduced by between 50% and 100% (depending on the applicable Fund) of: the Fund’s portion of (i) directors’ fees, financial consulting fees, monitoring or advisory fees earned by the General Partner with respect to any Fund investment (not including certain consulting or other fees for Operating Services (as defined below) provided to portfolio companies by Monomoy’s Operating Team (as defined below)); (ii) any transaction fees paid to the General Partner with respect to any Fund investment; and (iii) any break-up fees with respect to Fund transactions not completed that are paid to the General Partner, in each case based on the Fund’s ownership interest in the investment. The General Partner may elect to waive a portion of the Management Fee in exchange for a reduction in the General Partner’s capital contribution obligation and/or a corresponding interest in Fund profits.

Monomoy and/or its affiliates generally have discretion over whether to charge transaction fees to a portfolio company and, if so, the fee rate or amount. The receipt of transaction fees may give rise to conflicts of interest between the Funds, on the one hand, and Monomoy and/or its affiliates on the other hand.

The Management Fee with respect to a Fund will commence as of the effective date of such Fund based on aggregate commitments, regardless of when a limited partner is actually admitted. Generally, the Management Fee will be paid out of current income and disposition proceeds of a Fund and, in the General Partner's discretion, from drawdowns that will reduce unfunded commitments.

Carried Interest

In general, each General Partner will be entitled to receive a carried interest with respect to the Funds equal to 20% of all realized profits subject to an annually compounded preferred return hurdle of 8% and related General Partner catch-up, as more fully described in the relevant Limited Partnership Agreement. The carried interest distributed to a General Partner is subject to a potential giveback at the end of life of a Fund (or in the interim period) if the respective General Partner has received excess cumulative distributions.

Other Information

Monomoy is generally permitted to exempt certain investors in the Funds from payment of all or a portion of Management Fees and/or carried interest, including Monomoy affiliates and any other person designated by Monomoy, such as "friends and family" of Monomoy or its personnel, or other investors meeting certain qualification requirements. Any such exemption from fees and/or carried interest may be made by a direct exemption, a rebate by Monomoy and/or its affiliates, or through other Funds which co-invest in a Fund or in parallel with a Fund.

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

Principals or other current or former employees of Monomoy receive, directly or indirectly, salaries and other compensation derived from, and in certain cases including, a portion of the Management Fee, carried interest or other compensation received by a General Partner.

In addition to the Management Fee and carried interest payable to the General Partner, each Fund bears certain expenses. As set forth more fully in the applicable Governing Documents of each Fund, a Fund bears all expenses to the extent not paid by portfolio companies, including costs, expenses, liabilities and obligations relating to the Fund's activities, investments and business (to the extent not borne or reimbursed by a portfolio company), generally including, without limitation, all costs, expenses, liabilities and obligations attributable to acquiring, holding, managing and disposing of a Fund's investments, including expenses of third-party service providers, legal, auditing, consulting, financing, accounting and custodian fees and expenses as well as expenses relating to financing, commitment, origination and similar fees and expenses (including any travel, lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities); expenses associated with a Fund's financial statements, tax returns and Schedule K-1s; expenses incurred in connection with transactions not consummated ("**Broken Deal Expenses**"), including Broken Deal Expenses relating to transactions that have been offered to co-investors (other than

certain co-investment vehicles, as discussed below); expenses of the advisory board and annual meetings of the limited partners; insurance; other expenses associated with the acquisition, holding and disposition of its investments, including extraordinary expenses (such as litigation, if any); expenses associated with developing, licensing, implementing maintaining or upgrading any web portal, extranet tools, cyber security tools, computer software or other administrative or reporting tool; and any taxes, fees or other governmental charges levied against a Fund. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds. The Funds also bear expenses indirectly to the extent a portfolio company pays expenses, including expenses of Monomoy and/or its affiliates and the Operating Team (as defined below) and certain other consultants introduced by Monomoy (and engaged by a portfolio company) to perform work for such portfolio company. To the extent brokerage fees are incurred, they will be incurred in accordance with the practices set forth in “Brokerage Practices.”

The Funds may include alternative investment vehicles established from time to time in order to permit one or more investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

Monomoy may permit certain investors to co-invest in portfolio companies alongside one or more Funds. If a co-invest vehicle is formed, such entity will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. Some co-investment vehicles may be owned by Monomoy’s principals and employees. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, all Broken Deal Expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-invest or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such Broken Deal Expenses.

Monomoy employs a team of operating professionals (each an “**Operating Professional**” and collectively, the “**Operating Team**”). As described more fully in the applicable Governing Documents, Monomoy Operating Professionals will provide, among other things, manufacturing, sales, marketing, technology, human resources, financial management, acquisition integration/rationalization and/or other operating services to portfolio companies that typically would otherwise be performed by third party consultants or portfolio company employees (collectively, the “**Operating Services**”). The cost of Operating Services performed by Operating Professionals at a particular portfolio company are charged to, and paid by, such portfolio company based on the time devoted to providing Operating Services to the portfolio company by the Operating Professionals and each Operating Professional’s hourly rate, as reasonably determined by Monomoy. In most circumstances, such compensation is not reviewed or approved by an independent third party. Monomoy consults with each portfolio company regarding the Operating Professionals’ hourly rate, the scope of the Operating Services and payment arrangements in connection therewith during each portfolio company’s annual budget review process.

Additionally, each portfolio company will reimburse Monomoy or an Operating Professional for the out-of-pocket expenses (including travel, lodging, meals or entertainment) incurred by such Operating Professional during the course of performing Operating Services on behalf of the portfolio company. As described in the applicable Limited Partnership Agreement, payments or reimbursements to Monomoy from portfolio companies for the Operating Services such portfolio companies receive from Operating Professionals will **not** offset the Management Fees paid by the Funds. The use of the Operating Team may subject Monomoy to conflicts of interest, as discussed under “Conflicts of Interest” below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under “Fees and Compensation,” each General Partner receives a carried interest allocation on certain realized profits in certain Funds. A carried interest allocation represents an investment adviser’s compensation based on a percentage of net profits of a Fund it manages. Monomoy may also manage certain Funds owned by employees that are not charged a performance-based fee. While this practice could present a conflict of interest, Monomoy does not believe this arrangement poses a conflict of interest in practice because such Funds invest on a *pari passu* basis alongside the Funds that do pay a performance based fee at substantially the same time and on substantially the same terms as such Funds and dispose of such investments in a similar manner. Additionally, to the extent that Monomoy personnel are assigned varying percentages of carried interest from the Funds, such personnel are subject to potential conflicts of interest in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage.

The existence of performance-based compensation has the potential to create an incentive for Monomoy to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement, although Monomoy generally considers performance-based compensation to better align its interests with those of its investors.

TYPES OF CLIENTS

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

The Funds generally have a minimum investment amount of \$5 million for third-party investors although the minimum investment amount may be, and frequently is, waived by the applicable General Partner. In most circumstances, investors in the Funds must meet certain suitability and net worth qualifications prior to making an investment in the Funds. Generally, investors must be (i) “accredited investors” as defined under Regulation D of the Securities Act of 1933, as amended, and (ii) for certain Funds, either “qualified purchasers” or “knowledgeable

employees” as defined under the Investment Company Act of 1940, as amended. Monomoy may waive such minimum investment amounts and qualification requirements.

The Management Company serves as investment manager to Monomoy Executive Co-Investment Fund, L.P. (the “**Fund I Executive Fund**”) which invested *pari passu* alongside Fund I in portfolio companies. Certain of Monomoy’s personnel were permitted to invest in the Fund I Executive Fund. The Fund I Executive Fund does not pay a Management Fee or carried interest, and the principals of Monomoy pay all of the expenses of the Fund I Executive Fund.

The Management Company serves as investment manager to co-investment vehicles, including Monomoy Capital Partners II-F, LLC, Monomoy Capital Partners II-K, LLC and Monomoy Capital Partners III-WM, LLC, which invest alongside certain Funds in certain portfolio companies (the “**Co-Invest Funds**”). The Co-Invest Funds may or may not pay a Management Fee or carried interest, but investors in the Co-Invest Funds generally bear certain Co-Invest Fund partnership expenses (e.g., the legal and other expenses associated with a portfolio company investment, audit expenses, etc.), as more fully described in the Limited Partnership Agreements of the Co-Invest Funds. Monomoy is not obligated to make co-investment opportunities available to any particular investors or limited partners.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

Monomoy typically invests in the securities of businesses it believes are fundamentally sound and face operational, financial or business opportunities. Monomoy seeks to provide the capital necessary to strengthen businesses, work with management to make businesses better and provide the strategic and operational support that businesses need to prosper and grow.

Monomoy will invest in both equity and debt securities to pursue middle market control investment opportunities. On the equity side, for example, Monomoy may acquire businesses out of bankruptcy, or from a family owner, a fatigued sponsor or industrial corporate seller. On the debt side, Monomoy may buy bank debt, bond debt or other debt securities, presumably at a material discount to par, with a path to substantial influence of or control over an acquisition target.

The following is a summary of the investment strategies and methods of analysis that Monomoy generally employs on behalf of the Funds. The applicable Governing Documents of each Fund set forth more detailed descriptions of such Fund’s investment strategies and methods of analysis. There can be no assurance that Monomoy will achieve the investment objectives of the Funds and a loss of investment may be possible.

Investment and Operating Strategy

The Monomoy investment process generally has five basic phases: transaction sourcing, investment evaluation, transaction execution, business improvement and exit planning.

Transaction Sourcing. Monomoy sources investment opportunities in the lower end of the middle market through a large network of restructuring professionals, business managers, bank work-out officers, corporate development groups and specialized middle market intermediaries.

Monomoy maintains a dedicated business development group that tracks and sources a substantial majority of such investment opportunities in the lower middle market.

While Monomoy will review most middle market transactions, the majority of investment opportunities come from manufacturing, basic industry, transportation, consumer products and distribution. Within those business sectors, in turn, Monomoy actively seeks companies in out-of-favor industries (which discourages competition and produces attractive valuations), complex or volatile transaction environments (which draw on the core skill set of the Monomoy team), significant assets and operating costs (which provides the basis for improved profitability through cost reduction).

Monomoy maintains a database for all acquisition prospects that meet these criteria that includes a brief summary of the prospect and the potential restructuring opportunity. Monomoy holds periodic screening meetings to determine which prospects merit further review and to assign a Monomoy deal team to attractive prospects. A Monomoy deal team typically consists of one principal or managing director, one vice president and one or more associates or Operating Professionals that will maintain primary responsibility for the entire life cycle of a Monomoy investment (hereinafter referred to as the “**Deal Team**”). The principals concentrate firm resources on the most attractive restructuring opportunities that present the highest probability of success.

Investment Evaluation. In the typical transaction, the Deal Team receives a full management presentation, reviews data room materials on the potential target, and collects public information concerning the target and its industry. In this initial review and analysis, the Deal Team also works with the seller, incumbent management and, in some cases, outside consultants to develop an acquisition structure and to design a value creation program that is expected to improve cash flow and profitability at a potential acquisition and thereby support baseline financial returns for the Funds.

Following its initial review and analysis, the Deal Team produces a preliminary investment memorandum for review by the Investment Committee made up of the principals and other Monomoy professionals. The initial memorandum typically includes a company and industry overview, an outline of the proposed transaction, a description of the proposed value creation plan, an analysis of investment returns and a statement of the risks, opportunities and business issues that require further review.

Transaction Execution. Assuming approval by the Investment Committee to move forward, the Deal Team negotiates a letter of intent or similar agreement conditioned upon the completion of business review and, in some cases, third party financing. Upon agreement with the seller on a letter of intent or similar framework, the Deal Team (i) engages third-party legal, accounting, industry and other consultants, (ii) completes full business, legal, environmental and accounting review, and (iii) negotiates acquisition and related agreements with the seller, its lenders, creditors, labor unions, suppliers and senior managers.

Prior to the execution of definitive agreements, the Deal Team produces a final investment memorandum that reports on the resolution of material business issues identified in the initial investment memorandum, provides a final assessment of investment risks and opportunities, and makes a final investment recommendation to the Investment Committee of the applicable Fund.

Business Improvement. Prior to closing each investment, the Deal Team designs a schedule of business improvement initiatives for the 90-day, six-month and one-year periods following the acquisition. The Operating Team supervises the implementation of this value creation plan through direct interaction with incumbent or new management, the Deal Team and third-party consultants. A principal from the Deal Team will usually chair the board of directors of the portfolio company, and the entire team will maintain primary responsibility for the implementation of the value creation plan over at least the first year of Monomoy ownership.

Exit. Monomoy will consider appropriate full or partial exit strategies, including a dividend recapitalization and the sale to a strategic or financial buyer once the basic business of the acquisition stabilizes at a level of profitability that can generate a return for a Fund. A handful of middle market investment banking groups are responsible for marketing and selling healthy middle market companies through a traditional sales process. Monomoy will typically engage one of these banking groups to market and sell its restructured portfolio companies at conventional sale multiples.

Risks of Investment

The Funds and their investors bear the risk of loss that Monomoy's investment strategy entails. Although the following risk factors generally apply to all Funds, investors should also refer to a Fund's PPM for a description of the risk factors specific to their Fund. The risks involved with Monomoy's investment strategy and an investment in the Funds include, but are not limited to:

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

Investment in Junior Securities. The securities in which the Funds will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect a Fund's investment once made.

Concentration of Investments. The Funds will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return.

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

Dynamic Investment Strategy. While Monomoy generally intends to seek attractive returns for a Fund through the investment strategy and methods described herein, the relevant General Partner may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines

such modification or departure to be appropriate and consistent with the relevant Limited Partnership Agreement(s). Monomoy may pursue investments outside of the industries and sectors in which Monomoy has previously made investments or has internal operational experience.

Illiquidity; Lack of Current Distributions. An investment in the Funds should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating the Funds (including the Management Fee) may exceed its income, thereby requiring that the difference be paid from a Fund's capital, including, without limitation, unfunded Commitments.

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

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of each Fund's investments and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the partners of a Fund, and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Limited Partnership Agreement, including the value used to determine the amount of carried interest available to Monomoy with respect to such investment.

Reliance on Monomoy and Portfolio Company Management. Each Fund is dependent on its General Partner. Control over the operation of a Fund will be vested with Monomoy, and the

Fund's future profitability may depend in substantial part upon the business and investment acumen of the Monomoy principals. The loss or reduction of service of one or more of the principals could have an adverse effect on a Fund's ability to realize its investment objectives. Limited partners generally have no right or power to take part in the management of a Fund, and as a result, the investment performance of the Funds will depend on the actions of Monomoy. In addition, certain changes in Monomoy or circumstances relating to Monomoy may have an adverse effect on a Fund or one or more of its portfolio companies including potential acceleration of debt facilities. Although Monomoy will monitor the performance of the Funds' investments, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. There can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with such Fund's objectives.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. The private equity industry has recently become subject to enhanced governmental scrutiny and increased regulation. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Funds' activities, including the ability of a Fund to implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives.

The combination of recent scrutiny and regulation of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to the recent downturn in the U.S. and global financial markets, may complicate or prevent the Fund's efforts to consummate investments, both in general and relative to competing bidders from outside of the alternative asset space. As a result, a Fund may invest in fewer transactions or incur greater expenses or delays in completing investments than it otherwise would have.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company. There is no assurance that a Fund will make follow-on investments or that such Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment. Additionally, failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or the dilution of such Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Non-Controlling Investments. A Fund may hold debt obligations and other non-controlling interests in portfolio companies and, therefore, may have a limited ability to protect its position in such portfolio companies. Where circumstances permit, Monomoy intends to seek appropriate creditor and shareholder rights to help protect such Fund's interest. Debt obligations may be syndicated to a number of different financial market participants and the terms of such debt obligations may require either a majority consent or, in certain cases, unanimous approval for certain actions in respect of the credit, such as waivers, amendments, or the exercise of remedies. In addition, voting to accept or reject the terms of a restructuring of a credit pursuant to a bankruptcy plan of reorganization is done on a class basis. As a result of these voting regimes, a

Fund may not have the ability to control any decision in respect of any amendment, waiver, exercise of remedies, restructuring or reorganization of debts owed to such Fund. Accordingly, the other holders of the class of securities held by a Fund may approve an action that is contrary to the interests of such Fund or that Monomoy does not agree with. Conversely, a Fund may want to take some action that requires the approval of the other holders of the class of security, which such Fund may be unable to obtain. These holders may have interests that conflict with or differ from the interests of such Fund.

In addition, a Fund may hold meaningful minority stakes in privately held companies. During the process of exiting investments, a Fund at times may hold minority equity stakes of any size, such as might occur if portfolio holdings are taken public. As is the case with minority holdings in general, such minority stakes that a Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes.

Non-U.S. Investments. The Funds may invest in portfolio companies that are organized, headquartered or have substantial sales or operations outside of the United States, its territories, and possessions, subject to certain limitations in the applicable Limited Partnership Agreement. Such investments may be subject to certain additional risk due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or the partners with respect to such Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or the partners. Additional risks include: (a) risks of economic dislocations in the host country; (b) less publicly available information; (c) less well-developed regulatory institutions; and (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

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

Market Conditions. Any material changes in the economic environment, including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates, could have a

negative impact on the performance and/or valuation of the portfolio companies. A Fund's performance can be affected by deterioration in public markets and by market events, such as the onset of the credit crisis in the summer of 2007 and the prolonged recession of 2008 through 2010, which can impact the public market comparable earnings multiples used to value privately held portfolio companies. Declining economic conditions may result in weak financial results at the portfolio companies of the Funds for reasons or circumstances essentially outside the control of the General Partner of each of the Funds. Movements in foreign exchange rates may adversely affect the value of investments in portfolio companies and a Fund's performance. In an economic slowdown, holding periods are also likely to be longer as the rate of realizations slows in light of the deterioration in market conditions for initial public offerings and a decline in mergers and acquisitions activity. The value of publicly traded securities may be volatile and difficult to sell as a block, even following a realization through listing. The impact of the credit crisis may also affect a Fund's ability to raise funding to support its investment objective and also the level of profitability achieved on realizations of investments.

In addition, the state of the alternative asset industry will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and U.S. and global political and socioeconomic circumstances. Such factors are unpredictable and cannot be controlled by any Fund's General Partner. Conditions such as financial market volatility, illiquidity and/or decline, a generally unstable economic environment (including as a result of a slowdown in economic growth and/or changes in interest rates or foreign exchange rates) and/or a deterioration in the capital markets may negatively impact the availability of attractive investment opportunities for the Funds, a Fund's ability to make investments, the availability of funding to support a Fund's investment objectives, the performance and/or valuation of a Fund's investments, and/or a Fund's ability to dispose of investments. In addition, the public market comparable earnings multiples that are frequently used to value privately held portfolio companies and investors' risk-free rate of return may be impacted. Such conditions could result in substantial or total losses to the Funds in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.

Material Non-Public Information; Other Regulatory Restrictions. As a result of the operations of Monomoy and its affiliates, Monomoy frequently comes into possession of confidential or material non-public information. Therefore, Monomoy and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Monomoy's internal policies. Due to these restrictions, a Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold. Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent Monomoy or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United

States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust remedies relating to one Fund's acquisition of a portfolio company may require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of Monomoy's inability to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult for, or may prevent, a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by Monomoy or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

Valuation of Investments. Generally, Monomoy will determine the value of all the Fund's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of the Fund's investments because, among other things, the securities of portfolio companies held by the Fund generally will be illiquid and not quoted on any exchange. Monomoy will determine the value of all the Fund's investments that are not readily marketable based on an analysis of various data points, including but not limited to, the following valuation methods: public company comparable multiples, precedent transaction comparable multiples, and discounted cash flows analysis. Monomoy will generally engage its independent accounting firm, in connection with the annual audit of each Fund's financial statements, to review the documentation and methodology used in Monomoy's year-end valuation of the Fund. There can be no assurance that Monomoy will have all the information necessary to make valuation decisions in respect of these investments, or that any information or valuations provided by Monomoy's portfolio companies or other third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of Monomoy with respect to an investment will represent the value realized by the Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by such General Partner may cause it to ineffectively manage the Fund's investment portfolios and risks, and may also affect the diversification and management of the Fund's portfolio of investments.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries such as the food services and retail industries. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Any such circumstances could subject a portfolio

company, or the relevant Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Monomoy or one of its service providers holding its financial or investor data, Monomoy, its affiliates or the Funds may also be at risk of loss.

Conflicts of Interest

Monomoy and its related entities engage in a broad range of advisory and non-advisory activities. Monomoy will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the relevant Limited Partnership Agreement, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of Monomoy conducting its activities, the interests of a Fund may conflict with the interests of Monomoy, one or more other Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein.

During the respective investment periods of the Funds, all appropriate investment opportunities will be pursued by Monomoy principals through such Funds, subject to certain exceptions set forth in the applicable Limited Partnership Agreement. However, Monomoy principals currently manage, and expect in the future to manage, other private investment funds and investments similar to the Funds and the companies in which the Funds may invest, and may direct certain relevant investment opportunities to those investment funds and investments. Monomoy's principals and investment staff will continue to manage and monitor such investments until their realization. Such other investments that Monomoy principals may control could potentially compete with companies acquired by the Funds. At such time as Monomoy is permitted to raise a successor investment fund or when a Fund's active investment period otherwise ends, the principals will continue to manage the relevant Fund's investments, but also may, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

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

Monomoy must first determine which Fund(s) will, or is required to, participate in the relevant investment opportunity. Monomoy generally assesses, in its sole discretion, whether an investment opportunity is appropriate for a particular Fund based on the applicable Limited

Partnership Agreement and conflicts provisions therein. In exercising such discretion, Monomoy may consider, among other factors, each Fund's investment strategy, investment type, investment size, diversification limitations, tax and regulatory considerations, minimum dollar limits and other relevant factors, including risk profile, time horizon, asset composition, uncalled capital commitments and cash level (if any). Monomoy will determine if the amount of an investment opportunity in which a Fund will invest exceeds the amount that would be appropriate for such Fund and any such excess may be offered to one or more potential co-investors, including third parties, as determined by the applicable Limited Partnership Agreements and side letters. Monomoy's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to: knowledge and experience in financial and business matters necessary to make the investor capable of evaluating the merits and risks of the prospective investment, expertise in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory and/or securities law considerations (*e.g.*, qualified purchaser or qualified institutional buyer status); perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; perceived public relations and reputational benefits or costs; and other appropriate factors. Although a prospective co-investor's willingness to invest in future Funds will be considered by Monomoy, it will not be the sole determining factor considered by Monomoy in identifying co-investors. Monomoy may grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities.

Monomoy's allocation of investment opportunities among the Funds and/or other investment vehicles and in the manner discussed herein may not, and often will not, result in proportional allocations among such Funds and/or other investment vehicles, and such allocations may be more or less advantageous to some such persons relative to others. While Monomoy will allocate investment opportunities in a manner that it believes in good faith is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which Monomoy may be subject, discussed herein, did not exist.

To the extent multiple Funds invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring may raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by Monomoy in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, Monomoy may face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of one Fund versus another Fund (*e.g.*, the

terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies).

Conflicts may arise when a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment, which may result in differences in price, terms, leverage and associated costs. For instance, the Fund may not invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other investment fund. This may result in differences in price, investment terms, leverage and associated costs between the Fund and any other investing fund sponsored by the General Partner or an affiliate. There can be no assurance that the Fund and the other investing fund(s) will exit the investment at the same time or on the same terms, and there can be no assurance that the Fund's return on such an investment will be the same as the returns achieved by any other investment fund participating in the transactions. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Monomoy and its affiliates may express inconsistent views of commonly held investments or of market conditions more generally, including in instances where different portfolio managers express different views regarding the same investment. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions may be taken for one or more Funds that adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Limited Partnership Agreements of the Funds, Monomoy will allocate fees and expenses in a manner that it believes in good faith is fair and equitable to its clients under the circumstances and considering such factors as it deems relevant, but in its sole discretion. In exercising such discretion, Monomoy may be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-investment vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions will generally be made by Monomoy or its affiliates using their reasonable judgment, considering such factors as they deem relevant, but in their sole discretion. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate *pro rata* based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or Monomoy. The Funds have different expense reimbursement terms, including with respect to Management Fee offsets, which may result in the Funds bearing different levels of expenses with respect to the same investment.

As a result of the Funds' controlling interests in portfolio companies, Monomoy and/or its affiliates typically have the right to appoint board members to such portfolio companies, or to influence their appointment, and to determine or influence a determination of their compensation.

To the extent Monomoy retains service providers at its discretion for a portfolio company, such portfolio company typically will reimburse such service providers for expenses (including

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

Monomoy generally exercises its discretion to recommend to a portfolio company of a Fund that it contract for services with an affiliate of Monomoy (which may include a portfolio company of a Fund), or (ii) certain limited partners or their affiliates. For example, Monomoy may be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This subjects Monomoy to conflicts of interest, because although Monomoy selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Monomoy may have an incentive to recommend the related person because of its financial or other business interest. There is a possibility that Monomoy, because of such interests or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Monomoy), may favor such retention; or continuation even if a better price and/or quality of service could be obtained from another person. Whether or not Monomoy has a relationship with a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Monomoy and/or its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by Monomoy and/or its affiliates; conversely, current or former personnel or executives of Monomoy and/or its affiliates may serve in significant management roles at portfolio companies or service providers recommended by Monomoy. Similarly, Monomoy, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including, but not limited to, managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders, and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons.

Certain of these persons or entities will invest (or will be affiliated with an Investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Monomoy and/or its affiliates, and/or the Funds or other investment vehicles they advise. Monomoy may have a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s)

will continue to invest in one or more Funds, will provide Monomoy information about markets and industries in which Monomoy operates (or is contemplating operations) or will provide other services that are beneficial to Monomoy. Monomoy may have a conflict of interest in making such recommendations, in that Monomoy has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to the portfolio companies held by a Fund.

Employees and related persons of Monomoy have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore may have additional conflicting interests in connection with these investments.

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

In addition, as described above, portfolio companies (and, to a lesser extent, the Funds) typically bear the cost of consultants (including Operating Professionals who are employees of Monomoy, and other consultants introduced by Monomoy and/or its affiliates that may regularly provide services to one or more portfolio companies), and such fees and expenses do not offset the Management Fee as described herein. For the avoidance of doubt, Operating Professionals provide certain operationally-focused consulting services, management and other business services to portfolio companies of the Funds, primarily in connection with the operation of portfolio companies. In certain instances, portfolio companies of the Funds will pay or reimburse the Management Company for the costs and expenses related to services provided to the Fund's portfolio companies by Operating Professionals. Such payments or reimbursements to Monomoy do not offset the Management Fees payable to the Management Company.

Although the use of consultants (including the Operating Team) and the allocation of compensation paid to them by Monomoy, its affiliates and/or the portfolio companies may subject Monomoy and/or its affiliates to potential conflicts of interest. Monomoy believes that such potential conflicts may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the consultants (including the Operating Team) is lower than market rates for the services provided or if the quality of the services of the consultants (including the Operating Team) make a greater contribution to the success of the portfolio company. Although Monomoy seeks to retain consultants (including the Operating Team) with a view to reducing costs to portfolio companies and, ultimately, the Funds, a number of factors may result in limited or no cost savings from such retention and market rates for similar services may be lower. There can be no assurance that other service providers would not be more qualified to provide the applicable services or would not provide such services at a lesser cost. In addition, though Monomoy intends to utilize the Operating Team if it believes the Operating Team will provide a level of service at a value generally consistent with other relevant market alternatives, there can be no assurance that a more qualified and/or lower cost alternative could not be obtained. Further, Monomoy's use of the Operating Team is subject to potential conflicts of interest because Monomoy has an incentive to favor

retention or continuation of the use of the Operating Team as compared to other available alternatives. There can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost than the Operating Team.

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

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

Monomoy has incentives to use or to recommend products or services of one portfolio company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as Monomoy has incentive to maintain goodwill between it and its former, existing and prospective portfolio companies, and as a result, the products or services recommended may not necessarily be the best or the lowest cost option. From time to time Monomoy, its affiliates and its personnel are provided the opportunity to receive the benefit of "friends and family" discounts, employee discounts and similar discounts from portfolio companies owned by the Funds, and, under such programs, portfolio companies make their goods and/or services available at reduced rates to Monomoy and other portfolio companies or their employees to expand their respective customer bases. Because of the commercial purpose for such programs, Monomoy believes that the potential for conflicts of interest relating to such discounts is mitigated. Discounted prices or better terms offered to Monomoy, any other portfolio company or third parties may affect the returns of a portfolio company.

Although uncommon, from time to time Monomoy may cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds managed by Fund, or co-investors or co-investment vehicles. Such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the relevant Funds' Limited Partnership Agreements or otherwise in the sole discretion of Monomoy, Monomoy may seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) and/or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. Monomoy intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

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

DISCIPLINARY INFORMATION

Monomoy and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As described under "Advisory Business" above, the Management Company is affiliated with the following investment adviser, which is registered with the SEC under the Advisers Act pursuant to the Management Company's registration in accordance with SEC guidance:

- Monomoy Fund Management, L.P.

This affiliated investment adviser operates as a single advisory business together with the Management Company and serve as manager of the Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

Monomoy has adopted a Code of Ethics and Securities Trading Policy and Procedures (the "Code"), which sets forth standards of conduct that are expected of Monomoy principals and employees and addresses conflicts that arise from personal trading. The Code requires Monomoy personnel to:

- report their personal securities transactions;
- abstain from trading in Monomoy's restricted list unless authorized by the Chief Compliance Officer
- pre-clear any proposed purchase of any initial public offering or limited offering; and
- comply with the policies and procedures reasonably designed to prevent the misuse of, or trading upon, material non-public information.

A copy of the Code will be provided to any investor or prospective investor upon request to Guy Lotem, the Chief Compliance Officer, at (212) 699-4000. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

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

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

Principals and employees of Monomoy and its affiliates own directly or indirectly an interest in the Funds or certain co-investment vehicles. Such co-investment vehicles invest in one or more of the same portfolio companies as the Funds.

Co-invest opportunities may also be presented to certain affiliates of Monomoy, as well as third party investors and other persons, and some of these co-investments were effected through co-investment vehicles or directly in a particular portfolio company. Additionally, the Funds may invest together with other private investment funds advised by an affiliated adviser of Monomoy in the manner set forth in the Limited Partnership Agreements. Monomoy will allocate investment opportunities or advisory recommendations, consistent with its fiduciary obligations and the underlying documents for the relevant Fund.

Monomoy and its affiliates, principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in the Funds, and may give advice and recommend securities to entities that may differ from advice given to, or securities recommended or bought for, the Funds, even though their investment objectives may be the same or similar.

BROKERAGE PRACTICES

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

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

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

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

Monomoy will employ no agreement or formula for the allocation of brokerage business on the basis of research services; however, Monomoy may, in its discretion, cause the Funds to pay such brokers a commission for effecting portfolio transactions in excess of the amount of commission another broker adequately qualified to effect such transactions would have charged for effecting such transactions. This may be done where Monomoy has determined in good faith that such commission is reasonable in relation to the value of brokerage and research services received. In reaching such a determination, Monomoy would not be required to place or attempt to place a specified dollar value on the brokerage or research services provided by such broker.

Monomoy will periodically determine which brokers have provided research that has been helpful in the management of Funds. To the extent consistent with Monomoy’s goal to obtain best execution for their clients, Monomoy may seek to place a portion of the trades that they direct with the brokers who are identified through this process.

To the extent that Monomoy allocates brokerage business on the basis of research services, it may have an incentive to select or recommend broker-dealers based on the interest in receiving

such research or other products or services, rather than based on its Funds' interest in receiving most favorable execution.

Monomoy does not anticipate engaging in significant public securities transactions; however, to the extent that Monomoy engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for any Funds are completed independently, Monomoy may also purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, Monomoy may, but is not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or "batched" to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Fund of Monomoy is favored over any other Fund.

When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Fund participating in such buy or sell order in accordance with the amount of securities originally requested for such Fund. Each Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided they are fair and equitable to the Funds over time.

REVIEW OF ACCOUNTS

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

Monomoy will provide to its limited partners the reports set forth in the respective Limited Partnership Agreement, generally including (i) audited financial statements annually commencing with the first year in which a Fund is in operation for at least six months or makes an investment, (ii) unaudited financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each partner's U.S. tax returns, and (iv) descriptive investment information for each portfolio company semi-annually.

CLIENT REFERRALS AND OTHER COMPENSATION

Monomoy and/or its affiliates may provide certain business or consulting services to companies in a Fund's portfolio and may receive compensation from these companies in connection with such services. As described in the Governing Documents, a portion of this compensation may, in many cases, offset a portion of the Management Fees paid by a Fund. However, in other cases (*e.g.*, Operating Team compensation, reimbursements for out-of-pocket expenses related to a portfolio company), these fees will not offset the Management Fees.

Monomoy or certain of its affiliates may have the right to receive certain non-investment advisory fees in connection with the Funds' investments and portfolio companies. For example, Monomoy may be entitled to receive (i) certain professional services or related fees from a portfolio company in connection with certain transactions and (ii) certain monitoring or consulting fees from a portfolio company for services provided to the portfolio company.

Monomoy has entered into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents will be borne by Monomoy directly or indirectly through a 100% offset against the Management Fee, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s) depending on the terms of a Fund's Limited Partnership Agreement.

CUSTODY

Monomoy maintains custody of the Funds' assets held in each Fund's name with a qualified custodian. Monomoy complies with the Custody Rule under Rule 206(4)-2 under the Advisers Act by distributing audited financials to its investors within 120 days from fiscal year-end.

INVESTMENT DISCRETION

Monomoy has discretionary authority to manage investments on behalf of the Funds. As a general policy, Monomoy does not allow investors to place limitations on this authority. Pursuant to the terms of the Limited Partnership Agreements, however, Monomoy has entered into "side letter" arrangements with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other reasons. Monomoy assumes this discretionary authority pursuant to the terms of the Governing Documents.

VOTING CLIENT SECURITIES

Monomoy has adopted the Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how it will vote proxies, as applicable, for a Fund's portfolio investments. The Proxy Policy seeks to ensure that Monomoy votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Monomoy generally believes its interests are aligned with those of a Fund's investors through the principals' beneficial ownership interests in the Funds and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Monomoy may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board may approve Monomoy's vote in a particular solicitation. Monomoy does not consider service on portfolio company boards by Monomoy personnel or Monomoy's receipt of monitoring or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain

specific proxy voting guidelines followed by Monomoy when voting proxies on behalf of a Fund. If you would like a copy of Monomoy's complete Proxy Policy or information regarding how Monomoy voted proxies for particular portfolio companies, please contact Guy Lotem, the Chief Compliance Officer, at (212) 699-4000, and it will be provided to clients at no charge.

FINANCIAL INFORMATION

Monomoy does not require prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.