

RoundTable Healthcare Management, Inc.
272 East Deerpath Road, Suite 350
Lake Forest, Illinois 60045
Phone: 847-739-3200

Contact Person: Richard C. Adloff
Partner, Finance and Chief Compliance Officer

Website: <http://www.roundtablehp.com>

Date of Brochure: March 28, 2019

This Brochure provides information about the qualifications and business practices of RoundTable Healthcare Management, Inc. ("RoundTable" or the "Firm"). If you have any questions about the contents of this Brochure, please contact us at 847-739-3200. 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 RoundTable Healthcare Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

An investment adviser's registration with the SEC does not imply a certain level of skill or training.

ITEM 2

Material Changes

This Brochure dated March 28, 2019, has been prepared according to the SEC's requirements and rules. It amends our Brochure dated as of March 27, 2018.

There have been other material changes since the date of our previous Brochure. As of December 31, 2018 James Stauner and James Utts have both transitioned from Operating Partner to Senior Advisor.

Pursuant to the SEC's rules, we will ensure that clients receive a summary of any material changes to our Brochure by April 30th of each year (i.e., within 120 days of the close of our fiscal year, which is December 31st). We may also provide information about material changes to clients at other times during the year, as necessary.

Clients may request a copy of the current version of our Brochure at no cost by contacting our Chief Compliance Officer.

ITEM 3
Table of Contents

Page

Cover Page	-
Material Changes.....	i.
Table of Contents	ii.
Advisory Business.....	1
Fees and Compensation.....	1
Performance-Based Fees and Side-By-Side Management.....	2
Types of Clients	2
Methods of Analysis, Investment Strategies and Risk of Loss	2
Disciplinary Information	15
Other Financial Industry Activities and Affiliations.....	15
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	16
Brokerage Practices	16
Review of Accounts	16
Client Referrals and Other Compensation	17
Custody	17
Investment Discretion	17
Voting Client Securities.....	17
Financial Information	18

ITEM 4

Advisory Business

RoundTable Healthcare Management, Inc. (“RoundTable” or the “Firm”) was established in February 2001. RoundTable is owned by Lester Knight, R. Craig Collister, Pierre Frechette, and Tom Kapfer who serve as its Management Committee. The Management Committee also serves as the management board of the Firm’s investment partnerships.

RoundTable provides investment advisory services to a group of operating-oriented private equity funds focused exclusively on the healthcare industry. RoundTable partners with companies that can benefit from our extensive industry relationships and proven operating and transaction expertise.

RoundTable provides investment advice to ten equity funds (the “Equity Funds”) and three subordinated debt funds (the “Debt Funds” and together, the “Funds”). Each Fund’s offering documents (as amended and supplemented from time to time, the “Offering Materials”) set forth the investment guidelines and/or the types of investments in which the assets of such Fund may be invested. These investment guidelines and restrictions are not tailored to the needs or risk profiles of the investors in the Funds. As of December 31, 2018, RoundTable had approximately \$1,636,462,150 in discretionary assets under management.

ITEM 5

Fees and Compensation

In consideration for the investment advisory services provided to each Fund, the Firm is generally entitled to receive an annual management fee of 1.5% per annum (in the case of the Debt Funds) or 2.0% per annum (in the case of the Equity Funds) of the Fund’s aggregate investor commitments during the Fund’s investment period, and afterward, between 1.5% and 1.9% (in the case of the Equity Funds) or between 1.0% and 1.4% (in the case of the Debt Funds) of such Fund’s invested capital. Such fees are generally billed to each Fund and collected in advance on an annual or semi-annual basis. In the event that an advisory contract with any Fund is terminated during any period for which the management fee has been pre-paid, the portion of such fee that covers the remaining portion of such period would be refunded to the Fund.

In addition, and as discussed further in Item 6, subject to any reductions or waivers mentioned below, investors in the Funds generally bear a carried interest equal to 20% of the profits, if any, earned from each investment made by the Funds, subject to a preferred return. Carried interest distributions are calculated and made to the general partner of each Fund out of the proceeds of the relevant investment at the time of realization. Each Fund’s fee schedule generally is not negotiable; however, in most cases, RoundTable has the discretion to waive fees with respect to a particular Fund or a particular investor within a Fund.

Each Fund will generally bear its own expenses. In addition to the management fees discussed above, such expenses may include, without limitation: (i) organizational and offering expenses; (ii) expenses incurred in connection with investments and prospective investments, and (iii) routine administrative expenses relating to the maintenance of the Fund. The Funds do not generally incur brokerage costs or other fees related to trading as they deal primarily in private transactions. Further, two of the Equity Funds, in recognition of their unique and limited investment program, bear (and other future similar fund clients of the Firm may bear) a reduced carried interest and no management fees.

Additional information about each Fund as well as the fees and expenses charged to investors by such Fund is provided in the Fund’s Offering Materials.

ITEM 6

Performance-Based Fees and Side-By-Side Management

As discussed in Item 5, the Funds' investors generally bear a carried interest equal to 20% of the profits, if any, earned from each investment made by the Funds, subject to a preferred return; provided that investors in certain Funds may bear a higher carried interest percentage if certain performance thresholds are achieved, as described in such Fund's Offering Materials, and investors in certain Funds that have unique and limited investment programs may bear a reduced carried interest percentage. Carried interest distributions are calculated and made to the general partner of each Fund out of the proceeds of the relevant investment at the time of realization. The general partners of the Funds are related persons of RoundTable. The Firm receives no portion of any such carried interest; however, certain of its supervised persons may be entitled to a portion of any such carried interest paid. Carried interest arrangements may create an incentive for the Firm to recommend investments which may be riskier or more speculative than those which would be recommended under a different arrangement.

ITEM 7

Types of Clients

RoundTable provides advisory services to each of the Funds described in Item 4. Investors in the Funds primarily include individuals, trusts, funds of funds, pension plans and endowments.

Prospective investors in each of the Funds are required to meet certain suitability qualifications to enable the funds to maintain their private placement exemptions under the Securities Act of 1933, as amended (the "Securities Act"), and the Investment Company Act of 1940, as amended (the "Investment Company Act"). The conditions for becoming an investor in each Fund, including the minimum investment, are set forth in the Offering Materials for such Fund. The minimum investment is generally \$5 million. RoundTable generally has the discretion to waive such minimums, subject to compliance with applicable law.

ITEM 8

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

RoundTable's strategy is to utilize the Firm's extensive healthcare operating and transaction experience to improve the long-term growth and profitability of its Funds' portfolio companies. RoundTable seeks opportunities where the expertise of the RoundTable partners and principals makes the Firm a differentiated, value-added partner. RoundTable believes that making companies strategically stronger enhances their value and is the key to consistently attractive investment returns.

RoundTable's investment process actively involves the Firm's senior operating partners working in tandem with the Firm's transaction team. These senior operating partners and other operating resources bring unique contacts and perspectives to the deal-sourcing and analysis phases of potential investments. Their contributions at these early stages ensure that a potential portfolio company under review can benefit from RoundTable's strategic insight, operating expertise, and industry relationships. The Firm's ability to demonstrate its value-add proposition significantly enhances the Firm's success in closing transactions. Additionally, the operating partners' involvement in the transaction process reduces investment risk through their addition of in-depth market knowledge, thorough due diligence, and access to a strong network of senior managers available to provide leadership to the portfolio companies after the investment is made.

Risk of Loss

An investment in a Fund entails a high degree of risk, including the risk of total loss of capital, and is suitable only for sophisticated investors who fully understand and are capable of bearing the risks of such investment. Prospective investors should carefully consider the following factors, among others, in making their investment decision. The risks associated with investing in a Fund include, but are not limited to, those listed below.

No Assurance of Investment Return

RoundTable cannot provide assurance that it will be able to select, execute and realize investments in any particular portfolio company. In particular, a Fund may be unable to find a sufficient number of attractive investment opportunities to meet its investment objectives. There is also significant risk that a Fund will be unable to negotiate and execute such investments on favorable terms and to realize such investments by sale or other disposition at attractive prices. There is no assurance that a Fund will be able to generate returns for its investors or that the returns will meet the projected or targeted level. An investment in a Fund should only be considered by persons who can afford a loss of their entire investment. The past investment performance of any private fund managed by RoundTable should not be construed as an indication of future results of any investment in a Fund. There can be no assurance that a Fund will be able to achieve its investment objective or that investors will receive any return of capital.

Reliance on the General Partner and Principals

The Funds will be managed exclusively by their respective general partners, and investors will not be able to make investment or other decisions regarding the Funds. Each general partner will have considerable latitude in its choice of portfolio companies and the structuring of portfolio investments. Accordingly, the success of a Fund will depend upon the ability of the RoundTable partners and principals to source, select, execute and realize appropriate investments. The loss of the services of one or more of the RoundTable partners and principals could have an adverse effect on a Fund's ability to realize its investment objectives. There can be no assurance that each of the RoundTable partners and principals will continue to be affiliated with the general partner throughout the Fund's anticipated term.

Concentration Risks

Each Fund's portfolio companies will be concentrated in the healthcare sector. Concentration in a single industry may involve risks greater than those generally associated with diversified acquisition funds, including significant fluctuations in returns. Instability, fluctuation or an overall decline within the healthcare sector will not be offset by investments in other industries.

Risks of Investments in Healthcare Industry

Companies in the healthcare sector face rapidly changing market conditions, increasing cost pressures and price competition, and intense competition for development of new products and services. Further, as healthcare costs have risen significantly over the past decade, numerous initiatives and reforms have been initiated by legislators, regulators and third-party payers to streamline these costs and this has resulted in greater pricing and other competitive pressures. Market demand, government regulation, third-party reimbursement policies, consumer behavior and societal pressures will continue to reshape the landscape of the healthcare sector and may exert downward pressure on prices and the business operations of many companies in the healthcare sector. In the event that the healthcare industry as a whole declines, returns to Fund investors may decrease.

In addition, the healthcare industry is highly regulated by federal, state and local law and regulations and by foreign laws and regulations in non-U.S. jurisdictions. These laws and regulations include, among other things, those governing licensing and certification requirements, facility inspections, reimbursement policies under federal and state medical assistance programs, medical waste disposal, dispensing of controlled substances and workplace health and safety. Changes in laws or new interpretations of existing laws may have a significant impact on the methods and costs of doing business in the healthcare sector.

Recent Changes in U.S. Healthcare Policy and Regulatory Reforms

Legislation reforming the U.S. healthcare system may have a materially adverse effect on the financial condition and operation of certain companies in the healthcare sector. The Patient Protection and Affordable Care Act, signed in 2010 (the “Affordable Care Act”), aimed to expand health insurance coverage and it established new regulations on health plans, created insurance-pooling mechanisms and other expanded public health care measures, and imposed new taxes on sales of medical devices and pharmaceuticals. Because the Affordable Care Act’s most far-reaching changes did not begin until 2014 and portions of these provisions were delayed or repealed, the consequences of these reforms are largely unknown and speculative, but they could adversely impact the operations and results of the portfolio companies and the investment results of the Funds. Since its enactment, there have been judicial and congressional challenges to certain aspects of the Affordable Care Act, and there are expected to be additional challenges and amendments to the Affordable Care Act in the future. For example, in December 2018, a U.S. district court held that the Affordable Care Act was unconstitutional, although an appeal of this decision is expected. In addition, the Tax Cuts and Jobs Act of 2017, which includes a provision that entered into effect on January 1, 2019, that repeals the tax-based shared responsibility payment imposed by the Affordable Care Act on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the “individual mandate.” Since the enactment of the Tax Cuts and Jobs Act of 2017, there have been additional amendments to certain provisions of the Affordable Care Act, and the Trump Administration and Congress may continue to seek to modify, repeal, or otherwise invalidate all, or certain provisions of, the Affordable Care Act. Various reform proposals have also emerged at the state level, further adding to the uncertainty facing the healthcare industry.

The uncertainty surrounding the implementation of such proposals adds to the unpredictability in valuing and selecting a Fund’s investment in any particular company, as such proposals may adversely impact such company. It is impossible to predict what healthcare initiatives will be enacted at the federal or state level, or the effect any future legislation or regulation will have on the healthcare industry. An expansion in the government’s role in the U.S. healthcare industry may lower reimbursements for products created or manufactured by a portfolio company, reduce medical procedure volumes and, correspondingly, the need for certain services of a particular portfolio company. Such an expansion might also adversely affect the business and operation of a particular portfolio company directly through the imposition of additional taxes, fees or other obligations.

The Dodd-Frank Act

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), which was enacted on July 21, 2010, significantly revises and expands the rulemaking, supervisory and enforcement authority of federal bank, securities and commodities regulators. It is unclear how these regulators will exercise these revised and expanded powers and the extent to which their rulemaking, supervisory or enforcement actions will adversely affect the Funds. RoundTable is registered as an investment adviser with the U.S. Securities and Exchange Commission (the “SEC”). The Dodd-Frank Act imposes certain reporting obligations on RoundTable with respect to the Funds. Records and reports relating to the Funds are subject to inspection by the SEC and will likely include sensitive information, including with respect to RoundTable, the Funds and the Funds’ investment strategies. No assurance can be given that records or reports disclosed to the SEC or other governmental entities will not have a significant negative impact on the Funds, RoundTable or any individual investor in the event that such information becomes public. In addition, SEC scrutiny of investment advisers and the possibility of SEC audit may increase the Funds’ compliance, administrative and other operational costs. As a registered investment adviser, RoundTable is subject to increased recordkeeping and reporting obligations. Records and reports relating to the Funds that are required to be retained by RoundTable and that are subject to inspection by the SEC include: (i) assets under management and use of leverage (including off-balance-sheet leverage); (ii) counterparty credit risk exposure; (iii) trading and investment positions; (iv) valuation policies and practices of the Fund; (v) type of assets held; (vi) side arrangements or side letters; (vii) trading practices; and (viii) such other information as the SEC, in consultation with the Financial Stability Oversight Council, determines is necessary and appropriate. As noted, no assurance can be given that the mandated disclosure of records or

reports to the SEC or other governmental entities will not have a significant negative impact on the Funds, RoundTable, or any individual investor if they become public. In addition, the increased recordkeeping and reporting requirements and enhanced SEC scrutiny and likelihood of audit if RoundTable is required to register with the SEC may increase the Funds' compliance, administrative and other operational costs, and require RoundTable personnel to devote additional time to compliance functions.

The Dodd-Frank Act also establishes a general framework for systemic regulation. The full scope of such regime, and its application to investment advisers to private funds, will remain unclear until all of the implementing regulations are developed and enacted. There can be no assurance that future regulatory actions authorized by the Dodd-Frank Act will not adversely affect the Funds.

Enhanced Scrutiny and Regulations of the Private Funds and Financial Services Industries

The growth of the private funds industry, and the increasing size and reach of transactions, as well as the increased attention to private funds, prompted governmental and public attention to the private funds industry and its practices in the past several years. In particular, the Dodd-Frank Act requires registration with the SEC of advisers to private funds whose assets under management exceed \$150 million (with certain limited exceptions) and imposes reporting and record-keeping obligations with respect to the private funds they advise. The Dodd-Frank Act also imposes a number of restrictions on the relationship and activities of banking organizations with private equity and hedge funds and other provisions that affect the private funds industry, either directly or indirectly.

In addition, as alternative asset managers have become influential participants in the U.S. and global financial markets and economy generally, the private funds industry has been subject to criticism by some politicians, regulators and market commentators. In Germany, for example, U.S. and UK private equity firms are perceived by some as having been responsible for high levels of domestic unemployment. There have been similar concerns expressed in other European countries. Various federal, state and local agencies examined the role of placement agents, finders and other similar private funds service providers in the context of investments by public pension plans and other similar entities, including investigations and requests for information. Furthermore, elements of organized labor and other representatives of labor unions embarked on a campaign targeting private equity firms on a variety of matters of interest to organized labor, including with respect to affording favorable treatment or significant deference to organized labor and labor unions in dealings with portfolio companies. There can be no assurance that the foregoing will not have an adverse impact on the Funds, the general partners of the Funds, RoundTable or any of their respective affiliates or otherwise impede the Funds' activities.

This increased political and regulatory scrutiny of the private funds industry was particularly acute during the global financial crisis. For example, in addition to the U.S. and European legislation described above, other jurisdictions proposed modernizing financial regulations that called for, among other things, increased regulation of and disclosure with respect to, and possibly registration of, hedge funds and private equity funds. There is a risk that regulatory agencies in the United States, Europe or elsewhere may continue to adopt burdensome laws (including tax laws) or regulations, or may implement changes in law or regulation, or may pursue interpretation or the enforcement thereof, which are specifically targeted at the private funds industry. With respect to interpretation and enforcement in the United States, the SEC stated publicly in recent years that its Office of Compliance Inspections and Examination intensified efforts to examine private fund advisers, with a focus on issues of concern identified in the course of presence exams of newly registered advisers that occurred shortly after the enactment of the Dodd-Frank Act. Such issues included, among others, the disclosure and allocation of fees, costs and expenses; marketing practices; portfolio management; conflicts of interest; safety of client assets; and valuation. Consistent with such efforts, the SEC dramatically increased its pursuit of enforcement actions against private fund managers. Such actions alleged a variety of conduct, including undisclosed or unapproved related-party and affiliate transactions, as well as undisclosed fees, costs and

expenses, and other undisclosed conflicts of interests. Industry observers are uncertain as to whether the enforcement trend is likely to continue.

There can be no assurance that the Funds, the general partners of the Funds, RoundTable or any of their respective affiliates will avoid regulatory examination and possibly enforcement actions. Recent SEC enforcement actions and settlements involving U.S.-based private fund advisers have involved a number of issues, including the undisclosed allocation of the fees, costs and expenses related to unconsummated co-investment transactions (i.e., the allocation of broken deal expenses), undisclosed legal fee arrangements affording the applicable adviser with greater discounts than those afforded to funds advised by such adviser and the undisclosed acceleration of monitoring fees.

In summary, regulation generally as well as regulation more specifically addressed to the private funds industry, including tax laws and regulation, whether in the United States or abroad, could increase the cost of acquiring, holding or divesting the Funds' investments, the profitability of such enterprises and the cost of operating the Funds. Additional regulation could also increase the risk of third-party litigation. The transactional nature of the business of the Funds exposes the Funds, the general partners of the Funds, RoundTable and each of their respective affiliates generally to the risks of third-party litigation.

ASC 820 (Formerly FAS 157) and Other Changes in Accounting Rules

For purposes of GAAP-compliant financial reporting, each Fund is required to follow a specific framework for measuring the fair value of its assets and liabilities and is required to provide certain additional disclosures regarding the use of fair value measurements in its audited financial statements. Many of these requirements are set forth in Statement on Financial Accounting Standards, Accounting Standards Codification 820, Fair Value Measurements and Disclosures ("ASC 820"), which defines and establishes a framework for measuring fair value under GAAP and expands financial statement disclosure requirements relating to fair value measurements. In July 2009, the Financial Accounting Standards Board (FASB) issued the Accounting Standards Codification, including former FAS 157 which was issued by the FASB in September 2006, and applies to all GAAP-compliant financial statements issued for fiscal years beginning after November 15, 2007. Other valuation-related requirements are contained in other provisions of GAAP, and other related FASB Statements and guidance. Additional FASB Statements and guidance, and additional provisions of GAAP, that may be adopted in the future, may also impose additional, different, and/or specific requirements as to the valuation of assets and liabilities for purposes of GAAP-compliant financial reporting.

Illiquid and Long-Term Investments

An investment in a Fund requires a long-term commitment with no certainty of return. The return of capital and the realization of gains, if any, from an investment of a Fund will generally occur only upon the partial or complete disposition of such portfolio investment. It is generally expected that a Fund's investments will not be realized until a number of years after such investments are made.

Limited Number of Investments

A Fund may participate in a limited number of portfolio investments and, as a consequence, the aggregate return of the Fund may be substantially adversely affected by the unfavorable performance of any single portfolio investment.

A Fund investor's participation in Fund investments may also be limited by virtue of the general partner's right to exclude an investor from participating in any Fund investment if the general partner determines in its discretion that such participation might have certain materially adverse effects on a portfolio company, the Fund or the general partner, including if such participation would be likely to result in violations of law or the imposition of materially burdensome regulatory or other legal requirements, or as a result of certain circumstances relating to the investor.

Competitive Market for Investment Opportunities

The activity of identifying, completing and realizing attractive private equity investments of the types contemplated by the Funds is competitive and involves a high degree of uncertainty. Each Fund may be competing with other investors and corporate buyers for the investments that such Fund will make. As a result, there can be no assurance that a Fund will be able to locate and complete portfolio investments that satisfy the Fund's rate of return objectives or that a Fund will be able to become fully invested for a significant period of time, if at all.

Financial and Business Risk

Investments made by a Fund will generally involve a significant degree of financial and/or business risk. Portfolio companies may be highly leveraged and therefore may be more sensitive to adverse business or financial developments or economic factors. Portfolio companies may face intense competition, changing business or economic conditions or other developments that may adversely affect their performance. Business risks may be more significant in smaller portfolio companies or those that are embarking on a build- up or operating turnaround strategy. If for any of these reasons a portfolio company is unable to generate sufficient cash flow to meet principal or interest payments on its indebtedness or make regular dividend payments, the value of a Fund's investment in such portfolio company could be significantly reduced or even eliminated.

General fluctuations in the market prices of securities may affect the value of the investments held by a Fund. Instability in the securities markets may also increase the risks inherent in a Fund's investments. The ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities in the public high-yield market or otherwise. For example, during the global financial crisis of 2007 to 2008, various sectors of the global financial markets experienced an extended period of adverse conditions following serious disruptions in the U.S. residential mortgage market. Market uncertainty in the United States increased dramatically during this time, and adverse market conditions in the United States expanded to other markets. These conditions resulted in reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency. These difficult global credit market conditions adversely affected the market values of equity, fixed-income and other securities, and these circumstances may resume or even deteriorate further. To the extent that similar marketplace events were to occur in the future, these events may have an adverse impact on a Fund and its investments.

Legal, Tax and Regulatory Risks

Legal, tax and regulatory changes could occur during a Fund's term that may adversely affect such Fund. The regulatory environment for private funds is evolving, and changes in regulations that impact private funds may adversely affect the value of investments held by a Fund and may affect the ability of such Fund to pursue its investment strategies. In addition, the securities markets are subject to comprehensive statutes and regulations. The SEC, as well as other regulators, self-regulatory organizations and exchanges, have taken various extraordinary actions in connection with market events occurring in recent years and may take additional actions.

Leveraged Investments

In certain cases, a Fund may invest in companies that incur substantial debt to finance acquisitions, for capital expenditures or other expansions. Although such Fund will seek to monitor such leverage, the leveraged capital structure of such portfolio companies will increase their exposure to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of a portfolio company or its industry. In the event that a portfolio company is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of the Fund's equity investment in such portfolio company could be adversely affected.

Interim Financing

A Fund may be permitted to make investments in interim financing which would generally be made on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities. Such interim financing would typically be convertible into a more permanent, long-term security. However, for reasons not always in the Fund's control, such long-term securities may not be issued, and such interim financing may remain outstanding. In such event, the interest rate on the interim financing may not adequately reflect the risk associated with the unsecured position taken by the Fund.

Co-Investments

A Fund may co-invest in a company with financial, strategic or other third- party investors. Such co-investments may involve additional risks not present in investments where a third-party is not involved, including the possibility that the co-investor may have interests or objectives that are inconsistent with those of the Fund or may be in a position to take action contrary to the Fund's investment objectives. In addition, a Fund may, in certain circumstances, be liable for the actions of its third-party co-investors.

Contingent Liability on Disposition of Investments

Most of each Fund's investments will involve private securities. In connection with the disposition of an investment in private securities, a Fund may be required to make representations about the business and financial affairs of the company typical of those made in connection with the sale of a business. The Fund may also be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate. These arrangements may incur contingent liabilities that ultimately may yield funding obligations that must be satisfied by the Fund's investors to the extent of their commitments.

Side Letters

The general partners of the Funds expect from time to time enter into letter agreements or other similar arrangements (collectively, "Side Letters") with one or more investors that have the effect of establishing rights under, or altering or supplementing the terms of, the limited partnership agreement or any subscription agreement of the Funds. As a result of such Side Letters, certain investors may receive additional benefits that other investors will not receive, including, without limitation, with respect to the right to make additional capital commitments to a Fund or other funds affiliated with RoundTable, the right to receive reports from a Fund on a more frequent basis or to receive reports that include information not provided to other investors (including valuation and other information relating to the investments of a Fund), the right to bear a reduced carried interest and/or management fee, the right to receive a rebate of a portion of any carried interest and/or management fee, the calculation of a general partner of a Fund's clawback amount, the right to receive a share of the revenues and/or carried interest, accommodations of regulatory, legal or tax considerations, which may include the right to withdraw from a Fund under certain circumstances and the restriction of voting rights with respect to "key person" event votes and otherwise, and such other more favorable terms as may be negotiated between a Fund and such investor. The other Fund investors will have no recourse against a Fund or any of its affiliates in the event that certain investors receive additional or different rights or terms as a result of such Side Letters.

Investments in Restructuring

The Funds may make investments in restructurings that involve portfolio companies that are experiencing or are expected to experience severe financial difficulties, which may never be overcome. Such investments could, in certain circumstances, subject a Fund to certain additional potential liabilities, which may exceed the value of the Fund's original investments therein. For example, under certain circumstances, a lender who has inappropriately exercised control of the management and policies of a debtor may have its claims subordinated, or disallowed, or may be found liable for damage suffered by parties as a result of such actions. In addition, under certain circumstances, payments to the Fund and distributions by the Fund to its investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Control Person Liability

A Fund may have controlling interests in some of its portfolio companies. The exercise of control over a company may impose additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations (including securities laws), pension plan underfunding or other types of liability in which the limited liability generally characteristic of business ownership may be ignored. If these liabilities were to arise, the Fund might suffer a significant loss.

Minority Investments

A Fund may make minority equity investments in entities where the Fund does not effectively control or influence the business or affairs of such entities. Under such circumstances, there is the possibility that the entity in which the Fund's investments are made may have economic or business interests or goals that are inconsistent with those of the Fund, and the Fund may not be in a position to limit or otherwise protect the value of its investment in the entity. In addition, although the Fund may seek board representation in connection with its investments, there is no assurance that such representation, if sought, will be obtained.

Recourse to the Fund's Assets

A Fund's assets, including any investments made by the Fund and any capital held by the Fund, are available to satisfy all liabilities and other obligations of the Fund. If the Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and may not be limited to any particular asset, such as the investment giving rise to the liability. Accordingly, Fund investors could find their interests in the Fund's assets adversely affected by a liability arising out of an investment in which they did not participate because, for example, they were excluded or excused by the general partner.

Non-U.S. Investments

A Fund may make investments in companies located outside the United States. Depending on the country in which a portfolio company is located, there may exist the risk of adverse political developments, including nationalization, expropriation or confiscation without fair compensation, governmental regulation and economic or social instability or diplomatic developments (including war) which may adversely affect the investments in those portfolio companies.

Laws and regulations of other countries may impose restrictions that would not exist in the United States. Investments in non-U.S. corporations may require significant government approvals under corporate, securities, exchange control, foreign investment and other similar laws and may require financing and structuring alternatives that differ significantly from those customarily used in the United States. Such investments may also give rise to local taxes in local jurisdictions, which may not give rise to any corresponding credit or tax benefit to a Fund investor. In addition, some governments from time to time impose restrictions intended to prevent capital flight, which may for example involve punitive taxation (including high withholding taxes) on certain securities transfers or the imposition of exchange controls making it difficult or impossible to exchange or repatriate the local currency. In addition, this repatriation of currency and other restrictions may make it impracticable for the Fund to distribute the full amount of its investors' capital accounts in U.S. dollars, and therefore a portion of the distribution may be made in non-U.S. securities or currency.

Functional Currency; Exchange Risk Exposure

The interests in the Funds are denominated in U.S. dollars and each Fund will accept subscriptions in U.S. dollars. As noted above, a portion of the assets of a Fund may, however, be invested in securities of non-U.S. portfolio companies that may be denominated in currencies other than U.S. dollars. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates. To the extent unhedged, the value of the Fund's assets will fluctuate with the U.S. dollar exchange rates as well as the price changes of the Fund's investments in the various local markets and currencies. A Fund may seek to protect the value of its non-U.S. holdings against currency risks by engaging in hedging transactions, including the purchase of forward currency

exchange contracts and futures contracts and the purchase or writing of call options on currencies. Where the Fund seeks to engage in such transactions, there can be no assurance that instruments suitable for hedging currency or market shifts will be available (or will be available on acceptable terms), that hedging instruments will offset all losses resulting from currency or market fluctuations or that losses will not occur from such hedging transactions.

In addition, any given portfolio company of a Fund may conduct a significant portion of its business in non-U.S. currencies, even where such company's securities and activities are otherwise denominated in U.S. dollars. This could be the case because, among other things, a portion of such company's sales are made in non-U.S. markets or a portion of such company's supply chain is based in non-U.S. markets. While such company's management may determine to cause the company to engage in hedging transactions to offset the risks of such fluctuations, there can be no assurance that any such company's operating performance will be effectively shielded from such risks. These currency risks may therefore have an adverse effect on one or more of any Fund's portfolio companies and, as a result, on such Fund.

No Market for Fund Interests; Restrictions on Transfer

The interests in the Funds have not been and are not expected to be registered under the Securities Act, or any state or other securities laws or the laws of any foreign jurisdiction. There is no public market for the interests in the Funds, and none is expected to develop. A Fund investor will not be permitted to assign, sell, exchange or transfer any of its interest, rights or obligations with respect to its interest in a Fund, without the prior written consent of the general partner. If the general partner consents to such transfer, the transferee must be a "qualified purchaser" within the meaning of the Investment Company Act. Voluntary withdrawals from a Fund will not be permitted. Investors must be prepared to bear the risk of owning the interests in the Fund for an extended period of time.

Consequences of Failure to Pay Contributions in Full

If a Fund investor fails to pay any installment of its capital commitment, the defaulting investor may be required to forfeit all or any portion of future distributions by the Fund. The general partner may also require a forced sale of the defaulting investor's interest. In addition, the general partner may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount, including attorneys' fees, to be paid by the defaulting investor.

Tax Risks

Tax consequences to Fund investors from an investment in a Fund are complex. Prospective investors are strongly urged to review the relevant discussion in the Offering Materials and to consult their own professional advisors in this regard.

Indemnification

Each Fund is generally required to indemnify its general partner, any affiliate of the general partner, or any director, officer, stockholder, partner, employee, agent, member or representative of the general partner, or any member of the Advisory Board for liabilities incurred in connection with the affairs of the Fund. Such liabilities may be material and have an adverse effect on the returns to the Fund investors. For example, in their capacity as directors of portfolio companies, the members, managers or affiliates of the general partner may be subject to derivative or other similar claims brought by shareholders of such companies. The indemnification obligation of the Fund would be payable from the assets of the Fund, including the unpaid capital commitments of the Fund's investors. If the assets of the Fund are insufficient, the general partner may recall certain distributions previously made to the Fund's investors. A Fund's indemnification obligations will not constitute a waiver or limitation of any Fund investor's rights under the U.S. federal or state securities laws.

Hedging Policies/Risks

In connection with certain investments, a Fund may employ hedging techniques designed to reduce the adverse movements in interest rates, securities prices and currency exchange. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Fund than if it had not entered into such hedging transactions. In situations in which the Fund is required to post margin or other collateral with a counterparty, the counterparty may fail to segregate the collateral or may commingle the collateral with the counterparty's own assets. As a result, in the event of the counterparty's bankruptcy or insolvency, the Fund's collateral may be subject to the conflicting claims of the counterparty's creditors, and the Fund may be exposed to the risk of a court's treating the Fund as a general unsecured creditor of the counterparty, rather than as the owner of the collateral. Additionally, such hedging transactions will add to the cost of the investment, may require ongoing cash payments to counterparties, may subject the Fund to the risk that the counterparty defaults on its obligations and may produce different tax consequences to the Fund's investors than would apply if the Fund had not entered into such hedging transactions.

Risk Control Framework

It is expected that the general partner of the Funds and RoundTable have or will implement risk control systems to help manage risk exposure. However, no risk control system is fail-safe, and no assurance can be given that any risk control frameworks will achieve their objectives.

Cybersecurity Threats, Other Breaches and Identity Theft

Cyber security incidents and cyberattacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Cyber-security risks for investment funds have increased significantly in recent years because of, among other things: the proliferation of Internet and telecommunications technologies to conduct financial transactions; the ability and degree to which investment managers collect and maintain proprietary and other nonpublic data, as well as publicly available data that may be organized in a manner that is not publicly available; and the increased sophistication and activities of organized crime, hackers, terrorists and other external parties, including foreign state actors. Accordingly, the Funds, the general partners of the Funds, RoundTable and the Funds' portfolio companies will face cyber-security threats to gain unauthorized access to sensitive information, including, without limitation, information regarding the investors and the Funds' investment activities, or to render data or systems unusable, which could result in significant losses. If such events materialize, they could lead to losses of sensitive information or capabilities essential to the Funds', the general partners of the Funds, RoundTable's and the Funds' portfolio companies' operations, and could have a material adverse effect on their reputations, financial positions, results of operations or cash flows, and could lead to financial losses from remedial actions, loss of business, potential liability, or the disclosure of the investors' personal information. RoundTable may have to make a significant investment to fix or replace any inoperable or compromised systems. Similarly, the public perception that the Funds, the general partners of the Funds, RoundTable or the Funds' portfolio companies have been the target of a cyber-security threat, whether successful or not, could have a material adverse effect on their reputations and could lead to financial losses from loss of business, depending on the nature and severity of the threat.

Cyber-security attacks are evolving and include, but are not limited to, computer viruses, malicious or destructive code, phishing attacks, denial of service or information, attempts to gain unauthorized access to data, improper access by employees or vendors or other electronic security breaches that could lead to: disruptions in network access or business operations; unauthorized collection, monitoring, use or release of confidential or otherwise protected information; or loss, destruction or corruption of data. Although RoundTable has implemented, and service providers may implement, various measures to manage risks relating to these types of events, such systems could be inadequate and, if compromised, could become inoperable for extended periods of time, or cease to function properly or fail to adequately secure private information or sensitive data, including personal information relating to investors (and the beneficial owners of investors) and

the intellectual property and trade secrets of RoundTable. The Funds', the general partners of the Funds', RoundTable's or a portfolio companies' controls and procedures, business continuity systems, and data security systems could prove to be inadequate. These problems could arise in the Funds', the general partners of the Funds, the RoundTable's or a portfolio company's internally developed systems and the systems of third-party service providers, upon which the Funds', the general partners of the Funds, RoundTable or a portfolio company rely. Given the variety and potential severity of cyber-security threats, the Funds, the general partners of the Funds, RoundTable, the portfolio companies and the third-party service providers upon which they rely may not have adequate insurance coverage to compensate against all losses.

Additional Risks Relating to Investments in Debt Funds

The Debt Funds invest in subordinated debt instruments. Because these investments represent subordinated financing in a portfolio company's capital structure, there are additional risks involved, which include, but are not limited to, the following:

Credit Risk

One of the fundamental risks associated with the subordinated debt investments is credit risk, which is the risk that an issuer will be unable to make principal and interest payments when due. If a portfolio company is unable to generate sufficient cash flow to meet principal or interest payments on its indebtedness, the value of the Debt Fund's investment in the portfolio company could be significantly reduced or even eliminated, particularly in light of the subordinated position of such investment. Furthermore, the portfolio companies and the securities in which the Debt Fund invests are not expected to be rated by a credit rating agency.

Bankruptcy of Portfolio Companies.

The Debt Funds may make investments in the fixed income securities of portfolio companies that are otherwise experiencing, or are expected to experience, severe financial difficulties, which may never be overcome.

Such investments could, in certain circumstances, subject the Debt Fund to certain additional potential liabilities, which may exceed the value of the Debt Fund's original investments therein. For example, under certain circumstances, a lender who has inappropriately exercised control of the management and policies of a debtor may have its claims subordinated, or disallowed, or may be found liable for damage suffered by parties as a result of such actions. In addition, under certain circumstances, payments to the Debt Fund and distributions by the Debt Fund to its investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment. In addition, because certain the Equity Funds will hold equity securities in the same portfolio companies, if such portfolio company becomes insolvent or bankrupt, the risk of subordination of the Debt Fund's claims is increased. An Equity Fund's exercise of management rights may also lead creditors of the Debt Fund's portfolio or other parties to assert claims against the Debt Fund.

Potential Conflicts of Interest

There may be instances where the interests of the general partner potentially or actually conflict with the interests of a Fund. For example, because a general partner's compensation is directly related to the performance of the respective Fund, the general partner may make riskier or more speculative investments on behalf of such Fund than would be the case in the absence of such a performance-based compensation structure.

Investments Involving other RoundTable Funds

Under certain circumstances, a Fund may invest in a portfolio company in which a predecessor fund has already invested or is expected to participate in the applicable investment opportunity. In connection with such

investments, the Fund, on the one hand, and such predecessor fund, on the other hand, may have conflicting interests, particularly if the Fund and a predecessor fund invest in different classes or types of securities of the same portfolio company. In such a case, the ability of the general partner to recommend actions in the best interests of the Fund may be impaired. It should be noted that the Firm has made significant investments in predecessor funds. It is not expected that any independent evaluation of such proposed transactions involving the Fund will be available to the general partner or the Fund.

A general partner may also face conflicts of interest in connection with any purchase or sale transaction involving an investment by a Fund, whether to or from a predecessor fund, and in connection with the consideration offered by, or the obligations of, a predecessor fund.

Carried Interest

The Fund general partners' carried interest may create an incentive for a general partners of a Fund to make more speculative investments for the relevant Fund than it would otherwise make in the absence of such performance-based arrangements. In addition, the method of calculating a general partner's carried interest may result in conflicts of interest between a general partner of a Fund, on the one hand, and a Fund's investors, on the other hand, with respect to the management and disposition of investments, including the timing and sequence of such dispositions.

Diverse Membership

The Fund's investors include taxable and tax-exempt entities and persons from jurisdictions outside of the United States. Such persons may have conflicting investment, tax and other interests with respect to their investments in the Fund. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of the investments made by the Fund, the structuring of the acquisition of Fund investments and the timing of disposition of investments. Such structuring of Fund investments and other factors may result in different returns being realized by different investors. As a consequence, conflicts of interest may arise in connection with decisions made by the general partner that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations, including with respect to the nature or structuring of investments. In selecting and structuring investments appropriate for a Fund, the general partner will consider the investment and tax objectives of the Fund and its investors as a whole, and not the investment, tax or other objectives of any investor individually.

Advisory Board and Investor Approvals

A general partner may in certain situations choose to seek the approval of a majority of the members of the Advisory Board with respect to potential conflict of interest situations. The general partner may also choose to seek the approval of the Fund investors with respect to such situations. Such approval may be sought from Fund investors having a majority of the aggregate commitments, or from those having a majority of the capital invested in a particular investment, depending upon the circumstances. Any such approval by the Advisory Board or Fund investors will be binding upon the Fund and all its investors.

Potential Conflicts Between the Equity Funds and the Debt Funds

Because the Debt Funds will only make investments in the fixed income securities of portfolio companies, each of which has been, or is being, provided with equity capital by an Equity Fund, a Debt Fund, on the one hand, and such Equity Fund, on the other hand, will potentially have conflicting interests, particularly because the Debt Fund and the Equity Fund will invest in different classes or types of securities of the same portfolio company. The Debt Fund and such Equity Fund may have conflicting investment objectives, including with respect to the operation of the relevant portfolio company, the targeted returns from the investment and the timeframe for, and method of exiting, the investment, particularly where such Equity Fund has a controlling interest in the portfolio company. In negotiating the terms and conditions of an investment (other than the terms and conditions that are fixed at the initial closing of the Debt Fund) and the nature of the covenants running in favor of the Debt Fund, and in addressing any subsequent amendments or waivers, the Debt Fund

will have interests that conflict with the interests of an Equity Fund. If an issuer in which a Debt Fund and an Equity Fund hold different classes of securities encounters financial problems, decisions over the terms of any workout will raise conflicts of interest (including conflicts over proposed waivers and amendments to debt covenants). For example, a debt holder may be better served by a liquidation of the issuer in which it will be paid in full, whereas an equity holder might prefer a reorganization that could create value for the equity holders. In the case of such conflicts, the ability of the Debt Fund's general partner to recommend actions in the best interests of the Debt Fund may be impaired. It should be noted that the RoundTable partners and principals have made significant investments in each of the Debt Funds. It is not expected that any independent evaluation of such investments will be available to the general partner or the applicable Debt Fund.

A Debt Fund's general partner may also face conflicts of interest in connection with any purchase or sale transaction involving an investment by such Debt Fund, whether to or from an Equity Fund, and in connection with the consideration offered by, or the obligations of, an Equity Fund.

Portfolio Company Expenses

Each general partner may incur certain out-of-pocket expenses on behalf of, or for the benefit of, portfolio companies. These expenses may include rent on shared office space, sales support, manufacturing consulting, add-on acquisition consulting, human resource consulting, certain trade group expenses, and other services in instances where a general partner is able to obtain better pricing or access, or where it is otherwise agreed with the portfolio company that a general partner will obtain such services on its behalf. The portfolio companies reimburse the relevant general partner for these expenses. These services are provided by third parties and may also be provided by certain operating professionals who are employed by a general partner or one of its affiliates and whose role is to provide these specialized services to portfolio companies (and, in limited cases, to RoundTable). The costs associated with the employment of these professionals (i.e. salaries and benefits) are split among the parties receiving such services based on a formula determined at the discretion of the general partner.

Other Fees

A general partner of a Fund, RoundTable or any of their respective employees or affiliates may receive transaction fees, which will generally offset the management fee contribution amount to be contributed by the investors for the annual period or periods following the annual period in which such transaction fees were received by 100% of such transaction fees. The amount of such transaction fees applied to this offset will be the pro rata portion (based on amount invested) of the underlying fees or amounts received by the general partner, RoundTable or any of their respective affiliates that is attributable to the Fund and will not include the portion attributable to other investors in the relevant portfolio company. Potential conflicts of interest may arise as a result of the economic benefits RoundTable and its affiliates may receive from the payment of transaction fees. Expenses that are reimbursed by a portfolio company may include certain expenses that would not constitute Fund expenses, but instead would be borne by the general partner absent such reimbursement. The payment of such fees and expenses by a portfolio company may also be viewed as reducing the value of such portfolio company and accordingly the value of the Fund's investment in such portfolio company.

When a fee is paid to the general partner or its affiliates arising from a transaction where the Fund has invested, or proposes to invest, alongside other co-investors and/or co-investment vehicles, aggregators and/or other similar vehicles established to co-invest alongside the Fund in connection with such Fund investment, only the portion that is allocable to the Fund's investment (based on the Fund's investment percentage of the transaction) will reduce the obligations of the investors of the Fund to make capital contributions in respect of the management fee contribution amount. Accordingly, unless otherwise agreed by the general partner or such affiliates with such other parties, the general partner or such affiliates will be entitled to receive or retain the fees that are allocable to the investments made by such other parties alongside the Fund, and the amount of such fees will not reduce the obligations of the investors of the Fund to make capital contributions in respect of the management fee contribution amount.

The terms of a monitoring agreement may in certain instances provide for an acceleration of fees paid to the general partner, RoundTable or their respective affiliates upon termination of such arrangements following certain milestones (such as an initial public offering or sale); in such instances, the general partner, RoundTable or their respective affiliates may be entitled to a lump-sum termination fee with respect to such arrangements. Investors will receive no benefit from such fees. The payment of such fees by a portfolio company may also be viewed as reducing the value of such portfolio company and accordingly the value of the Fund's investment in such portfolio company.

Allocation of Expenses

The general partner of a Fund, RoundTable, the RoundTable partners and principals, RoundTable investment professionals and/or one or more of their respective affiliates will from time to time incur fees, costs and expenses on behalf of a Fund, on the one hand, and other existing or subsequent entities established by the general partner, RoundTable, the RoundTable partners and principals, RoundTable's investment professionals or any of their respective affiliates, on the other hand. Although attempts will be made to allocate such fees, costs and expenses on an equitable basis, such allocations will be determined by the General Partner and/or RoundTable and such matters will not necessarily be brought to the advisory board of the Fund or the investors for discussion or consultation.

To address the allocation of fees, costs and expenses, RoundTable has adopted certain processes and procedures intended to allocate expenses in the manner prescribed by the governing documents of the RoundTable funds and RoundTable's internal policies, including procedures to identify and correct misallocations due to error or revised allocation methodologies. However, there is no guaranty that such processes and procedures will identify any or all misallocations. To the extent misallocations are identified and the Fund had already paid such expenses, any reimbursements of incorrectly applied expenses will necessarily be applied at a later date and therefore the Fund could bear incorrect allocations for an unspecified period of time. Reimbursement to the Fund of any misallocated expenses will generally not include any interest on the principal amount of any misallocations. Although attempts will be made to allocate expenses on an equitable basis, such allocations will be ultimately be based on the determinations of the general partner and/or RoundTable. In some instances, such determinations will be subjective and reasonable minds will disagree.

ITEM 9

Disciplinary Information

RoundTable's partners, principals, and officers have not been the subject of any legal or disciplinary action from a regulatory authority in the preceding ten years that would be material to a client's or prospective client's evaluation of RoundTable's business or its management.

ITEM 10

Other Financial Industry Activities and Affiliations

New RoundTable Healthcare Management, L.P., RoundTable Healthcare Management II, L.P., RoundTable Healthcare Management III, L.P., RoundTable Healthcare Management IV, L.P., RoundTable Healthcare Capital Management II, L.P., and RoundTable Healthcare Capital Management III, L.P. are each related persons of the Firm and each serve as general partner of one or more of the Funds. Each general partner has exclusive management and control over its respective Fund and has delegated investment management authority to the Firm. As described in Item 6, each general partner receives compensation based on the performance of the respective Fund.

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

RoundTable has adopted a Code of Ethics pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 (the “Advisers Act”) for purposes of establishing the standards of business conduct and fostering a culture of honesty and accountability and assisting its employees with complying with the Advisers Act. The Code of Ethics is applicable to all employees of the Firm and generally applies to all of such employees’ personal trading transactions. The Code of Ethics generally prohibits an employee from buying or securities in any limited offering or initial public offering without obtaining pre-clearance from the Firm’s Chief Compliance Officer. In addition, the Code of Ethics prohibits an employee from purchasing any security that is currently on the Firm’s “Avoidance List” or any security with respect to which the employee has acquired knowledge of the plans of a Fund to purchase or sell such security or otherwise materially impact the results of the issuer of such security.

In addition, the Code of Ethics requires each employee to submit annual holdings reports detailing his/her current securities holdings, and quarterly transaction reports detailing securities transactions effected in the quarter. RoundTable will provide a copy of its Code of Ethics to any client or prospective client (and any investor or prospective investor in a Fund) upon request.

As in RoundTable’s business generally, RoundTable will consider the implications of identified actual or potential conflicts of interest and will act in accordance with RoundTable’s internal guidelines and procedures.

ITEM 12
Brokerage Practices

The Funds, by nature, invest primarily in private companies. Occasionally, a Fund may execute transactions in publicly traded securities, in which cases RoundTable will seek to satisfy its obligation to seek best execution. In choosing brokers or dealers to effect securities transactions for the Funds, RoundTable relies on its judgment, knowledge and experience in evaluating the broker-dealer’s reliability and capability based on previous and pending transactions effected by the broker dealer. RoundTable may also consider factors such as price, commission, size of order, difficulty of execution and the degree of skill required of the broker- dealer. RoundTable may also take into account certain broker-dealer specific factors, such as trading capability, financial stability and responsibility, reputation, operational efficiency and overall responsiveness to RoundTable and the Funds.

In the event that RoundTable has determined to purchase or sell a security at the same time for more than one Fund, the respective orders for each such Fund will be aggregated. If the aggregated order is filled at different prices, all participating Funds will receive the weighted average price and will share any associated transaction costs on a pro rata basis.

ITEM 13
Review of Accounts

The portfolio companies of each Fund are continuously and actively monitored by a team of investment and operating professionals, which monitoring includes reviews of each portfolio company’s operations, overall performance, financial position, strategy and prospects. Investors in each Fund typically receive annual audited financial statements of the relevant Fund after the end of such Fund’s fiscal year and unaudited quarterly reports

that provide narrative and summary financial information regarding the Fund's portfolio companies after the end of the Fund's first three quarters. In addition, investors receive ad hoc updates from time to time.

RoundTable may, in its discretion, agree to provide certain Fund investors with more frequent reports or certain other reports than those described above due to legal, regulatory or internal policy constraints faced by such Fund investors or as a result of the specific needs of such fund investors. Expenses incurred in connection with such reports are expected to be borne by the applicable Fund.

ITEM 14

Client Referrals and Other Compensation

RoundTable does not receive compensation from any non-client in connection with the investment advice or other advisory services to the Funds. However, the general partners or the Funds themselves may receive fees in connection with the termination, cancellation or abandonment of a proposed Fund investment, organization or success fees in connection with the making of a Fund investment and/or periodic advisory, monitoring, consulting or other similar fees from one or more of the Funds' portfolio companies. The management fee to which RoundTable is entitled from each Fund is generally reduced by the amount of such fees.

RoundTable does not compensate any persons for client referrals.

ITEM 15

Custody

RoundTable has appointed unaffiliated, third-party, qualified custodians to serve as custodians for the Funds' assets, except with respect to certain privately offered securities held by certain of the Funds which, pursuant to Rule 206(4)-2 under the Advisers Act, are not required to be maintained with a qualified custodian. RoundTable has engaged an independent public accountant registered with, and regularly examined by, the Public Company Accounting Oversight Board to conduct annual audits of the Funds' financial statements in accordance with U.S. Generally Accepted Accounting Principles. Each Fund's audited financial statements are delivered to its investors within 120 days of the end of such Fund's fiscal year.

ITEM 16

Investment Discretion

The management and control of each Fund is vested exclusively in the general partner of each Fund, which, in turn, has delegated discretionary authority to RoundTable to manage the assets of each Fund. This investment discretion is limited by applicable law, the limitations prescribed in the Offering Materials and organizational documents of each Fund as well as any other restrictions that RoundTable may agree upon with any Fund or investors in any Fund.

ITEM 17

Voting Client Securities

In the event RoundTable receives a proxy, RoundTable's policy is to exercise the proxy vote in the best interest of the Funds, taking into consideration all relevant factors, including without limitation, acting in a manner that RoundTable believes will (i) maximize the economic benefits to the Funds and (ii) promote sound corporate governance by the issuer. On rare occasions, RoundTable may be required to exercise a vote for a privately-held

portfolio company, in which case the same principles shall apply. RoundTable will seek to avoid material conflicts of interest between its own interests on the one hand, and the interests of the Funds on the other. The fiduciary duty RoundTable owes to each Fund prohibits the adoption of a policy to enter default proxy votes in favor of board recommendations. However, as is typical in private equity, RoundTable seeks and accepts the election of a RoundTable representative to serve on the board of directors of portfolio companies on behalf of its Funds and will typically, but not always, vote in favor of board recommendations. In situations where RoundTable is required to vote the proxy for a company with respect to which RoundTable employees serve on the board of directors, RoundTable has determined that this does not inherently present a conflict of interest, as the sole purpose of this representation is to maximize the return on the Funds' investment in such company. Accordingly, while RoundTable is generally, but not automatically, fully supportive of recommendations made by a portfolio company's board of directors with respect to proxy votes related to that issuer, it will review all proxies and may or may not vote in favor of the board's recommendation.

Generally, RoundTable's clients cannot direct proxy votes. Issuers' proxy voting materials are generally received directly by RoundTable and are reviewed and considered by the applicable Fund's investment professionals. The Firm's Chief Compliance Officer is responsible for ensuring that proxies are voted and submitted in a timely manner, and that all books and records relating to proxy voting activities are retained in accordance with the requirements of Rule 204-2(c)(2) under the Advisers Act.

Investors may obtain a complete copy of the Firm's proxy voting policies and procedures by contacting the Chief Compliance Officer in writing and requesting such information. Each investor may also request in writing from the Chief Compliance Officer information concerning the manner in which proxy votes have been cast on behalf of such investor's Fund(s) during the prior annual period with respect to securities held by such Fund(s). Such information will be provided to the investor in writing as soon as is practicable.

ITEM 18

Financial Information

RoundTable does not believe that it has any financial commitment that is reasonably likely to impair its ability to meet contractual commitments to its clients and has not been the subject of a bankruptcy petition at any time during the past ten years. The Firm's balance sheet is audited by PricewaterhouseCoopers LLP and a copy of such balance sheet, prepared as of December 31, 2018, is attached to this Brochure.

RoundTable Healthcare Management Inc.

Balance Sheet

December 31, 2018

RoundTable Healthcare Management Inc.

Index

December 31, 2018

	Page(s)
Report of Independent Auditors	1
Financial Statements	
Balance Sheet	2
Notes to Balance Sheet	3-6



Report of Independent Auditors

To Management of RoundTable Healthcare Management Inc.:

We have audited the accompanying balance sheet of RoundTable Healthcare Management Inc. as of December 31, 2018.

Management's Responsibility for the Balance Sheet

Management is responsible for the preparation and fair presentation of the balance sheet in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a balance sheet that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the balance sheet based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheet is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the balance sheet. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the balance sheet, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the balance sheet in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the balance sheet. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying balance sheet presents fairly, in all material respects, the financial position of RoundTable Healthcare Management Inc. as of December 31, 2018 in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, the Company has entered into significant transactions with affiliates. Our opinion is not modified with respect to this matter.

PricewaterhouseCoopers LLP

March 8, 2019

RoundTable Healthcare Management Inc.

Balance Sheet

December 31, 2018

Assets

Cash	\$	80,827
Receivables from related portfolio companies		594,605
Receivables from related investment partnerships		45,629
Prepaid expenses		411,061
Furniture, equipment and leasehold improvements, net of accumulated depreciation of \$251,004		175,992
Total assets	\$	<u>1,308,114</u>

Liabilities and Shareholders' Equity

Liabilities

Accrued expenses	\$	653,472
Liabilities from related investment partnerships		17,158
Revolving note agreement		500,000
Deferred tax liability		22,180
Deferred rent payable		<u>36,607</u>
Total liabilities		1,229,417

Shareholders' equity

Common stock, par value \$0.10 per share, 1,000 shares authorized, 1,000 shares issued and outstanding as of December 31, 2018		100
Retained earnings		<u>78,597</u>
Total shareholders' equity		<u>78,697</u>
Total liabilities and shareholders' equity	\$	<u>1,308,114</u>

The accompanying notes are an integral part of these financial statements.

RoundTable Healthcare Management Inc.

Notes to Balance Sheet

December 31, 2018

1. Organization

RoundTable Healthcare Management, Inc. (the "Company") is a corporation formed on November 30, 2001 under the laws of the state of Delaware. The Company is a registered investment advisor with the U.S. Securities and Exchange Commission ("SEC"). The Company provides investment advisory services to the general partners (the "GPs") of a group of related operating-oriented private equity funds (the "PE Funds") focused exclusively on the healthcare industry. The Company's principal owners are Lester B. Knight, R. Craig Collister, Thomas P. Kapfer, and Pierre Frechette. The Company manages the following related investment partnerships: RoundTable Healthcare Capital Management II, L.P.; RoundTable Healthcare Capital Management III L.P.; New RoundTable Healthcare Management, L.P.; RoundTable Healthcare Management II, L.P.; RoundTable Healthcare Management III, L.P.; and RoundTable Healthcare Management IV, L.P.

2. Significant Accounting Policies

a. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the balance sheet. Actual results could differ from those estimates.

b. Revenue Recognition

The Company records revenue when advisory services have been provided to the general partners of certain related private equity funds. All revenues earned are from related general partners.

c. Cash

Amounts presented as cash include only cash. The cash may exceed Federal Deposit Insurance Corporation insurance coverage, which subjects the Company to a concentration of credit risk. The Company attempts to mitigate the risk by monitoring the reputation of the financial institution which holds the cash.

d. Furniture, Equipment, and Leasehold Improvements

Furniture, equipment, and leasehold improvements are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets which range from three to seven years.

e. Income Taxes

The Company is taxed as a corporation. Income taxes are accounted for using the assets and liabilities method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the balance sheet carrying amounts of existing assets and liabilities and their respective tax bases using the enacted tax rates in effect in the years in which the differences are expected to reverse.

3. Related Parties

The Company is one of a group of related entities with varying degrees of ownership which it manages and has transactions with several other entities within the group. Because of these

RoundTable Healthcare Management Inc.

Notes to Balance Sheet

December 31, 2018

relationships it is possible that the terms of transactions with other members of the related group may not be the same as those which would occur with wholly unrelated entities.

The Company records service fee receivables from the GPs of the PE Funds for services provided and the accounts are settled when management fees have been collected by the GPs. The GPs of the PE Funds have no employees. The Company's employees provide advisory services to the GPs. The GPs provide services to and collect fees from the PE Funds pursuant to their contractual agreements with the PE Funds.

For administrative convenience and shared services, the Company pays certain administrative and investment expenses on the behalf of the GPs. The GPs reimburse the Company for these services.

Upon request from the GPs, the Company makes advances to pay for office space, sales support, manufacturing consulting, add-on acquisition consulting, human resource consulting, certain trade group expenses and other administrative services incurred by the portfolio companies managed by the Company, which include Argon Medical Devices Holdings Inc., Salter Medical Holdings Corporation, Renaissance Acquisition Holdings, LLC, Santa Cruz Nutritionals, TIDI Products, LLC, Symmetry Surgical, Revision/ Goodier Cosmetics, and Deerland Enzymes. The related portfolio companies reimburse the Company for two types of expenses, 1) direct benefit of the portfolio companies and 2) certain allocated costs under a formula determined at the discretion of the GP.

As of December 31, 2018, the following receivables are due from affiliates:

Receivables from related portfolio companies	\$	594,605
Receivables from related investment partnerships		<u>45,629</u>
Total receivables, net		640,234
Liabilities from related investment partnerships		<u>(17,158)</u>
Net receivables/(liabilities)	\$	623,076

4. Furniture, Equipment, and Leasehold Improvements, net

Furniture, equipment, and leasehold improvement, net consist of the following at December 31, 2018:

Furniture	\$	182,845
Equipment		233,891
Leasehold Improvements		<u>10,260</u>
		426,996
Less: Accumulated depreciation		<u>(251,004)</u>
Total furniture, equipment, and leasehold improvements, net	\$	175,992

5. Income Taxes

The Company files federal and state of Illinois tax returns.

The components of the net deferred tax assets and liabilities at December 31, 2018 are as follows:

RoundTable Healthcare Management Inc.

Notes to Balance Sheet

December 31, 2018

Deferred tax assets	<u>Total</u>	<u>Current</u>	<u>Non-current</u>
Deferred rent payable	\$ 10,435	\$ -	\$ 10,435
Charitable contributions carryover	4,116	-	4,116
Shareholders accrued compensation	3,092	-	3,092
Net operating losses	7,437		7,437
	<u>25,080</u>	-	<u>25,080</u>
Deferred tax liability			
Depreciation	(47,260)	-	(47,260)
Net deferred tax assets/(liabilities)	\$ (22,180)	\$ -	\$ (22,180)

Income tax expense is recorded based upon the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using currently enacted tax rates in effect for the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Management has reviewed the current and non-current deferred tax assets recorded on the balance sheet at December 31, 2018 and determined that they are expected to be realizable in future periods. At December 31, 2018 the Company has no federal net operating loss. The Company has a state net operating loss of \$99,091 which begin to expire in 2023.

Under the accounting guidance related to income taxes, the recognition of a benefit from a tax position requires that management determine whether such tax position is "more likely than not" to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. If this threshold is met, the tax benefit is then measured and recognized at the largest amount that is greater than 50% likely of being realized upon settlement.

The guidance requires the Company to analyze all open tax years, as defined by the statutes of limitations, for all major jurisdictions, which includes federal and Illinois. Years that remain subject to examination include federal from 2015 to present and Illinois from 2015 to present. For all open tax years and all major taxing jurisdictions through the end of the reporting period, the Company reviewed all tax positions taken or expected to be taken and concluded that the ultimate settlement of these positions would not have an effect on the Company's financial position. The Company is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

6. Commitments

The Company leases certain office space under a lease expiring on September 30, 2020. The Company has a renewal option for five years as stated in the lease agreement. At December 31, 2018 the Company's future lease rental commitment based upon the terms under its operating lease was as follows:

RoundTable Healthcare Management Inc.

Notes to Balance Sheet

December 31, 2018

Year ending	
December 31,	<u>Office lease</u>
2019	\$ 536,206
2020	<u>410,995</u>
	\$ 947,201

In the normal course of business, the Company may enter into contracts that contain a number of representations and warranties which may provide for general or specific indemnifications. The Company's exposure under these contracts is not currently known as any such exposure would be based on future claims which could be made against the Company. There have been no such claims since the inception of the Company. Management does not anticipate any such claims and expects any risk of loss to be remote.

7. Revolving Note Agreement

The Company has a \$2.5 million Revolving Note Agreement (Committed) and a \$2.5 million Revolving Note Agreement (Uncommitted) with a major banking institution. The interest rate for amounts borrowed under the Revolver is at a rate per annum which shall from day to day be equal to the greater of (i) the prime rate in effect from day to day and (ii) 3.0% per annum. The debt balance is \$500,000 at December 31, 2018 and the maturity date is July 12, 2019. The maximum outstanding balance during the year was \$500,000. The following related partnerships are guarantors of the Revolver: RoundTable Healthcare Capital Management II, L.P.; RoundTable Healthcare Capital Management III, L.P.; RoundTable Healthcare Management II, L.P.; RoundTable Healthcare Management III, L.P.; and RoundTable Healthcare Management IV, L.P.

8. Subsequent Events

The Company has evaluated the events and transactions that have occurred through March 8, 2019, the date these financial statements were available to be issued, and noted no items requiring adjustment. The following item was deemed to require disclosure in the financial statements.

On January 4, 2019, the Company paid off the outstanding balance of \$500,000 on the line of credit.