
Item 1 – Cover Page

Tillridge Capital Partners LLC

SEC File No. 801- 108287

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Form ADV Part 2A Disclosure Brochure

October 15, 2019

This brochure provides information about the qualifications and business practices of Tillridge Capital Partners LLC. If you have any questions about the contents of this brochure, please contact us at investor.relations@tillridge.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Tillridge Capital Partners LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Tillridge Capital Partners LLC is a registered investment adviser with the United States Securities and Exchange Commission. Registration of an Investment Adviser does not imply any level of skill or training.

Our brochure may be requested by contacting Investor Relations at investor.relations@tillridge.com.

Item 2 – Material Changes

There are no material changes being reported since the firm's last brochure dated March 31, 2019. The purpose of this other-than-annual amendment filing is to reflect the change of address of our principal office. We recommend that you read this brochure in its entirety.

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Item 4 – Advisory Business

Tillridge Capital Partners LLC (“Tillridge”) is a private equity advisory firm formed in April 2016 and based in Dallas, Texas. Tillridge is owned by Tillridge CP LLC and Tillridge CP Holdings, L.P., which are ultimately owned by Tillridge’s founding partners, Mark Zenuk and Cameron Dunn.

Tillridge provides investment advisory services to Tillridge Global Agribusiness Partners II, L.P. (the “Fund”), a private investment fund that is exempt from registration under the Investment Company Act of 1940, as amended, and the Securities Act of 1933, as amended. The Fund invests the majority of its assets in the agribusiness industry with an emphasis on investments in businesses and/or assets in the midstream agribusiness industry, including, without limitation: agriproduct distribution and services, commodity storage and merchandising, transportation and logistics, commodity processing, food and feed ingredient processing, and food service manufacturing, packaging and distribution.

The general partner of the Fund is Tillridge GAP II GP, L.P. (the “General Partner”). The General Partner is owned 65% by management, employees, members of the strategic council and affiliates of Tillridge, and 35% by an affiliate of NGP Energy Capital Management, L.L.C. (“NGP ECM”). NGP ECM is a SEC-registered investment adviser and information on its ownership structure may be obtained from its Form ADV filed with the SEC.

Management and advisory services for the Fund, including all day-to-day operations and investing activities, are delegated by the General Partner to Tillridge. The General Partner is not separately registered as an investment adviser with the SEC on the basis that its activities and ownership substantially overlap with those of Tillridge. It is a “relying adviser” per applicable SEC no-action guidance. The General Partner has undertaken to operate in conformance with all rules and regulations under the Advisers Act and the compliance policies and procedures maintained by Tillridge on its behalf. For more information about the General Partner, see Item 10 below. The Fund, the General Partner and Tillridge have entered into agreements with NGP ECM and its affiliate ECM Capital, L.P. (“ECM”) to provide certain marketing, investor relations, accounting, compliance and related administrative services needed for the operations of the Fund and Tillridge.

As of March 31, 2019, Tillridge managed approximately \$362,710,641 in client assets on a discretionary basis. Tillridge does not manage any client assets on a non-discretionary basis.

Item 5 – Fees and Compensation

Management Fees

The Fund pays an annual management fee that is payable quarterly in advance. The General Partner makes capital calls on the Fund’s investors for the amount of management fees and pays the amounts received to Tillridge, NGP ECM and ECM.

Both the investment management services agreement between Tillridge, the General Partner and the Fund and the administrative services and reimbursement agreement between the Fund, the General Partner, NGP ECM, ECM and Tillridge may be terminated, with or without cause, as provided by each agreement. If either agreement is terminated before the end of a quarter, Tillridge or NGP ECM, as the case may be, will be entitled to the management fees earned up to the date of termination and will repay to the Fund the unearned portion, computed on the basis of the number of days elapsed, of such fees.

The Fund generally invests on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the limited partnership agreement, over the term of the Fund, and investors generally are not permitted to withdraw or redeem interests in the Fund.

Performance-Based Fees

The General Partner is also entitled to receive a carried interest allocation from the Fund pursuant to the Fund's governing documents. Such carried interest represents a portion of the Fund's net investment profit and is allocated to the General Partner's capital account.

Other Fees

To the extent that Tillridge or the General Partner receive any monitoring fees, commitment fees, director fees or other fees from portfolio company investments, such fees will be applied first against reimbursable expenses and then against management fees otherwise payable by the Fund pursuant to the Fund's governing documents.

Certain Consultants

In certain circumstances Tillridge, the Fund and/or the portfolio companies may retain other companies and individuals ("Special Consultants"), which may be employees or former employees of portfolio companies of the Fund, or third party consultants (including individual consultants and external executives). The Special Consultants may be engaged to provide services to, or in connection with, the Fund in relation to its activities or one or more portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies, including operational aspects of such companies ("Services"). The Special Consultants may be paid and/or reimbursed by applicable portfolio companies and/or the Fund for the Services, which may include receiving a profits or equity interest in a portfolio company or other incentive-based compensation as further described in the Fund's offering documents. Any payments or reimbursements to such Special Consultants do not offset any fund management fees.

Expenses

Pursuant to the provisions of the Fund's governing documents, the Fund will pay, or reimburse Tillridge, NGP ECM, ECM and/or their respective affiliates, as the case may be, for its payment of, all expenses (other than administrative and overhead expenses of Tillridge and the General Partner) attributable to the Fund's activities, including but not limited to all out-of-pocket fees, costs, expenses and liabilities relating to the management, conduct and operation of the Fund and its business, or otherwise attributable to the existence or activities of the Fund. The expenses for registering as an investment adviser and regulatory compliance related thereto (including compliance reviews and examinations) will be borne by Tillridge. An excerpt from Tillridge's expense policy is included in its compliance manual which is made available to its investors, and to its prospective investors, in the investor portal.

In the event that expenses are to be partially allocated between more than one entity, Tillridge will endeavor to allocate such expenses in a manner it believes to be fair and equitable, which may include an allocation among such vehicles based on their relative net asset value, commitments, number of investors, actual or proposed investment size in a particular transaction or the determination of Tillridge of the benefit to be received from the activity for which the expense was incurred, subject to the relevant partnership agreement.

As described below in Item 11, in certain circumstances, the Fund's general partner is expected to permit certain investors to co-invest in portfolio companies alongside the Fund, subject to Tillridge's related policies and the relevant agreement governing the Fund. Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Fund. Any obligations, liabilities, out-of-pocket and/or breakup fees, costs and expenses relating to proposed Fund investments that are not ultimately consummated ("Broken Deals"), absent an otherwise specific

agreement or understanding with applicable co-investors, are generally allocated entirely to the Fund pursuing the Broken Deal and not to any co-investors that had planned on participating in the Broken Deal.

Item 6 – Performance-Based Fees and Side-By-Side Management

As described further in Item 5 above, the General Partner is entitled to receive a carried interest allocation pursuant to the Fund’s governing documents. Such carried interest allocation entitles the General Partner to a percentage of the net profits generated by the Fund, but it does not have to bear a corresponding percentage of the net losses, if any, suffered by the Fund. This provides a financial incentive to the General Partner to make investments with a greater risk/reward profile than would be the case in the absence of the carried interest allocation. The code of ethics adopted by Tillridge, which is described in more detail in Item 11 below, sets forth policies and procedures to address conflicts of interest. Such policies and procedures require Tillridge and its personnel to act in the Fund’s best interests. Any share of Fund net profits paid to the General Partner is separate and distinct from any annual management fee charged by Tillridge, NGP ECM and ECM to the Fund.

As discussed in the “Allocations of Investment Opportunities” subheading of Item 11 below, side-by-side management situations are rare given the restrictions contained in the Fund’s governing documents on establishing new funds prior to the end of the Fund’s investment period. To the extent that any such potential situation arises, it would generally be subject to approval by the Fund’s advisory board, as provided in the Fund’s governing documents.

Item 7 – Types of Clients

Currently, Tillridge’s only client is the Fund. Although certain Tillridge management team members formerly employed by NGP ECM will continue to be involved in investment management services for existing agribusiness and certain other investments of NGP ECM-managed funds, such funds will remain clients of NGP ECM and will not be clients of Tillridge.

The Fund consists of investors that are “Qualified Purchasers” and primarily include institutional investors such as endowments, foundations, pension plans, financial institutions, some high net worth individuals and their investment vehicles. There is not a formal minimum commitment amount of an investor in the Fund, but subscriptions of at least \$250,000 are generally sought by the General Partner.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Focused Investment Approach

The Fund is designed to draw upon the complementary strengths, experience and investment performance of the Tillridge management team and NGP ECM.

Investment decisions are reviewed at multiple levels within the Fund. An Investment Process Committee, comprised of investment professionals, reviews potential investment opportunities being considered for the Fund, provide guidance to the Fund’s professionals pursuing these opportunities and determine which investments to recommend for consideration and approval of the Investment Committee. The Investment Committee, currently comprised of two representatives of Tillridge and one representative of NGP ECM, must approve each investment of the Fund. Approvals of the Investment Committee generally require the affirmative vote, or written consent, of all three members.

The investment services provided by the Tillridge management team are complemented by Tillridge's ability to draw upon the experience of NGP ECM and Tillridge's Strategic Council, where appropriate. The Strategic Council includes leaders and executives with expertise and a deep network in the agribusiness industry.

Investment Strategy

The Fund seeks to generate superior long-term capital appreciation through investments in the agribusiness industry, with an emphasis on investments in businesses and/or assets in the midstream agribusiness industry, including, without limitation: agriproduct distribution and services, commodity storage and merchandising, transportation and logistics, commodity processing, food and feed ingredient processing, and food service manufacturing, packaging and distribution.

These include:

- *Quality People:* The Tillridge management team intends to use its proprietary network of contacts within the agribusiness industry to help identify and select portfolio management teams that each operate within a well-defined segment of the agribusiness value chain. Tillridge will seek portfolio teams with “owner-manager” traits of entrepreneurship and leadership and a demonstrable track record of success and an edge in the sub-sector.
- *Alignment:* Tillridge will seek to structure investments to align management's interests with those of the Fund. Portfolio teams will generally be required to invest in the enterprise and will have the opportunity to earn equity incentives that provide them with a disproportionate share of the profits after the Fund earns its base level of return. This incentivizes them to emphasize growth of the portfolio company through effective management of the capital structure, operations, and capital investment.
- *“Buy-Build-and-Optimize” Business Plans:* Tillridge will seek to achieve equity growth for its portfolio companies through their effective reinvestment of cash flow and their use of conservative financial leverage along with the equity provided by the Fund to acquire, build, and optimize assets (the “buy-build-and-optimize” strategy). Moreover, Tillridge intends to pursue business plans in sub-sectors of the agribusiness value chain that are sound at the micro level and supported by macro trends.
- *Value-Oriented Approach:* Tillridge will seek to invest in portfolio companies at attractive valuations by utilizing the proprietary network and strong industry reputation of its management team while also leveraging their experience in executing complex transactions and executing “buy-build-and-optimize” strategies.
- *Risk Management:* Tillridge will seek to invest across the midstream agribusiness supply chain and limit direct commodity price exposure in its portfolio companies. The Firm will also pay careful attention to the risk profile of its portfolio companies and will work with each of its portfolio companies to implement policies to manage these risks.
- *Execution:* Tillridge intends to pursue investments in portfolio companies that are able to generate value through operational improvements and take advantage of multiple exit opportunities without being solely dependent upon external factors over which it has no control.

Tillridge believes identifying portfolio company management teams that are able to flourish under these principles is the most important factor in generating attractive returns regardless of the commodity cycles.

Risk of Loss

All investments in the Fund involve a high degree of risk of loss that investors should be prepared to bear. A fundamental premise of private equity investing is the acceptance of illiquidity and a higher degree of risk in expectation of higher returns. Tillridge does not provide individualized advice to individual investors regarding whether the amount of the investor's investment is suitable from a total portfolio perspective. Investors are responsible for determining what an appropriate allocation of their total investment portfolio should be for an investment in the Fund and Tillridge disclaims any responsibility for that determination. Tillridge often may have an economic incentive for an investor to purchase as large an interest in the Fund as possible. A brief summary of some of the risks associated with an investment in a Fund is set forth below. This discussion does not purport to be a comprehensive listing of all of the risks, potential conflicts of interest and the tax, legal and regulatory considerations that an investor should consider before making any decision to invest in the Fund. Investors in the Fund were provided with a Private Placement Memorandum (as supplemented, the "PPM") that sets forth a more detailed discussion of these risks, conflicts of interest and the tax, legal and regulatory matters. Neither the brief summary below, nor the discussion in the PPMs purport to be a complete enumeration or explanation of all the risks and significant considerations involved in an investment in the Fund. Investors in the Fund are advised that they should consult with their own legal, financial, tax and other advisors before deciding to make any investment decision.

- *Illiquidity and Long Holding Period.* Investors have no redemption rights, and their ability to sell their partnership interests to third parties might be limited. The Fund has a term exceeding ten years. Investors therefore should be financially able to hold their investments for the long term.

- *Lack of Diversification.* The Fund typically holds fewer discrete investments than managed public securities portfolios such as mutual funds. Furthermore, the Fund has focused investment objectives and, accordingly, has concentrated exposure to particular sectors or geographic areas. The ability of the Fund to make direct investments further increases its portfolio concentration.

- *Lack of Ability to Participate; Key Personnel.* Investors have no right or power to participate in the management or control of the business of the Fund and thus must depend solely upon the ability of Tillridge to make investments and otherwise manage the enterprise. Investors must rely on the abilities and background of Tillridge's management team and personnel; accordingly, the loss of key personnel could have an adverse impact on the Fund's performance.

- *Unspecified Use of Proceeds; Limited Recourse.* Investors in the Fund generally will not know what specific investments will be made at the inception of the relationship. Investors have limited rights to withdraw from the Fund, cease to make further capital contributions or terminate Tillridge as manager, even if such investors are dissatisfied with the investments made or investment results. The governing documents of the Fund contains provisions limiting Tillridge's liability to investors, and provide for broad indemnification of Tillridge against liability, all subject to the requirements of applicable law, including the federal securities laws.

- *Investments Outside the United States.* Investments by the Fund in companies based outside the United States involve additional risks, including: currency fluctuation; less robust banking and other financial systems; less reliable financial reporting; less developed judicial and regulatory regimes; potential for restrictions on repatriation of investments or confiscatory taxation; and potential political or economic instability.

- *Management Fees and Expenses.* The Fund bears management fees and expenses. The investment return on the underlying investments therefore must be sufficient to offset both levels of fees and expenses before investors will earn a positive investment return. In addition, to the extent a management fee is based on committed rather than invested capital, investors pay management fees on both called and uncalled capital, resulting in high effective fee rates (i.e., fees on invested capital) at the beginning of an investment when little capital has

been called and invested. Because of the extensive due diligence and ongoing management activity required for many private equity investments, expenses aside from management fees are generally higher than those of portfolios invested in public markets.

- *Conflicts Relating to the Limited Investment Capacity of a Fund.* Tillridge intends to engage in the management of future funds which may give rise to conflicts of interest. The investment objectives of previously-existing or later-formed funds could overlap. To the extent an investment opportunity is appropriate for multiple funds, Tillridge will allocate opportunities to each fund for which the investment is suitable in a fair and equitable manner in accordance with its then existing allocation policies and applicable governing documents. Such determination may not be pro rata among funds. Tillridge may have a conflict inherent in such determination, and therefore may involve the applicable funds' advisory boards, as provided in the funds' governing documents, to resolve the conflict as necessary. This allocation of investment opportunities may result in the Fund participating in an investment to a lesser extent than would otherwise have been the case if the Fund's investment capacity was not limited.

- *Risks Related to Agribusiness.* The existence of desirable investment opportunities for the Fund is dependent on the currently anticipated growth in global population and a related increase in demand for food and agricultural products. Growth in population, per capita consumption and changes in diet cannot be predicted with any certainty. In addition, asset valuations in agribusiness may be highly volatile, due to reasons such as commodity price volatility and the uncertainty of global natural disasters and demographic shifts over the life of the Fund.

- *Legal, Regulatory and Tax Risks.* Tillridge and the Fund are subject to a myriad of complex laws, rules and regulations. Changes in these laws or in the interpretation or enforcement can adversely impact the operation of Tillridge and the value of the Fund's investments in a manner that is not possible to predict. The laws and rules relating to the taxations of investments are extremely complex and may require the Fund to take tax positions without clear authority. If these positions are successfully challenged by taxing authorities, additional tax, interest and possibly penalties might be payable by a Fund or its Investors. Investors outside of the U.S. often face additional uncertainty in the application of tax and other laws both in the U.S. and in the jurisdictions in which they operate.

- *Cybersecurity Risks.* Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. 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 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 of such circumstances could subject a portfolio company, or the Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Tillridge or one of its service providers holding its financial or investor data, Tillridge, its affiliates or the Fund may also be at risk of loss.

Item 9 – Disciplinary Information

None.

Item 10 – Other Financial Industry Activities and Affiliations

Tillridge is not currently, nor does it intend to, become registered as a broker-dealer, a futures commission merchant, a commodity pool operator, or a commodity trading advisor for any of the foregoing entities. No Tillridge investment professional is, or intends to become a registered representative or an associated person of the foregoing entities.

Tillridge GAP II GP, L.P. is the general partner of *Tillridge Global Agribusiness Partners II, L.P.* The limited partnership interests of *Tillridge GAP II GP, L.P.* are owned 65% by management, employees, members of the strategic council and affiliates of *Tillridge*, and 35% by an affiliate of *NGP ECM*.

As noted above in Item 4, *NGP ECM* is registered with the SEC and is considered an affiliated advisor of *Tillridge*. *NGP ECM* has the right to appoint a representative to the Investment Committee of the Fund. The approval of any matter brought to the Investment Committee will require the consent of all three members, subject to certain events. As a result of such representation, *NGP ECM*'s approval is required for new investments and dispositions of investments by *Tillridge* on behalf of the Fund; however, *NGP ECM* has no control over *Tillridge*'s day-to-day management. In addition, *NGP ECM* will provide certain marketing, investor relations, accounting, compliance and related administrative services needed for the operations of *Tillridge* and the Fund.

During the investment period of the Fund, the *Tillridge* management team will devote such time to the Fund and their respective responsibilities under the Fund and *Tillridge* as they believe is necessary to fulfill their duties. However, the *Tillridge* management team members also have responsibilities to existing agribusiness and certain other investments of *NGP ECM* managed funds and will continue to be involved in investment management services for such investments for so long as the agribusiness portfolio investments are owned by *NGP Natural Resources X, L.P.* and *NGP Agribusiness Follow-On Fund, L.P.* (collectively the "Prior *NGP Funds*"). Although the members of the *Tillridge* management team are committed to the success of the Fund, the affairs of the Fund will not receive their undivided attention at all times. *Tillridge* management team members previously employed by *NGP ECM*, including Mark Zenuk and Cameron Dunn, will continue to own interests in the Prior *NGP Funds* and other related *NGP funds* in exchange for the services provided to the existing agribusiness and certain other investments in the Prior *NGP Funds*. These economic interests are substantial and are subject to certain risks of forfeiture if such *Tillridge* management team members do not continue to provide ongoing investment monitoring services for the agribusiness investments of the Prior *NGP Funds*. In connection with providing these services, such *Tillridge* management team members will continue to serve on the boards of the Prior *NGP Funds*' agribusiness portfolio companies and in that capacity will owe fiduciary duties to such portfolio companies. In addition, the Fund may invest in an entity in which an investment has been made by a Prior *NGP Fund* or some other affiliate of *NGP ECM*, if, in the judgment of the General Partner, such an investment would be advantageous to the Fund. The fiduciary duties that the *Tillridge* management team members will owe to portfolio companies of the Prior *NGP Funds* and the economic interests held by the *Tillridge* management team members in the *NGP ECM* managed funds may create conflicts of interest with the Fund and its portfolio companies in a variety of situations, including, without limitation, sourcing of investment opportunities, competition among portfolio companies of the various funds, investments made by the Fund in portfolio companies of *NGP ECM* managed funds, and allocation of the time and effort of the *Tillridge* management team. *Tillridge* attempts to resolve such conflicts of interest in light of its obligations to the Fund and the obligations owed by *Tillridge*'s advisory affiliates to the investment vehicles managed by them, and attempts to allocate investment opportunities among such entities in a fair and equitable manner. Where necessary, *Tillridge* consults and receives consent to conflicts from an advisory board consisting of investors of the Fund and such other investment vehicles, if any.

Item 11 – Code of Ethics

Tillridge has adopted a code of ethics for all supervised persons, as defined for Advisers Act purposes, of the firm describing its high standard of business conduct, and fiduciary duty to its clients. *Tillridge*'s code of ethics, together with its compliance manual, include provisions relating to the confidentiality of fund information, a prohibition on insider trading, reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All *Tillridge* employees must acknowledge the terms of the

code of ethics annually, or as amended. Tillridge's code of ethics and compliance manual are made available to its investors, and to its prospective investors, in the investor portal.

Conflicts of Interest

The governing documents of the Fund generally provide that key management members for the Fund must offer to the Fund each investment opportunity that involves an investment within the parameters specified for the Fund. In addition, Tillridge has established a committee based system to manage the key decision-making processes of the firm, including the investment process, in an effort to mitigate potential conflicts of interest. See Item 13 – Review of Accounts below.

Allocations of Investment Opportunities

The governing documents of the Fund generally provide that a new fund will not begin investing until the investment period of the prior fund has ended, with the result that new investment opportunities are not required to be allocated among multiple funds. See *Conflicts Relating to the Limited Investment Capacity of a Fund* under Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for additional information regarding investments that cross over more than one fund.

To accommodate its diverse range of investors, Tillridge may establish a parallel investment structure alongside a fund for certain legal, tax, and regulatory considerations. The fund and its parallel investment entities will invest pro rata in all fund investments in accordance with the governing documents of each fund.

Advisory Board Approvals

An advisory board is established for the Fund. The advisory board will include representatives of investors that are not affiliated with Tillridge or NGP ECM. While the advisory board will not have a direct role in management of the Fund, it may be called upon to resolve potential conflicts of interest presented to it by Tillridge, such as a cross-fund investment. Tillridge prepares materials and presentations for the advisory board with respect to any matters requiring their approval and the consents of members required to be received are generally documented via written or email communications.

Co-Investment Opportunities

The governing documents of the Fund generally provide that the General Partner has sole discretion to offer co-investment opportunities in a potential investment to any person (excluding employees of Tillridge), which may include, without limitation, unrelated third parties, the limited partners in the Fund, investors in parallel investment entities or investors in the Prior NGP Funds (or any co-investment entities or other affiliates established for such purpose by one or more limited partners or investors). The structure and terms of any such co-investment opportunity and the priority accorded to potential co-investors shall be determined in the sole discretion of the General Partner. When making decisions to offer co-investments, Tillridge will consider, among other factors, the specific provisions of the Fund's governing documents, the remaining investment capacity of the Fund, concentration considerations and the characteristics of the specific investment. There are circumstances where an amount that would have otherwise been invested by the Fund is instead allocated to co-investors who may not be investors in the Fund. There is no guarantee for any Fund investor that it will be offered any co-investment opportunities. To the extent that investors might have a greater propensity to invest in funds that provide co-investment opportunities, Tillridge would have an incentive to provide such opportunities. Such incentives would from time to time give rise to conflicts of interest, and there can be no assurance that any investment opportunities that would have otherwise been offered to the Fund will be made available to the Fund. Conversely, there are circumstances where Tillridge may be incentivized not to offer a co-investment opportunity to investors and instead offer an investment opportunity to a future fund as a cross-

fund investment. Potential investors should consider these potential conflicts in making their investment decisions.

Conflicts with Portfolio Investments

Officers, employees and other affiliates of Tillridge may serve as directors (or in a similar capacity) of certain portfolio companies and, in that capacity, will be required to make decisions that they consider to be in the best interests of such portfolio companies and their equity holders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interest of the portfolio company may not be in the best interests of the Fund, and vice versa. Accordingly, in these situations, there will be conflicts of interests between such individual's duties as an officer, employee or affiliate of Tillridge and such individual's duties as a director of the portfolio company.

Activities of Members of the Tillridge Management Team

See the last paragraph under Item 10 above.

The Fund may be subject to certain conflicts of interest arising out of the relationship between the Fund and Tillridge and its affiliates. In particular, a conflict may arise in connection with an investment made by the Fund in any portfolio company of any of the Prior NGP Funds. For purposes of any such investment, the fair value of these companies will be required to be negotiated between the Fund on the one hand, and the management and owners of these portfolio companies (including the Prior NGP Funds), on the other hand. Tillridge, which acts on behalf of the Prior NGP Funds, and the Fund, may have a conflict of interest with respect to this valuation process. Certain provisions of the definitive agreements for the Fund and of the governing documents of the Prior NGP Funds are designed to protect the interests of the investors in these respective entities in situations where such a conflict arises, including the requirement of advisory board approval of any transaction between the Fund and a NGP Fund not on an arms-length basis. Although Tillridge has not adopted a formal policy for resolving all of the actual and potential conflicts of interest that may arise in connection with the on-going management of these investments, Tillridge will attempt to resolve such conflicts of interest by exercising its fiduciary duty of good faith to reach an equitable result for the Fund and the Prior NGP Funds.

Conflicting Investor Interests

The Fund has a diverse range of investors that may have conflicting interests that stem from differences in investment preferences, domicile, tax status and regulatory status. Investors may have conflicting investment, tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts may arise in connection with decisions made by Tillridge regarding an investment that may be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, Tillridge generally will consider the investment and tax objectives of the Fund and its partners as a whole, not necessarily the investment, tax, or other objectives of any particular investor.

Item 12 – Brokerage Practices

Tillridge, by nature of its private equity focus, invests primarily in private companies. On occasion, however, Tillridge may take portfolio companies public or merge portfolio companies into public companies for cash and/or publicly-traded securities. As part of an exit strategy, any publicly-traded securities acquired on behalf of the Fund may be sold in the public markets.

When Tillridge decides to transact in publicly-traded securities in the open market as part of a portfolio company acquisition or exit strategy, investment professionals will evaluate strategies for trading in such public securities. Strategies may include holding securities over the short or long term, selling securities over the short or long term, or distributing securities to investors, among other things. The investment professionals will seek “best execution” for any open market purchase or sale of securities in connection with the implementation of these strategies.

“Best execution” is not synonymous with lowest brokerage commissions or other transaction costs. In determining whether a particular broker-dealer is likely to provide best execution in a particular transaction, Tillridge takes into account all factors that it deems relevant to the broker-dealer’s execution capability, which may include, but not be limited to the following:

- Listed bids and asks;
- Market making activities of the broker-dealer in the securities;
- The opportunity for price improvement;
- Transaction costs;
- Anonymity;
- Liquidity;
- Speed of execution;
- Expertise with difficult securities;
- Trading style and strategy;
- Geographic location; and
- Frequency of errors.

Soft Dollars

Section 28(e) of the Securities Exchange Act of 1934 provides a safe harbor that allows an investment adviser to pay more than the lowest available transaction cost in order to obtain brokerage and research services (commonly referred to as a “soft dollar” arrangement).

Tillridge may receive products or services from broker-dealers and other counterparties that to the company’s knowledge are generally made available to all institutional clients doing business with these counterparties, provided that these products and services are made available to Tillridge on an unsolicited basis and without regard to transaction costs paid by the Fund or the volume of business the company directs to these counterparties.

Item 13 – Review of Accounts

Tillridge’s investment professionals will be mindful of the Fund’s stated investment objectives when evaluating and approving investment recommendations and will always seek to comply with any stated investment restrictions. Tillridge has instituted a committee structure with both regular and *ad hoc* meetings as necessary, to facilitate the sourcing, evaluating, execution and monitoring of investments.

Research and Due Diligence

The Investment Process Committee (“IPC”) is charged with organizing business development and new deal processing activities of Tillridge. The IPC will meet routinely to discuss potential deals and will assign a group of investment professionals (a “Deal Team”) to each potential deal under serious consideration. A Deal Team will generally consist of a Managing Partner or Partner, and an associate of Tillridge. A Deal Team leader will

be responsible for supervising the activities of members of the Deal Team and ensuring that appropriate due diligence is conducted. Deal Teams will periodically report to, and seek guidance from, the IPC regarding the results of their research and due diligence and will prepare such analysis and memorandums or other written materials relating to a proposed investment as they determine to be useful for the committee to evaluate the risks and merits of the opportunity.

Investment Review and Approval

The Investment Committee (“IC”) is charged with providing final approval for all Fund investments. The IC consists of two representatives of Tillridge and one representative of NGP ECM. The IC meets as necessary to consider investment proposals that have been recommended by the IPC. An IC Memorandum is prepared for each new investment and will be signed by members of the IC upon its approval. IC Memorandums generally summarize key factors considered in making an investment decision and will typically be supplemented with relevant research and due diligence documentation, such as management presentations, background checks, financial statements, market studies, financial models, term sheets and other information, as applicable.

Portfolio Monitoring

The Monitoring Committee (“MC”) is charged with organizing and directing the monitoring activities for all of the portfolio companies of the Funds. All Managing Partners and Partners of Tillridge are designated members of the MC. The MC will meet routinely to discuss any portfolio company developments and will assign a group of investment professionals (a “Monitoring Team”) to each portfolio company. A Monitoring Team will generally consist of a Managing Partner or Partner, and an Associate. A Monitoring Team leader is responsible for supervising the activities of members of the Monitoring Team and for ensuring that appropriate ongoing monitoring of the portfolio company is conducted. Monitoring Teams will periodically report to the MC regarding material developments involving portfolio companies.

Tillridge reviews the Fund’s portfolios in conjunction with its periodic preparation of unaudited account statements, which are delivered to investors on a quarterly basis. Additionally, Tillridge prepares quarterly letters containing summaries of fund holdings and transactions that are provided to investors in conjunction with their quarterly account statements. Portfolios are also reviewed on an annual basis in conjunction with the preparation of the audited financial statements by the Fund auditor. In addition, the Fund portfolio is reviewed with investors at least once per year, typically at an annual meeting of investors. Further, the Fund’s portfolio will be provided for review by the advisory board in conjunction with their annual review of the valuation of the portfolio.

Item 14 – Client Referrals and Other Compensation

From time to time, Tillridge may deem it to be in the best interests of the firm and its clients to engage a third party placement agent to introduce investors to Tillridge. Depending on the specific arrangement, Tillridge may pay a placement fee, which may be calculated as a percentage of the fees paid to Tillridge in connection with the investor. Notice is given to investors that a placement fee may be paid by Tillridge to a placement agent for referring the investor to Tillridge. In all cases, placement fees are borne entirely by Tillridge and not by the Fund or investors in the Fund.

A placement agent may seek to do business with and earn fees or commissions from affiliates of Tillridge and their portfolio companies, as well as with other third party sponsors that may have similar or different investment objectives as the Fund. Examples of such business may include, without limitation: financing or investment banking services; lending or credit arrangement services; and placement services. Accordingly, a

placement agent may be influenced by their interests in such current or future fees and commissions, if any, including differentials in the placement fees that are offered by other third party fund sponsors for which the placement agents act as placement agent. Potential investors should consider these potential conflicts in making their investment decisions.

Item 15 – Custody

Tillridge will conduct all business operations in such a way that the Fund's cash and securities, other than privately offered non-certificated securities, will be preserved in the safekeeping of independent qualified custodians as required. An independent public accountant audits the Fund annually, and the audited financial statements are distributed to the investors of the Fund.

Item 16 – Investment Discretion

Tillridge, through the General Partner, has discretionary authority to determine the securities or other investments and the amounts thereof to be bought or sold by the Fund. Such authority is subject to the limitations set forth in the governing documents of the Fund. Such limitations include restrictions on certain securities or types of securities, geographies and leverage.

Item 17 – Voting *Client* Securities

It is Tillridge's policy to exercise proxy votes on behalf of the Fund in the best interest of the Fund while balancing and observing any applicable legal duties (including fiduciary) and contractual obligations. When voting Fund proxies, Tillridge will take into consideration all relevant factors, including without limitation, acting in a manner that Tillridge believes will (i) maximize the economic benefits to the Fund and (ii) promote sound corporate governance by the issuer. Clients may obtain a copy of such voting policies and procedures upon request at the phone number or email address shown on the cover of this brochure.

Tillridge maintains records in connection with each proxy vote in accordance with the Advisers Act.

Item 18 – Financial Information

No management fees are payable to Tillridge by the Fund more than six months in advance. As such, under relevant SEC rules Tillridge is not required to include its balance sheet for the most recent fiscal year or disclose information about its financial position.

Tillridge is not aware of any financial conditions that are reasonably likely to impair its ability to meet its contractual obligations to the Fund. Tillridge has never been the subject of a bankruptcy petition.