
Item 1: Firm Brochure

(Part 2A of Form ADV)

QUAD PARTNERS LLC

570 Lexington Avenue, 36th Floor

New York, NY 10022

Telephone: (212) 724-2200

Email: linc@quadpartners.com

Website: www.quadpartners.com

This brochure provides you with information about the qualifications, business practices and nature of advisory services of QUAD PARTNERS LLC (the “Firm” or “QUAD”). Please contact Lincoln E. Frank at (212) 724-2200 if you have any questions about this brochure.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

We are registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Recipients of this Brochure should be aware that registration with the SEC does not imply a certain level of skill or training.

Additional information about our firm is available on the SEC’s Investment Adviser Public Disclosure (“IAPD”) website at www.adviserinfo.sec.gov.

March 30, 2022

Item 2: Material Changes

Since QUAD's last posting of this document on the IAPD website on March 30, 2021, the Firm made one material change: Item 10.C. was amended to disclose and describe QUAD's relationship with an affiliated relying adviser – Quad Partners Management LLC.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at (212) 724-2200 or by email at linc@quadpartners.com.

Item 3: Table of Contents

Item 2:	Material Changes	1
Item 3:	Table of Contents	2
Item 4:	Advisory Business.....	4
A.	Firm Description	4
B.	Types of Advisory Services.....	4
C.	Tailored Relationships	5
D.	Wrap Fee Programs	5
E.	Assets under Management.....	5
Item 5:	Fees and Compensation	5
A.	Description of Advisory Fees	5
B.	Billing	6
C.	Other Fees and Payments	6
D.	Refund Policy	9
E.	Other Compensation	9
Item 6:	Performance-Based Fees and Side-by-Side Management	9
Item 7:	Types of Clients.....	10
A.	Types of Clients	10
B.	Conditions for Account Management.....	10
Item 8:	Methods of Analysis, Investment Strategies and Risk of Loss	10
A.	Methods of Analysis	10
B.	Investment Strategies	10
C.	Risks of Loss.....	11
D.	Recommendation of Specific Types of Securities.....	16
Item 9:	Disciplinary Information	16
Item 10:	Other Financial Industry Activities and Affiliations	17
A.	Financial Industry Activities.....	17
B.	Financial Industry Affiliations.....	17
C.	Other Material Relationships	17
D.	Other Investment Advisers	19

Item 11:	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	19
A.	Code of Ethics.....	19
B.	Participation of Interest in Client Transactions	19
C.	Proprietary Trading	20
D.	Simultaneous Trading.....	20
Item 12:	Brokerage Practices.....	20
A.	Selection and Recommendation	20
B.	Directed Brokerage	20
C.	Order Aggregation.....	21
Item 13:	Review of Accounts	21
A.	Periodic Reviews	21
B.	Intermittent Review Factors.....	21
C.	Client Reports.....	21
Item 14:	Client Referrals and Other Compensation.....	21
A.	Economic Benefits from Others.....	21
B.	Compensation to Unaffiliated Third Parties	22
Item 15:	Custody.....	22
A.	Custodian of Assets	22
B.	Account Statements	22
Item 16:	Investment Discretion	22
Item 17:	Voting Client Securities	23
Item 18:	Financial Information	23
	Privacy Policy	24

Item 4: Advisory Business

A. Firm Description

QUAD is an investment management firm that is registered with the United States Securities and Exchange Commission (the “SEC”) as an investment adviser. It is structured as a Delaware limited liability company that was formed in 1999. QUAD provides investment advisory services to pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

QUAD’s current business activity consists of providing investment advice to Quad Partners II LP (“Fund II”), Quad Partners III-A LP (“Fund III”), Quad Partners IV LP, Quad Partners IV Taxable AIV LP, and Quad Partners IV Blocker AIV LP (together, “Fund IV”), Quad Partners V LP, Quad Partners V Taxable AIV LP, and Quad Partners V Blocker AIV LP, Quad Partners V Cayman AIV LP (together, “Fund V”), Quad Partners VI LP, and Quad Partners VI-A LP (together, “Fund VI”), and Quad Cayuse SPV LP (“SPV”), each a Delaware or Cayman Islands limited partnership (each separately, a “Fund” and together, the “Funds”), which make equity and equity-related investments directly in privately held companies. QUAD may in the future advise other funds in addition to those listed herein.

None of QUAD’s clients are natural persons; its only clients are the Funds. Since QUAD has no clients that are natural persons, it does not tailor its services to any individual’s needs or objectives.

Principal Owner

Lincoln E. Frank is the Managing Member and owns 100% of the Firm.

B. Types of Advisory Services

QUAD provides investment advice to the Funds which make equity and equity-related investments primarily in companies that operate in the education and training business sectors. Affiliates of QUAD act as general partners to the Funds, and as general partners, these affiliates are solely responsible for the management of the Funds. Investors in the Funds are limited partners (the “Limited Partners”).

QUAD provides investment advisory services to each of the Funds pursuant to separate investment and advisory agreements. Investment advice is provided by QUAD directly to the Funds, subject to the direction and control of the affiliated general partner of such Fund.

Any restrictions on investments in certain types of securities are established by the general partner of the applicable Fund and are set forth in the documentation received by each limited partner prior to investment in such Fund. Once invested in a Fund,

investors cannot impose restrictions on the types of securities in which such Fund may invest.

C. Tailored Relationships

QUAD provides investment advisory services to the Funds based on the investment objectives of the Funds. **QUAD does not provide tailored investment advice to the Limited Partners in the Funds.**

D. Wrap Fee Programs

QUAD does not participate in and is not a sponsor of wrap fee programs.

E. Assets under Management

QUAD manages a total of \$913,689,951 in client assets on a discretionary basis. This assets under management figure is based on calculations as of December 31, 2021.

Item 5: Fees and Compensation

A. Description of Advisory Fees

QUAD earns its fees and compensation by providing advice and investment management services to the Funds.

Management Fees (defined below), Ancillary Fees (defined below) or other fees payable to QUAD and its affiliated general partners by the Funds are established by QUAD at the time of the establishment of the relevant vehicle and negotiated with participating Limited Partners prior to their investments. Specific details of such compensation and expenses and their method of calculation are set forth in the Funds' Memoranda. The fees and other compensation payable to QUAD by a Fund may vary from fund to fund and may be different from the fees and compensation payable with respect to any prior or successor Fund. Such compensation and expenses are generally not negotiable although QUAD may, from time to time, enter into side letter agreements or other arrangements with specific Limited Partners in certain Funds to provide such Limited Partners with the opportunity to receive rebates of or reductions of Management Fees or other compensation otherwise payable to QUAD with respect to their investments.

The Funds will compensate QUAD with Management Fees and Ancillary Fees assessed as follows:

1. Management Fees

QUAD receives periodic management fees from the Funds generally of up to 2% of capital committed to, or the invested capital of, the Funds (the "Management Fees").

Management Fees paid by Limited Partners in QUAD Funds generally impact the Carried Interest (defined below) allocations received by QUAD's affiliated general partners.

QUAD or its affiliated general partners may, in their sole discretion, elect to waive or reduce Management Fees with respect to any consenting Limited Partner.

The precise amount of, and the manner and calculation of, the Management Fees for each Fund is disclosed in the organizational and offering documents of each Fund.

2. Ancillary Fees

QUAD and its affiliated parties may, from time to time, receive monitoring fees, directors' fees, transaction fees, break-up fees and other fees from portfolio companies or prospective portfolio companies of the Funds (collectively, such fees are herein referred to as "Ancillary Fees"). Ancillary Fees will be allocated to the Funds and any other QUAD entity investing in the relevant portfolio company based on their investment amounts, and a portion thereof will be applied to reduce future Management Fees payable to QUAD by the Funds according to the terms outlined in the organizational and offering documents for each Fund.

B. Billing

The advisory fees are generally payable in advance on a quarterly basis and in accordance with the terms agreed upon by QUAD and each respective Fund. These are generally paid out of monies otherwise available for distribution or out of capital calls. Please refer to the Memorandum of each of the Funds for complete information on the timing of advisory fee payments.

C. Other Fees and Payments

In addition to the advisory fees payable to QUAD, each Fund may incur certain additional charges that are imposed on the Fund by third parties. These additional charges are typically set forth in the Memorandum of each Fund and may include, but are not limited to: account fees, custodial expenses, other bank service fees and other investment costs, fees, and expenses incurred in connection with completed investments.

As part of its strategy, QUAD has entered and will enter into certain strategic relationships with operating partners and similar persons to provide certain services in connection with due diligence, providing operating management to portfolio companies and/or sourcing investments. In connection with such services, these persons may be entitled to (a) receive cash and/or non-cash (e.g., equity) consideration for their services from the applicable portfolio companies, (b) receive cash consideration (without duplication of (a) above) for their services from the applicable Fund; (c) invest directly in one or more portfolio companies, and/or (d) participate in a portion of the carried interest received by the general partner to the applicable Fund.

Any such cash or non-cash consideration received by an operating partner or similar person from a portfolio company will not be “Ancillary Fees” subject to offset for purposes of Item 5 A. 2 above.

Typically, legal, accounting, filing and other expenses incurred in connection with organizing and establishing a Fund are borne by the Limited Partners in such Fund. Often, these expenses are capped in the governing documents for the Fund. With respect to certain Funds, such expenses, up to the amount of any applicable cap, are borne by the partners in such Funds and any excess is borne by QUAD.

Each Fund will be responsible for all costs and expenses related to the operation of such Fund. These costs and expenses (except to the extent such expenses are paid or reimbursed by a portfolio company) can include: the Management Fee; out-of-pocket investment costs, such as investment banking fees and brokerage and underwriting commissions, transfer taxes and finder’s commissions; all out-of-pocket expenses of such Fund relating to sourcing, investigating, acquiring, monitoring, distributing and disposing of investments (including, without limitation, reasonable travel and other out-of-pocket expenses as well as fees for attendance of industry conferences, the primary purpose of which is sourcing investments); domestic and foreign taxes payable by such Fund and all other taxes, stamp and other duties and other governmental charges payable by or on behalf of such Fund; fees and disbursements of outside auditors and accountants relating to any audit of, or accounting services with respect to, the books and records of such Fund including, without limitation, (1) the preparation of periodic reports to the Partners and (2) the calculation of the amount of any tax benefit recognized by such Fund’s general partner (or its partners) in respect of any clawback payment; fees and disbursements of attorneys, consultants, accountants, third-party appraisers, fund administration service providers and valuation experts and other professionals (including, without limitation, legal fees in connection with the legal opinions required to be delivered pursuant to such Fund’s governing agreement (each, a “Partnership Agreement”)); interest expenses on borrowings permitted by the terms of the Partnership Agreement and all expenses incurred in negotiating, entering into, effecting, maintaining, varying and terminating any borrowing or guarantee permitted to be incurred by the Partnership Agreement (including, without limitation, any promissory note issued to a Limited Partner pursuant to the terms of the Partnership Agreement); certain organizational expenses; all broken deal expenses; expenses of members of such Fund’s advisory committee; the amounts required to be paid to any indemnitee under the Partnership Agreement; expenses incurred in connection with meetings of the partners; all insurance premiums or similar expenses incurred in connection with the activities and management of such Fund (including, without limitation, fidelity insurance); the cost of maintaining records and books of account in relation to the business of such Fund (including any expenses or costs associated with any software or online data portal used in connection with the maintenance of such books and with such reporting to Limited Partners); all costs and expenses incurred in relation to obtaining waivers, consents or approvals pursuant to the Partnership Agreement and all reasonable costs and expenses of, and/or incidental to, the preparation of amendments to the Partnership Agreement; all costs and expenses of, and/or incidental to, the

preparation and dispatch to the partners of all checks, reports, circulars, forms and notices and any other documents necessary or desirable in connection with the business and administration of such Fund; all costs and expenses incurred as a result of termination of such Fund and the distribution, realization or disposal of portfolio companies and other Fund assets pursuant thereto; all costs and expenses of any threatened or actual litigation involving such Fund and the amount of any judgment or settlement paid in connection therewith, excluding however the costs and expenses of any litigation, judgment or settlement with respect to which an indemnitee is not entitled to indemnity pursuant to the Partnership Agreement; all expenses incurred in relation to the registration of any securities of a portfolio company or the custody of the documents of title thereto (including, without limitation, bank charges, insurance of documents of title against loss in shipment, transit or otherwise, and charges made by agents of such Fund's general partner or QUAD for retaining documents in safe custody); the costs of forming and maintaining any alternative investment vehicle or feeder vehicle; all compensation and expenses of operating professionals engaged by QUAD or its affiliates to work with portfolio companies of such Fund and all other costs incurred in connection with the administration of such Fund or otherwise that may be authorized by the Partnership Agreement or approved by a majority in interest of the Limited Partners or such Fund's advisory committee.

There are additional general categories of expenses that may be borne by the Funds depending on their structure.

Notwithstanding anything to the contrary, certain expenses of each Fund or the general partners incurred in connection with structuring, negotiating, making, monitoring, selling or otherwise disposing of, or otherwise relating to, an investment may be borne by the applicable portfolio company and, as such, shall not be paid by the general partners or such Fund and to the extent that any costs and expenses of such Fund is an expense of such Fund and of one or more pooled investment vehicles (each, a "Parallel Regulatory Vehicle") to address the legal, tax, regulatory or other considerations of particular Limited Partners, the structure and terms of which may differ from that of each Fund, but which will invest proportionately in all transactions on effectively the same terms and conditions as such Fund, including the costs, expenses and liabilities incurred in connection with structuring, negotiating, making, monitoring, selling or otherwise disposing of, or otherwise relating to, an investment, such expense will be borne pro rata among such Fund and such Parallel Regulatory Vehicles, based upon their respective aggregate commitments. For the avoidance of doubt, any expense of each Fund which is not also an expense of any Parallel Regulatory Vehicle will not be borne by such Parallel Regulatory Vehicle and any expense of any Parallel Regulatory Vehicle which is not also an expense of such Fund will not be borne by such Fund.

Co-investors will typically bear their pro rata share of fees, costs and expenses related to the discovery, investigation, development, acquisition or consummation, ownership, maintenance, monitoring, hedging and disposition of their co-investments and may be required to pay their pro rata share of fees, costs and expenses related to potential investments that are not consummated, such as breakup fees or broken deal

expenses. Although QUAD endeavors to allocate such fees, costs and expenses on a fair and equitable basis, there can be no assurance that such fees, costs and expenses will in all cases be allocated appropriately. In addition, co-investors may not agree to pay or otherwise bear fees, costs and expenses related to unconsummated co-investments (and in certain circumstances, co-investors may not bear such fees, costs and expenses because they have not been identified as of the time such potential investment ceases to be pursued). In such event, such fees, costs and expenses will be considered operating expenses of and be borne by the applicable Fund.

D. Refund Policy

The Funds typically invest on a long-term basis. Accordingly, fees are paid during the term of the respective client, and withdrawal or redemption of interests is generally not permitted prior to the termination of each respective Fund.

Where Management Fees are paid in advance with respect to a QUAD Fund, the terms of such Funds (which are closed-end funds) typically contemplate repayments of fees to the extent that QUAD's management services terminate prior to the end of the relevant payment period.

E. Other Compensation

QUAD does not accept any compensation other than the compensation outlined above, and in Item 6 below.

Item 6: Performance-Based Fees and Side-by-Side Management

Performance-Based Fees are fees based on a share of the realized capital gains or capital appreciation from the assets of the Funds.

QUAD's affiliated general partners assess Performance-Based Fees.

Although QUAD does not receive Performance-Based Fees from the Funds, QUAD's affiliated general partners typically receive fees that are based on performance in the form of a "Carried Interest" from each Fund. The Carried Interest percentage varies by Fund. However, it is generally up to 20% of the net realized returns of a Fund's portfolio investments. The Carried Interest may be subject to hurdles and/or clawbacks.

QUAD's affiliated general partners may, in their sole discretion, elect for the Carried Interest for each Fund (and any related clawback amounts) to be calculated differently or waived with respect to any consenting Limited Partner.

The precise amount of, and the manner and calculation of, the Carried Interest for each Fund is disclosed in the organizational and offering documents of each Fund.

The existence of the Carried Interest may create an incentive for QUAD's affiliated general partners to favor one fund over another or to make more speculative investments on behalf of the Funds than would otherwise be made in the absence of such arrangement. Such speculative investments may carry a higher degree of risk.

The Performance-Based Fees will only be charged to "qualified clients" as that term is defined in Rule 205-3 under the Advisers Act, or similar state statutes.

Item 7: Types of Clients

A. Types of Clients

QUAD has no clients other than the Funds and, at this time, does not offer any services to any other person.

Limited Partners in the Funds must typically be both "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act and "qualified clients" as defined in Rule 205-3 under the Advisers Act. The Interests will not be registered under the Securities Act or the securities laws of any state.

B. Conditions for Account Management

The minimum initial capital contribution for the Funds is \$5,000,000. QUAD reserves the right to reduce the minimum initial capital contribution and to accept subscriptions for lesser amounts.

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

A. Methods of Analysis

QUAD primarily seeks to make investments in privately negotiated buyout and growth equity investments in education, training and related industries. In evaluating potential portfolio companies, QUAD conducts extensive due diligence to analyze, among other things, the company's market and competitive position within that market, the company's cost and revenue structures, the company's unique assets such as brand strength and intellectual property, the company's management team and compensation structure, the company's contingent liabilities (environmental, regulatory, accounting or otherwise), and the company's potential growth opportunities and potential exit strategies.

B. Investment Strategies

The Funds' investment objectives are to produce long-term capital appreciation primarily by making investments in privately negotiated buyout and growth equity

investments in education, training and related industries. **There can be no assurance that the Funds will achieve their investment objectives or avoid substantial losses.**

The Funds will primarily seek to acquire small, well-established, owner-operated education companies. The Funds expect primarily to invest in companies with positive cash flow and significant growth potential. They will generally target investments that can be negotiated directly with business owners. The Funds intend to take control positions in portfolio companies but may, in certain cases, take minority positions.

C. Risks of Loss

Private equity investing, including an investment in the Funds, entails a significant degree of risk and, therefore, should be undertaken by investors capable of evaluating and bearing certain risks. QUAD may not be able to achieve the investment objectives for any particular Fund and any investor may not receive a return of their capital. Historically, private equity returns have varied greatly over time, depending on the conditions at the time investments were made and when investments were exited by the private equity funds. A potential private equity investor should invest only if able to withstand a total loss of investment.

Although QUAD believes that substantial returns can be achieved by investing in the Funds, such investment involves a high degree of risk. **We urge investors to review carefully the risk factors set forth in the relevant Fund's Memorandum.** In addition to those risk factors, an investor should carefully consider the following risks prior to making an investment in the Funds:

Long-Term Investments

Although portfolio investments may generate current income, the return of capital and the realization of gains, if any, from a portfolio investment generally will occur only upon the partial or complete disposition of such portfolio investment. While a portfolio investment may be sold at any time, it is generally expected that the disposition of most of portfolio investments of each Fund will not occur for a number of years after such portfolio investments are made. It is unlikely that there will be a public market for the securities held by the Funds at the time of their acquisition, and such securities may require a substantial length of time to liquidate. The Funds generally will not be able to sell the securities they hold of any portfolio investment publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases, each Fund may be prohibited or limited by contract from selling certain securities for a period of time, and as a result, may not be permitted to sell a portfolio investment at a time it might otherwise desire to do so.

Management of the Portfolios

Decisions regarding the management of the Funds will be made by QUAD and the general partner of each respective Fund. Limited Partners have no right or power to take part in the management of any Fund. Although QUAD and the general partners expect to monitor portfolio company management, management of each portfolio

company will have day-to-day responsibility with respect to the business of such portfolio company. An investor must rely upon QUAD's ability to identify, structure, and make investments consistent with the relevant investment objectives, guidelines and policies. There can be no assurance that the existing management team of a portfolio company, or any new team, will be able to successfully operate the company or will meet the Funds' expectations. Some portfolio companies will depend for their success on the management talents and efforts of one person or a small group of persons whose death, disability or resignation would significantly adversely affect the portfolio company's performance.

Dependence on Key Personnel

The success of the Funds depends in substantial part upon the skill and expertise of the principals and other investment professionals of QUAD and others providing investment advice with respect to the Funds. There can be no assurance that these key investment professionals will continue to be associated with the general partner or QUAD throughout the life of the Funds. The loss of key personnel could have a material adverse effect on the Funds' ability to realize its investment objectives. Furthermore, QUAD believes that its investment professionals have considerable expertise in the education and training sector, but there is no means of predicting whether they will successfully implement the Funds' investment strategy, especially during changing economic conditions. Competition in the financial services industry for qualified investment professionals and other personnel is intense, and there is no guarantee that the talents of the general partners, QUAD or a portfolio company's investment professionals could be replaced. The success of the Funds depends on the principals' ability to identify and willingness to provide acceptable compensation arrangements to attract, retain and motivate talented investment professionals and other personnel. Such compensation arrangements may provide that an investment professional or other person may, in certain circumstances after the individual is no longer employed or retained by the general partners, QUAD or a portfolio company, be granted a continuing interest in respect of particular portfolio investments.

Competitive Nature of the Funds' Business

The success of the Funds as a whole depends upon the identification and availability of suitable investment opportunities. The activity of identifying, completing and realizing attractive portfolio investments is highly competitive and involves a high degree of uncertainty, especially with respect to timing. The availability of investment opportunities will be subject to market conditions, the prevailing regulatory conditions or the political climate in industries and regions in which the Funds may invest and other factors outside the control of the Funds. The Funds will be competing for investment opportunities against various other groups, including industry participants, investment firms and merchant banks. As a result, there can be no assurance that each Fund will be able to identify and complete portfolio investments that satisfy its investment objectives, or realize the value of such portfolio investments, or that it will be able to invest fully its capital commitments. However, Limited Partners will be required to pay Management Fees based on aggregate capital commitments during the Commitment Period.

Nature of Funds' Investments

The education and training sector is highly regulated and adverse regulatory changes may impact a Fund's ability to make an acquisition or disposition of a portfolio investment and how such portfolio investment is operated. Many areas of the education and training sector are also dependent on the continued availability of federal and state grants and loan programs. Such programs are subject to termination, adverse changes and shifts in funding that could adversely impact the ability of students to pay for their educational and training pursuits. Decreases in available government assistance could, in turn, negatively impact the portfolio companies in which the Funds invest.

Economic and Market Risk

General economic conditions may affect the Funds' activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value and number of portfolio investments made by the Funds or considered for prospective investment. The Funds' portfolio investments can be expected to be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer confidence would likely increase market volatility and reduce liquidity, both of which could have a material adverse effect on the performance of the Funds' portfolio investments. No assurances can be given as to the effect of these events on the Funds' investment objectives.

Leverage

Certain of the Funds' portfolio investments may include portfolio companies whose capital structures have significant leverage. While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a high degree of risk. Portfolio companies may be highly leveraged and therefore may be more sensitive to adverse business or financial developments or economic factors. Moreover, rising interest rates may have a more pronounced effect on the profitability or survival of such companies. 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.

Control Position

As part of its strategy, each Fund generally seeks investment opportunities that allow such Fund to either acquire control or exercise influence over the management, operation and strategic direction of portfolio companies in which it invests. The exercise of control and/or significant influence over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability generally characteristic of business operations may be ignored. The exercise of control and/or significant influence over a portfolio company could expose the assets of a Fund to claims by such portfolio company, its other security holders and its creditors. While the general partner of each Fund intends to manage the applicable Fund in a way that

will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Potential Conflicts of Interest

Conflicts of interest may exist in the structure and operation of the Funds' business. Although the general partner is accountable to the Funds as a fiduciary, and consequently must exercise good faith judgment and integrity in managing the Funds' affairs, adequate and practical remedies may not be available to the Limited Partners if the general partners fails to fulfill its obligations. Such conflicts include, but are not limited to:

- ***Effect of Performance Allocations.*** As noted in Item 6, the general partners of the Funds may receive a performance allocation in the form of a Carried Interest. The existence of the general partners' carried interest may create an incentive for the general partner to make riskier or more speculative investments on behalf of the Funds than would be the case in the absence of this arrangement. However, this incentive is mitigated in part by the substantial commitment that the general partners have made to the Funds.
- ***Allocation of Personnel.*** The principals and the general partners intend to devote such time to the Funds as is reasonably necessary to conduct its business and affairs in an appropriate manner. However, such investment professionals have certain other responsibilities. The principals may spend a portion of their business time on other Funds' investment activities (for example, monitoring existing portfolio companies and making follow-on investments in such companies with respect to which a Fund is not involved) and other permitted activities as described in the Memoranda.
- ***Diverse Limited Partner Group.*** The Limited Partners in the Funds may have conflicting investment, tax and other interests with respect to their investments in the Funds. The conflicting interests of individual Limited Partners may relate to or arise from, among other things, the nature of investments made by the Funds, the structuring or the acquisition of investments and the timing of dispositions of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the general partners or QUAD, including with respect to the nature or structuring of investments, which may be more beneficial for one investor in the Funds than for another investor in the Funds, especially with respect to the Limited Partners' individual tax situations. In selecting and structuring investments appropriate for the Funds, the general partners and QUAD will consider the investment and tax objectives of each Fund and its Limited Partners as a whole, not the investment, tax or other objectives of any investor individually.
- ***Ancillary Fees.*** As described in Item 5 above, QUAD and its affiliates may receive Ancillary Fees from portfolio companies and in connection with unconsummated transactions (*e.g.*, monitoring fees, directors' fees, transaction fees, break-up fees and other fees) and may receive expense

reimbursements from portfolio companies or third parties in connection with portfolio investments or proposed portfolio investments made by a Fund. QUAD's ability to receive such fees (and related expense reimbursements) from portfolio companies for performing consulting and other services for, or serving as directors (or similar positions) of, such portfolio companies represents a conflict of interest to the extent that a Fund has or will have control or significant influence over such portfolio companies, although this potential conflict of interest is mitigated by the fact that the amounts of such transaction fees are typically negotiated with the applicable portfolio company's management team and/or any roll-over equity holders, as well as the fact that a portion of a Fund's proportionate share of any such fees (net of unreimbursed expenses and excluding any expense reimbursements) will be credited against future management fees, but not below zero. If an operating partner or similar person serves on the board of directors (or similar body) of a portfolio company or otherwise provides services to such portfolio company and receives compensation from such portfolio company in connection with such role, such compensation will not be considered fees received by QUAD or its affiliates that are subject to offset in accordance with the foregoing.

- **Fund Expenses.** Certain expenses of the Funds, the general partners of the Funds or QUAD incurred in connection with the structuring, negotiating, making, monitoring, sale, proposed sale or other disposition of portfolio investments may be borne by one or more portfolio companies and, as such, shall not be paid by the applicable general partner or QUAD or paid or reimbursed by the applicable Fund.
- **Travel Expenses.** The Funds will reimburse QUAD, the applicable general partner and its affiliates for out-of-pocket travel expenses, including, without limitation, air travel (which may be first or business class), car services, meals and hotels (which may include luxury class accommodations), incurred in holding, developing, identifying, evaluating, negotiating, making, structuring, acquiring, monitoring, selling and otherwise disposing of portfolio investments (including fees for attendance of industry conferences, the primary purpose of which is sourcing investments) and otherwise in connection with the business of the applicable Fund. Use of charter travel will generally be limited to those circumstances where it is deemed most effective; for example, when travelling to a remote location where no direct or time efficient travel is available or when visiting a number of sites relating to one or more proposed or existing investments in a single trip.
- **Service Providers.** The Funds' service providers (including, without limitation, deal generators, introducers, lenders, brokers, attorneys and outside directors) may be Limited Partners in the Funds and/or sources of investment opportunities and counterparties therein. This may influence the general partners of the Funds in deciding whether to select such a service provider or have other relationships with QUAD. Notwithstanding the foregoing, the general partners of the Funds will only select a service provider

to the extent such general partner determines that doing so is in the best interests of the applicable Fund given all surrounding facts and circumstances and is consistent with such general partner's responsibilities under applicable law.

- ***Conflicts with Portfolio Companies.*** Officers and employees of QUAD may serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interests of such portfolio companies and their respective shareholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interests of the portfolio company may not be in the best interests of the Funds, and vice versa. Accordingly, in these situations, there will be conflicts of interest between such individual's duties as an officer or employee of QUAD and such individual's duties as a director or officer of such portfolio company.

In addition, there may be conflicts between the portfolio companies of two or more Funds. For example, the portfolio company of one Fund may be a competitor, customer or supplier of one of the other Fund's portfolio companies.

- ***Allocation to Co-Investment Vehicles.*** To the extent that any co-investment vehicle of a Fund is offered an opportunity to invest in a portfolio company, because the Fund's general partner is not necessarily required to offset fees for such co-investments, it may incentivize the applicable Fund to allocate a greater portion of the investment to the co-investment vehicle than it would otherwise make in the absence of such an arrangement.

While this information provides a synopsis of the events that may affect your investments, this listing is not exhaustive. We want you to understand that there are inherent risks associated with investing, and, depending on the risk occurrence, you may suffer LOSS OF ALL OR PART OF YOUR PRINCIPAL INVESTMENT.

D. Recommendation of Specific Types of Securities

QUAD specializes in recommendations related to the Funds which are designed for investors who have the knowledge and experience in financial matters to evaluate the merits and risks of such investments. Fund investments may include, but are not limited to, equity securities, debt and other income securities, high-yield securities, and derivative instruments including options transactions.

Item 9: Disciplinary Information

QUAD and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

Item 10: Other Financial Industry Activities and Affiliations

A. Financial Industry Activities

QUAD is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of QUAD's management or supervised persons are registered as representatives or have applications pending to register as representatives of a broker-dealer.

B. Financial Industry Affiliations

QUAD is not registered as a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor and does not have an application pending to register as such. Furthermore, none of QUAD's management or supervised persons are registered as, or have applications pending to register as associated persons of the foregoing entities. QUAD will claim an exemption from registration with the National Futures Association as a commodity pool operator with respect to the Funds pursuant to Commodity Futures Trading Commission Rule 4.13(a)(3) under the Commodity Exchange Act.

C. Other Material Relationships

While QUAD serves as the investment adviser to the Funds, each Fund has a general partner which is responsible for the daily operations of such Fund, excluding the selection of such Fund's investments. An affiliate of QUAD typically serves as the general partner for each Fund. As noted, QUAD advises multiple Funds and is affiliated with the general partners of the Funds as follows:

QUAD is affiliated with Quad Advisors II LP ("Quad Advisors II") through common ownership by virtue of Lincoln Frank's ownership interest in both entities. Quad Advisors II is a Delaware limited partnership formed to serve as the general partner of Quad Partners II LP. As general partner to Quad Partners II LP, Quad Advisors II is solely responsible for the management of the Fund. Quad Advisors II receives Carried Interest for its management of Quad Partners II LP. Please refer to Item 6 for more details regarding Performance-Based Fees and potential conflicts of interest.

QUAD is affiliated with Quad Advisors III LP ("Quad Advisors III") through common ownership by virtue of Lincoln Frank's ownership interest in both entities. Quad Advisors III is a Delaware limited partnership formed to serve as the general partner of Quad Partners III-A LP. As general partner to Quad Partners III-A LP, Quad Advisors III is solely responsible for the management of Quad Partners III-A LP. Quad Advisors III receives Carried Interest for its management of Quad Partners III-A LP. Please refer to Item 6 for more details regarding Performance-Based Fees and potential conflicts of interest.

QUAD is affiliated with Quad Advisors IV LP (“Quad Advisors IV”) through common ownership by virtue of Lincoln Frank’s majority interest in both entities. Quad Advisors IV is a Delaware limited partnership formed to serve as the general partner of Quad Partners IV LP, Quad Partners IV Taxable AIV LP, and Quad Partners IV Blocker AIV LP. As general partner to Quad Partners IV LP, Quad Partners IV Taxable AIV LP, and Quad Partners IV Blocker AIV LP, Quad Advisors IV is solely responsible for the management of Quad Partners IV LP, Quad Partners IV Taxable AIV LP, and Quad Partners IV Blocker AIV LP. Quad Advisors IV receives Carried Interest for its management of Quad Partners IV LP, Quad Partners IV Taxable AIV LP, and Quad Partners IV Blocker AIV LP. Please refer to Item 6 for more details regarding Performance-Based Fees and potential conflicts of interest.

QUAD is affiliated with Quad Advisors V LP (“Quad Advisors V”) through common ownership by virtue of Lincoln Frank’s majority interest in both entities. Quad Advisors V is a Delaware limited partnership formed to serve as the general partner of Quad Partners V LP, Quad Partners V Taxable AIV LP, Quad Partners V Blocker AIV LP, and Quad Cayuse SPV LP. As general partner to Quad Partners V LP, Quad Partners V Taxable AIV LP, Quad Partners V Blocker AIV LP, and Quad Cayuse SPV LP, Quad Advisors V is solely responsible for the management of Quad Partners V LP, Quad Partners V Taxable AIV LP, Quad Partners V Blocker AIV LP, and Quad Cayuse SPV LP. Quad Advisors V receives Carried Interest for its management of Quad Partners V LP, Quad Partners V Taxable AIV LP, Quad Partners V Blocker AIV LP, and Quad Cayuse SPV LP. Please refer to Item 6 for more details regarding Performance-Based Fees and potential conflicts of interest.

QUAD is affiliated with Quad Advisors V Cayman LP (“Quad Advisors V Cayman”) through common ownership by virtue of Lincoln Frank’s majority interest in both entities. Quad Advisors V Cayman is a Cayman Islands limited partnership formed to serve as the general partner of Quad Partners V Cayman AIV LP. As general partner to Quad Partners V Cayman AIV LP, Quad Advisors V Cayman is solely responsible for the management of Quad Partners V Cayman AIV LP. Quad Advisors V Cayman receives Carried Interest for its management of Quad Partners V Cayman AIV LP. Please refer to Item 6 for more details regarding Performance-Based Fees and potential conflicts of interest.

QUAD is affiliated with Quad Advisors VI LP (“Quad Advisors VI”) through common ownership by virtue of Lincoln Frank’s interest in both entities. Quad Advisors VI is a Delaware limited partnership formed to serve as the general partner of Quad Partners VI LP and Quad Partners VI-A LP. As general partner to Quad Partners VI LP and Quad Partners VI-A LP, Quad Advisors VI is solely responsible for the management of Quad Partners VI LP and Quad Partners VI-A LP. Quad Advisors VI receives Carried Interest for its management of Quad Partners VI LP and Quad Partners VI-A LP. Please refer to Item 6 for more details regarding Performance-Based Fees and potential conflicts of interest.

In connection with sponsoring some Funds, an affiliate of the Adviser – Quad Partners Management LLC (the “Relying Adviser”) – serves as investment adviser of such Funds. The Relying Adviser receives Management Fees for its investment advisory

services. While QUAD and the Relying Adviser have been organized as separate legal entities, they collectively conduct a single investment advisory business. Accordingly, the Relying Adviser relies on the QUAD's investment adviser registration pursuant to Form ADV instructions under the concept of SEC umbrella registration.

D. Other Investment Advisers

QUAD does not have any arrangements that are material to its advisory business or its clients with other investment advisers.

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

A. Code of Ethics

All employees of QUAD must act in an ethical and professional manner. QUAD and its affiliates, including QUAD management, have determined to adopt a Code of Ethics (the "Code") that sets forth certain standards of business conduct that govern personal investment activities of employees and officers of QUAD, including the standard that the interests of advisory clients must be placed first at all times. The Code applies to all partners, principals, directors, officers, employees and supervised persons of QUAD (each a "Covered Person").

QUAD strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. Accordingly, the Code specifically deals with professional standards, insider trading, personal trading, gifts and entertainment, and fiduciary duties, and establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty and trust. QUAD seeks to ensure that QUAD and its members, employees and affiliates do not personally benefit from underlying fund investment recommendations.

The Code requires all Covered Persons to comply with applicable federal securities laws and to promptly report any violation of the Code of Ethics to QUAD's Chief Compliance Officer.

We will provide a copy of our Code of Ethics to any client or prospective client upon request.

B. Participation or Interest in Client Transactions

QUAD solicits potential limited partners to purchase interests in the Funds. QUAD has related parties that serve as general partners to the Funds. QUAD's managing member is also an indirect investor in the Funds through the general partners. Certain related parties of QUAD will indirectly receive a portion of the Carried Interest paid to the general partners of the Funds. The Carried Interest allocation may vary among the Funds. While QUAD intends to allocate the investment opportunities among the Funds in a manner that it believes is fair and equitable, the possibility of receiving

Carried Interest and the variation of the structure of the Carried Interest among the Funds may create an incentive for QUAD to favor one Fund over another and to recommend more speculative investments on behalf of the respective Fund. These and other pertinent conflicts of interest are disclosed in the Funds' Memoranda and in Item 8.C above.

C. Proprietary Trading

QUAD does not have any proprietary trading accounts, and neither the Firm nor its representatives typically buy or sell securities that QUAD recommends to clients. Notwithstanding the foregoing, subject to certain limitations, QUAD reserves the right to allocate investment opportunities to certain individuals (including certain employees) who provide services to, or have a relationship with, QUAD or the Funds.

D. Simultaneous Trading

Representatives of QUAD do not buy or sell similar securities for themselves that QUAD recommends to clients.

Item 12: Brokerage Practices

A. Selection and Recommendation

QUAD, as the investment advisor of the Funds, has the discretion to determine the direct equity investments in which the respective Funds invest. Investments are negotiated on a private placement basis by QUAD. QUAD does not utilize broker-dealers in connection with such investments.

1. Soft Dollar Benefits

QUAD does not direct transactions and has no arrangements with specific brokers or dealers to receive research or other services in exchange for brokerage commissions from client transactions (so-called "soft dollar" arrangements).

2. Brokerage for Client Referrals

QUAD does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services.

B. Directed Brokerage

QUAD provides investment advisory services involved with managing pooled investment vehicles, heretofore described as the Funds. Due to the structure of the pooled investment vehicles, directed brokerage arrangements are not applicable to and do not affect the investment management policies of QUAD.

C. Order Aggregation

QUAD's investment advisory services involve advising Funds which make equity and equity-related investments directly in privately held companies. Due to the nature of these advisory services, order aggregation is not applicable to and does not affect the investment management policies of QUAD.

Item 13: Review of Accounts

A. Periodic Reviews

QUAD reviews the Funds' investment program, including current holdings, on a continual basis. The Firm reviews the Funds' investment program to analyze rates of return, allocation of assets and to verify that each Fund's portfolio is consistent with its investment objective. Such review is conducted by Lincoln E. Frank and the other investment professionals of QUAD.

B. Intermittent Review Factors

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or by changes in the Funds' objectives.

C. Client Reports

The Funds' books of account will be audited at the end of each fiscal year by a firm of certified public accountants selected by QUAD and audited financial statements will be sent to Limited Partners. Books of account will generally be kept by the Funds, in accordance with generally accepted accounting principles ("GAAP"). In addition, all Limited Partners will receive the information necessary to prepare federal and state income tax returns following the conclusion of such fiscal year as soon thereafter as is reasonably practical.

All Limited Partners will also receive unaudited performance reports and such other information as QUAD determines on a quarterly basis, including a summary of investments made by the Funds and a statement of the Limited Partners' consolidated capital accounts.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits from Others

QUAD does not receive an economic benefit (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to its clients.

B. Compensation to Unaffiliated Third Parties

At this time, neither QUAD nor its related persons compensate directly or indirectly any person who is not a supervised person for client referrals.

For certain Funds, QUAD may enter into distribution and/or placement agent arrangements. In a typical distribution and/or placement agent arrangement, QUAD would agree to pay a third-party solicitor for referring investors in QUAD Funds.

Typically, the third-party solicitor would receive fee payments. A prospective investor solicited by a third party would be informed of (and may be asked to acknowledge in writing its understanding of) any such arrangement. All fees for such solicitation services would be paid by QUAD and the investor would not be subject to any increased or additional fees or charges.

Item 15: Custody

A. Custodian of Assets

QUAD has custody of the Funds' portfolio assets because it has the ability to deduct advisory fees payable to it. QUAD's affiliated general partners have custody of the Funds' portfolio assets because they have a general power of attorney over the Funds' accounts.

The physical assets of the Funds are held in accounts by the Funds' qualified custodians. The Funds utilize Silicon Valley Bank and Square 1 Bank as its third-party, independent custodians.

A Fund's assets are largely comprised of interests in underlying portfolio companies, represented by a subscription agreement, share purchase agreement, promissory note or similar binding contract, and cash, held in bank accounts in the name of the respective QUAD Fund.

B. Account Statements

Each Fund is subject to an annual audit by an accountant that is registered with and subject to regular inspection by the Public Company Accounting Oversight Board. The audited financial statements are generally distributed to the limited partners within 90 days of the end of the Funds' fiscal year.

Item 16: Investment Discretion

Subject to the investment objectives and limitation of each Fund, as set forth in such Fund's Memorandum, QUAD, as investment advisor to the Fund, has the discretion

to determine the investments in which such Fund invests and the amounts of such investments.

QUAD has full discretion and authority to make all investment decisions with respect to the types of securities to be bought or sold or the amount of securities to be bought or sold for the Fund. Such discretion is granted to QUAD pursuant to the Funds' respective Partnership Agreements or investment management agreements.

Item 17: Voting Client Securities

While the securities evidencing the private equity investments made by the Funds are not typically the subject of proxies, there could be certain circumstances where QUAD, having discretionary authority over the accounts of the Funds, may be asked to vote the securities of a Fund on certain corporate matters. QUAD will exercise all rights, powers and privileges of ownership in all Fund property, including the right to vote, give assent, execute, and deliver proxies.

QUAD will maintain all records required to be maintained by Rule 204-2 of the Advisers Act in respect of proxy voting.

If QUAD determines that there is a material conflict of interest in respect of any proxy vote that would be adverse to the interests of a Fund, QUAD's Chief Compliance Officer will determine how to vote the proxy consistent with the best interests of such Fund and in a manner not affected by such conflict of interest.

QUAD has adopted proxy voting policies and procedures for voting proxies on behalf of the Funds, a copy of which will be provided upon request.

Item 18: Financial Information

Quad is not aware of any financial condition that could impair its ability to meet its contractual and fiduciary commitments and has not been the subject of any bankruptcy petition since Quad's formation in 1999.

Privacy Policy

We consider privacy to be fundamental to our relationship with our investors. We are committed to maintaining the confidentiality, integrity and security of our current and former investors' non-public information. Accordingly, we have developed internal policies to protect confidentiality while allowing investors' needs to be met.

Financial companies choose how they share your personal information. U.S. federal law gives consumers the right to limit some but not all sharing. U.S. federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this Privacy Policy carefully to understand what we do. When you are no longer our customer, we continue to share your information as described in this Privacy Policy.

We respect your right to privacy. We also know, however, that you expect us to conduct our investment program in an accurate and efficient manner. To do so, we must collect and maintain certain non-public personal information about you and our other investors. We collect this information from sources such as subscription agreements and other documents. The types of personal information we collect and share depend on the product or service you have with us, but can include Social Security number, wire transfer instructions, and account transactions and assets. To the extent we collect personal information from you for any purpose other than providing financial products or services, please refer to the Privacy Notice available on our website at <http://www.quadpartners.com/privacy.html> for information on how we collect and use such personal information.

We will not disclose any non-public personal information about investors to anyone other than the Fund's affiliates without permission, except as required or permitted by law.

Additionally, in the normal course of serving our investors, information we collect may be shared with companies that perform various services such as our accountants, auditors, attorneys, broker-dealers and fund administrator. Specifically, we may disclose to these service providers non-public personal information including:

- information we receive on subscription agreements or other documents, such as name, address, account or tax identification number and the types and amounts of investments; and
- information about transactions with us, our affiliates or others, such as participation in other investment programs, ownership of certain types of accounts or other account data.

Any party that receives this information will use it only for the services required and as allowed by applicable law or regulation, and is not permitted to share or use this information for any other purpose. To protect the personal information of individuals,

we permit access only by authorized employees who need access to that information to provide services to us and our investors. In order to guard investors' non-public personal information, we maintain physical, electronic and procedural safeguards that comply with applicable regulations. An individual investor's right to privacy extends to all forms of contact with us, including telephone, written correspondence and electronic media, such as the Internet.

We note, however, that notwithstanding the foregoing, we reserve the right to disclose non-public personal information about investors to any person or entity, including without limitation any governmental agency, regulatory authority or self-regulatory organization having jurisdiction over us or our affiliates, if (i) we determine in our discretion that such disclosure is necessary or advisable pursuant to or in connection with any United States federal, state or local, or non-U.S., law, rule, regulation, executive order or policy, including without limitation any anti-money laundering law and the PATRIOT Act and (ii) such disclosure is not otherwise prohibited by law, rule, regulation, executive order or policy.