

INVESTMENT ADVISER BROCHURE
PART 2A OF FORM ADV



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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Topspin Management Company LBO, LLC, Topspin Management Company II, LP and Topspin Management Company III, LP (the “Filing Adviser” and the two “Relying Advisers,” respectively, and, collectively, “Topspin” or the “Firm”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“CCO”) at (914) 834-7370. 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.

The Filing Adviser and the Relying Advisers are investment advisers registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information about Topspin also is available on the SEC’s website at: www.adviserinfo.sec.

ITEM 2 **MATERIAL CHANGES**

There are no material changes to this Brochure when compared to the Brochure dated March 31, 2021. The Firm will update this Brochure no less than annually.

We recommend that all recipients read this Brochure carefully and in its entirety.

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General Description of Advisory Firm

Topspin Management Company LBO, LLC, a Delaware limited liability company (“Topspin Management I”), was formed in 2007 to be the management company for Fund I (as defined below). Topspin Management Company II, LP (“Topspin Management II”) was formed in 2014 to be the management company for Topspin Consumer Partners I (as defined below) and Topspin Management Company III, LP (“Topspin Management III”) was formed in 2019 to be the management company for Topspin Consumer Partners II (as defined below). Topspin Management I, Topspin Management II and Topspin Management III are: (i) under common control; (ii) generally operated as a single business; (iii) registered with the SEC as investment advisers in an “umbrella” registration in accordance with SEC guidance under the Advisers Act; and (iv) are referred to collectively herein as “we”, the “Firm” or “Topspin”. The principal owners of Topspin are Leigh Randall, Stephen Parks, Ojas Vahia and Leo A. Guthart (the “Principals”).

Topspin provides investment management and administrative services to certain private investment funds generally organized in three parallel fund groups as follows:

- Topspin Partners LBO, LP, Topspin Offshore LBO, LP and Topspin Associates LBO, LP (Topspin Associates LBO, LP, together with Topspin Partners LBO, LP and Topspin Offshore LBO, LP, collectively “Fund I”), and Topspin Partners LBO GP, LLC, a Delaware limited liability company, acts as the general partner to Fund I.
- Topspin Partners II, LP, Topspin Partners II Offshore, LP and Topspin Associates II, LP (Topspin Associates II, LP, together with Topspin Partners II, LP and Topspin Partners II Offshore, LP, collectively, “Topspin Consumer Partners I”), and Topspin Partners II GP, LP, a Delaware limited partnership, acts as the general partner to Topspin Consumer Partners I.
- Topspin Partners III, LP, Topspin Partners III Offshore, LP and Topspin Associates III, LP (Topspin Associates III, LP, together with Topspin Partners III, LP and Topspin Partners III Offshore, LP, collectively, “Topspin Consumer Partners II”) is the follow-on fund to Topspin Consumer Partners I. Fund I, Topspin Consumer Partners I and Topspin Consumer Partners II are each referred to herein as a “Fund,” and, collectively, the “Funds.” Topspin Partners III GP, LP, a Delaware limited partnership, acts as the general partner to Topspin Consumer Partners II.

In addition, Topspin LBO SPV GP, LP, a Delaware limited partnership, acts as general partner of Topspin LBO SPV, LP, a Delaware limited partnership (the “SPV Fund”), which was formed to make follow-on investments in certain Fund I portfolio companies. Unless otherwise noted or indicated by the context, references throughout this Brochure to “Fund” or “Funds” are generally intended to include the SPV Fund.

Each of the Fund I, Topspin Consumer Partners I and Topspin Consumer Partners II groups may also include additional parallel funds, which generally invest in assets side-by-side on a *pro rata* basis (based upon capital commitments made to each) with the applicable Fund group.

Generally, such parallel funds are established to accommodate specific tax, legal or similar issues impacting certain types of investors. For the avoidance of doubt, each Fund group is a collection of parallel funds. Each parallel fund will invest in each portfolio company and bear expenses *pro rata* in proportion to such parallel fund's aggregate commitments in the context of its Fund group. Where appropriate, references herein to a "Fund" and to a Fund's "limited partners" respectively include all parallel funds in the applicable Fund group and their limited partners.

Description of Advisory Services

The Funds invest primarily in equity of small to middle-market buyouts and growth equity investments. Topspin provides investment management and administrative services only to the Funds. Topspin provides investment advice to each of the Funds in accordance with its particular investment objectives and not individually to Fund investors. Topspin does not offer customized services for the parallel funds within each Fund structure.

Topspin's investment advisory services to any Fund are tailored in accordance with such Fund's investment strategy and parameters as set forth in the applicable private placement memorandum (or other applicable disclosure documents), partnership agreement (or similar agreement) and investment management agreement (collectively, the "Governing Documents"). These services generally include sourcing, evaluating, negotiating and overseeing investments, including monitoring the performance of portfolio companies and advising as to disposition opportunities. Where such investments consist of portfolio companies, the Principals or other personnel of Topspin or its affiliates generally serve on such portfolio companies' respective boards of directors or otherwise act to influence management of portfolio companies held.

As further discussed under Item 8 and Item 11, from time to time, the general partner of a Fund may offer certain investors or other persons the opportunity to co-invest. In the event that a general partner determines that a co-investment opportunity is available, the general partner will determine in its sole discretion the limited partners and/or other investors that will be offered an opportunity to participate. In choosing co-investors, which may include Fund limited partners or other investors, a Fund general partner will take into account, e.g., whether a potential co-investor provides the Fund with investment opportunities, operating capabilities or other strategic or competitive opportunities or advantages which may not otherwise be present. Such general partner will also determine, in its sole discretion, the amount that may be co-invested by each such co-investor. The terms of any co-investment will be as determined by the pertinent Fund general partner and any such participating co-investor.

The Funds are currently deploying capital and therefore seek, evaluate and consummate new investments as well as look for appropriate opportunities to exit investments.

Assets under Management

As of December 31, 2021, the Firm had approximately \$421,308,720 in regulatory assets under discretionary management.

Advisory Fees and Compensation

The Firm provides investment management services to the Funds pursuant to the Governing Documents pertinent to each Fund, which set forth in detail the fee structure relevant to the Fund.

In general, the Firm receives compensation in the form of management fees charged to each Fund based on a percentage of the total capital commitments to the Fund (the “Management Fees”). The Firm also receives transaction fees, board fees and other payments from portfolio companies, and expects to receive monitoring fees, which offset all or a portion of Management Fees, subject to certain thresholds. In addition, an affiliate of the Firm, The Firm’s affiliate, the Special Limited Partner, LLC, receives performance-based compensation in the form of a carried interest participation in the Fund (the “Carried Interest”). These compensation arrangements, which are briefly described below, are described in detail in the applicable Governing Documents.

While compensation is generally not negotiable, under certain circumstances, the Firm has, in its discretion, waived a portion of its Management Fees or Carried Interest with respect to a particular investor (e.g., investors that offer strategic opportunities or benefits to the Fund, including but not limited to the timing and size of its capital commitment to the Fund). Moreover, Topspin has waived or reduced all or part of the Management Fees and the Carried Interest with respect to certain investors, including, but not limited to, “friends and family” investors, affiliates and employees (and their families) of the Firm. Regarding Topspin Consumer Partners I, Topspin will direct that such waived portion be credited against the required capital contributions of the Topspin Consumer Partners I general partner. Regarding Topspin Consumer Partners II, in lieu of any reduced fee, the general partner or its affiliates may take a special distribution from the Fund, or alternatively in the general partner’s discretion, reduce its capital contributions to the Fund by an equal amount.

Management Fees

The Firm generally receives an annual Management Fee based on a percentage of the capital commitments made to each Fund and the invested capital of these Funds which is equal to (i) up to 2% of each limited partner’s capital commitment during the investment period and (ii) 1.5% of each limited partner’s invested capital following the termination of the investment period.

The Management Fee is paid to the Firm quarterly in advance of the Fund’s fiscal quarter.

Topspin Management I

Topspin Management I will receive a Management Fee of 2.0% per year of commitments until the earlier of commencement of a successor fund or the end of the Topspin Partners LBO’s investment period; thereafter, 1.5% of unfunded commitments plus capital invested in unliquidated investments (less write-downs).

Topspin Management II

Topspin Management II will receive a Management Fee of 2.0% of commitments per year until the earlier of the initial closing of a successor fund or the end of Topspin Partners II, LP's investment period; thereafter, 1.5% of capital invested in unliquidated investments (less permanent write-downs).

The Management Fee will be offset by 100% of any break-up fees or litigation proceeds from unconsummated transactions; 50% of any transaction monitoring, advisory or director fees up to \$1 million per annum or \$6 million in aggregate, and thereafter 100%.

Topspin Management III

Topspin Management Company III will receive a Management Fee of 2% per year of commitments until the earlier of (i) the date on which Management Fees begin to accrue in respect of a successor fund and (ii) the end of the investment period; thereafter, 1.5% per year of the acquisition cost of unliquidated investments (less the acquisition cost of unliquidated investments that have no realizable value and for which the general partner of Topspin Consumer Partners II and Topspin Management Company III have ceased management activity).

The Management Fee will be offset by 100% of any break-up fees or litigation proceeds from unconsummated transactions; 50% of any transaction, monitoring, advisory, director or similar fees up to \$1 million per annum or \$6 million in the aggregate during the term of the Fund, and thereafter 100%.

Carried Interest

The general partner receives a performance fee payable by the Funds in the form of a carried interest. The carried interest is deducted from a Fund's distributable proceeds. The carried interest payable to the general partner will not exceed 20% of the amount of profits otherwise disburseable to each investor in Fund I, Topspin Consumer Partners I and Topspin Consumer Partners II, and will not exceed 10% of the amount of profits otherwise disburseable to each investor in the SPV Fund, calculated in each case in accordance with the applicable Governing Documents. The Funds have established a distribution waterfall describing how distributions will be paid to the underlying investors and to the general partner. Investors in a Fund receive a preferential return of 8% per annum on their investments before the distribution of any carried interest.

The carried interest paid to the general partner is subject to clawback provisions pursuant to which the general partner is obligated to return to a Fund any carried interest compensation that exceeds the carried interest percentage to which the general partner is entitled over the course of the life of the Fund as set forth in the governing agreements. Any such excess carried interest will be determined by the general partner and reviewed by a Fund's independent public accountant.

Additional Fees and Expenses

The Firm will bear the costs of its own personnel and costs associated with office space, telephone and utilities, computer equipment and support. In addition to the Management Fees and carried interest described above, a Fund will generally bear all of its organizational and offering expenses, including the out-of-pocket expenses of the general partner, the management company and their respective agents and affiliates as detailed in the Fund's Governing Documents (including any out-of-pocket expenses incurred by any placement agent), incurred in connection with the formation and capitalization of the Fund and its affiliated entities (including the general partner and the management company) subject to certain caps generally as described above and more specifically as described in the pertinent Governing Documents ("Organizational Expenses").

Additionally, to the extent not paid by the underlying portfolio companies in which a Fund invests, a Fund generally will pay all expenses incurred in connection with its operations and its proposed or actual investments (whether or not consummated) other than those specifically allocated to the pertinent management company. Expenses to be borne by a Fund may include, but are not limited to: (i) all fees and expenses relating to identifying, evaluating, making, managing, restructuring, holding and disposing of investments or potential investments by the Fund (whether or not consummated), including, without limitation, loan fees, financing expenses, private placement fees, sales commissions, finder's fees, brokerage fees, auditing fees, fees and expenses of tax advisers, underwriting commissions and discounts, investment banking fees, insurance costs, Broken Deal Expenses (as defined below), reverse breakup fees, termination fees and other similar fees, fees and expenses relating to interest rate or currency hedges, swaps or similar transactions, travel expenses and other similar expenses, and all other expenses that are directly related to particular investments or proposed investments; (ii) expenses of forming, operating and liquidating any entity formed for the purpose of making or holding any investment; (iii) expenses associated with risk management, such as hedging and insurance costs; (iv) fees and expenses of any third parties retained to provide legal, accounting, audit (including the fees of any auditor), custody, tax, administration (including the external costs of any third party administrator) or reporting services; (v) fees, compensation and expenses of all third parties (including senior advisors and other industry and deal advisors) retained to provide management, consulting or other business services with respect to the Fund or its investments or potential investments; (vi) fees, expenses, payments and reimbursements relating to any arbitration, litigation, proceeding or other action (whether pending or threatened) or any indemnification of the general partner or any other indemnified parties (including the advancement of fees, costs and expenses incurred by the general partner or any other indemnified parties in defense or settlement of any claim that may be subject to a right of indemnification, except as otherwise provided in the Fund's agreements), and any premiums for liability insurance to protect indemnified parties in connection with the activities of the Fund; (vii) all costs, losses, damages or other expenses relating to any representations or warranties or any indemnities given by the Fund in relation to any investments or proposed investments, including where a claim has been made in respect of such representations, warranties or indemnities; (viii) taxes, fees, expenses and governmental charges relating to the Fund or its investments or potential investments, and not attributable under the Fund agreements to any limited partners (including, without limitation, Form PF required to be filed under the Advisers Act, Section 16 filings, Schedule 13D filings, Schedule 13G filings and other forms, schedules, reports, filings, information and documents required to be filed under the Securities Exchange Act of 1934, as amended, any forms, schedules, reports, filings, information or other documents prepared with respect to FATCA or filed with the Internal Revenue Service, Commodities Futures Trading Commission, SEC or other U.S. governmental authority, and any non-U.S. forms, schedules, reports, filings, information or other documents filed with or prepared to comply with any non-

U.S. governmental authority or non-U.S. law, rule or regulation, including those related to or arising out of the AIFMD, as well as all costs and expenses incurred in connection with developing, licensing, implementing, maintaining or upgrading computer software and hardware or filing or reporting tools (including subscription-based services) related to each of the foregoing to the extent attributable to activities undertaken for the benefit of the Fund or the partners); (ix) all fees and expenses of any audit (including the fees of any auditor), examination, investigation or other governmental proceeding; (x) expenses incurred in connection with meetings of the limited partners (including reasonable travel expenses of the pertinent management company's and its affiliates' employees and any guest speakers at the meeting); (xi) expenses incurred in connection with meetings of the advisory committee, the delegates of which are selected by each Fund's general partner on an annual basis and consist of representatives of the Fund's investors (the "Advisory Committee"). The Advisory Committee, including expenses of Advisory Committee members that are reimbursable under the Fund agreements and expenses associated with preparing materials for meetings of the Advisory Committee, the reasonable fees and expenses of legal counsel and accountants retained to assist the Advisory Committee and other expenses incurred in connection with the activities of the Advisory Committee; (xii) expenses of preparing reports, tax filings and other materials for distribution to the limited partners, including, without limitation, expenses of all third party consultants; (xiii) costs and expenses incurred in connection with developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the Fund or the limited partners; (xiv) fees and expenses relating to any credit facility or other permitted borrowing, guarantee or security by the Fund or its subsidiaries; (xv) costs and expenses incurred in connection with any transfer or proposed transfer of an interest in the Fund, a limited partner's withdrawal or a limited partner's default (but only to the extent not paid by the limited partner, the transferee or the withdrawing limited partner); (xvi) expenses relating to any amendment to the Fund agreements and the solicitation of any Advisory Committee or limited partner vote, consent or approval; (xvii) all fees, costs and expenses incurred in connection with complying with, administering or amending side letters, including the process of distributing and implementing applicable elections pursuant to any "most favored nations" provisions, provided that in the general partner's discretion any such fees, charges and expenses may be allocated solely to the limited partners to which they relate; (xviii) all fees, costs and expenses related to complying with anti-money laundering, know-your-customer and similar laws, rules and regulations, including, without limitation, (A) fees, costs and expenses incurred in connection with vetting potential investors in the Fund prior to, concurrently with or following the offering of limited partner interests or any transfer of limited partner interests, (B) fees, costs and expenses incurred in connection with monitoring the Fund's, the general partner's, the management company's and any portfolio company's ongoing compliance with such laws, rules and regulations, and (C) the external costs of any third party engaged to perform anti-money laundering and know-your-customer compliance and administration; and (xix) other customary operating expenses.

All costs and expenses incurred at the investment-level in connection with an investment in which both the Fund and co-investors invest will be allocated to the Fund and to the co-investors on a *pro rata* basis according to the relative amounts invested. As a general matter, the Fund and, as a result, its limited partners, will be obligated to pay all expenses incurred in connection with an investment opportunity that is considered but not consummated ("Broken Deal Expenses"), if potential co-investors in that investment do not agree to share of such expenses. To the extent a co-investor has not agreed to share Broken Deal Expenses with the Fund with respect to a potential investment, the Fund may be required to bear a disproportionate amount of the Broken Deal

Expenses relating to that potential investment notwithstanding that other entities may have benefitted from the opportunity to review, investigate and otherwise assess that potential investment.

From time to time, the Firm may engage outside third-parties to provide certain administrative or fund accounting services to the Funds. Each Fund will bear its *pro rata portion* of any expenses incurred in connection with the retention of such third-party service providers.

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

As described above, the Firm accepts performance-based fees from each Fund in the form of carried interest. Such performance-based fees may create an incentive for the Firm to recommend or approve more speculative investments on behalf of the Funds than would be the case in the absence of this arrangement. All investments, however, will be made subject to the investment objectives and strategies set forth in Fund offering documents. In addition, the performance-based fees, if earned, could result in fee allocations to the Firm that are greater than fees normally paid to other investment managers for similar services.

Due to the nature of its advisory business that restricts the timing of the formation of successor funds and because each of the Funds pays carried interest, the Firm does not believe it has conflicts of interest that attend the management of assets for different clients with different fee structures, e.g., the side-by-side management of a client that pays performance-based compensation and one that does not. In addition, because the SPV Fund was formed to make follow-on investments in Fund I investments, the Firm does not believe the different carried interest terms create an actual conflict with respect to the allocation and management of investment opportunities. Further, based on the parallel nature of the funds within a Fund group, the Firm expects that the funds within a Fund group will participate in, and divest from, investment opportunities at the same time. Each such investment opportunity is allocated *pro rata* among such parallel funds according to the respective amounts of capital commitments made to each parallel fund within that Fund group.

When presented with an investment opportunity, the Firm will assess the suitability of the investment for a Fund. Its assessment takes into account, among other things, the Fund's investment objectives and strategies, risk profile, tax status, diversification requirements, liquidity needs and available assets for investment. The Firm also assesses current market conditions and any other relevant information. To the extent a conflict arises, each of the Funds has an Advisory Committee, which is consulted with respect to, among other things, conflicts of interest that may arise in the course of managing the Funds.

ITEM 7 TYPES OF CLIENTS

The Firm provides investment management and administrative services solely to the Funds. The Funds have minimum capital commitments for investors, as specified in the offering documents for each Fund. The minimum investment amount, which is generally \$1,000,000 (or such lesser amount as the Fund's general partner may determine). The general partner has the authority to waive minimum capital commitment levels in its discretion. Each investor is required to meet certain suitability qualifications, such as being an "accredited investor" (as defined under Rule 506 of Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), a "qualified client" (as defined under the Advisers Act) and/or a "qualified purchaser" or "knowledgeable employee" (as defined under the Investment Company Act of 1940, as amended (the "Investment Company Act")).

Investors participating in Funds include or may include individuals, certain banks or

thrift institutions, sovereign wealth funds, pension and profit sharing plans, trusts, estates, charitable organizations or other corporates or business entities (which may include entities that are owned, directly or indirectly, by principals or other employees of the Firm).

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

The Firm provides day-to-day investment advisory services to the Funds. The following is a summary of the investment strategies and methods of analysis that are used by the Firm when making investments on behalf of the Funds. More detailed descriptions of a Fund's investment strategies and methods of analysis are included in the Fund's Governing Documents. While the descriptions of the Funds' investment strategies and methods of analysis are relevant to the SPV Fund, the SPV Fund holds fewer investments than the other Funds and, as a result of being less diversified, will be particularly exposed to the legal and financial risks associated with its few transactions, including the risk of loss. There can be no assurance that the Firm will achieve the investment objectives of a particular Fund and a loss, including a substantial loss, of investment capital is possible.

Investment Strategy

The Firm specializes in sourcing, structuring and overseeing control private equity investments in companies operating in the lower middle-market, defined as companies generating between \$3 million and \$15 million of EBITDA. We expect that a majority of a Fund's investments will be in consumer-facing businesses, specifically in the niche consumer products and services subsectors.

The Firm acquires and invests in "platform" companies, where the Fund acquires a portfolio company retains or recruits a management team to build the portfolio company through acquisitions and organic growth. Typically, after partnering with a management team to lead a new portfolio company, the Fund will support growth through providing strategic guidance and assisting the company in sourcing add-on acquisition opportunities. We expect each Fund (other than the SPV Fund) to invest between \$10 million and \$50 million per transaction in approximately 7 to 10 platform companies. In each investment, we seek to retain affirmative voting control enabling us to make final decisions as to capital investment and allocation, management hiring and compensation, and the method and timing of sale or recapitalization transactions.

We focus on acquiring companies that are both defensible and differentiated – that is, (i) the target business has inherent characteristics that enable it to compete in its market without simply lowering price and (ii) its products or services provide a new, different and, in many cases, unique approach to addressing an existing market need. That said, despite these attributes, most of our target companies will have significant but addressable deficiencies. We believe that these shortcomings often discourage competitive bidders and allow us to acquire companies at attractive valuations. Moreover, they provide us an opportunity to build significant value and position companies for growth by working to address these needs.

Investment Selection

Our approach to selecting investments centers around seeking "3-D" businesses: a defensible business model, a differentiated approach to serving an existing market need, and

clearly defined, compelling drivers of growth that provide a reasonable likelihood of an outsized return.

Defensible Business Model

Our investment decision-making begins with an assessment of a target company's "defensibility". We need to be confident that a company's pricing and gross margins are sustainable to support its growth and performance in the future. Key to this is the ability of the business to enjoy sustained success in the face of competitive and other market pressures, i.e., its "defensibility". In our view, characteristics of a business that might make it defensible include a known and valuable brand name, a strong position in a niche market, an established distribution network, or a passionate consumer following. We avoid investing in many of the "commodity-oriented" businesses that are common in the lower end of the middle market, such as distributors.

Differentiated Approach

In addition to a defensible business model, we look for a differentiated approach which gives the smaller company a strategic position to compete against larger, better capitalized companies and grow by capturing market share. These companies have developed a new way of addressing an existing market need and have demonstrated customer demand for their innovative offerings. They can steal market share and generate meaningful revenue growth, and yet "fly under the radar" because of their small size relative to the competition. The ability to capture market share through differentiation also enables these companies to perform well in slower-growth industries and recessionary environments.

Drivers of Growth

Clearly defined growth drivers that can be realized in the near-term are key to delivering the outsized returns that Topspin targets for investors. While the lower end of the middle market is generally characterized by less competition and lower valuations, many of the opportunities we evaluate, while stable and defensible, lack both short and long-term growth drivers. To avoid such stagnant "value traps", we look for up-and-coming consumer companies with clearly defined, compelling growth drivers and then formulate targeted plans for realizing these opportunities in our investment horizon. We focus on companies that cater to areas of growing consumer demand and have strong organic growth drivers as well as clear opportunities for add-on acquisitions to help drive growth at a faster pace.

Risk of Loss

Investments in a Fund involve a significant risk of loss that investors should be prepared to bear. A Fund investor should not invest in a Fund unless the investor is able to withstand a total loss of the investment. Even if the investments of a Fund are successful, they may not produce a realized return to Fund investors for a period of years. There is no assurance that a Fund will achieve its investment objective. In addition to the speculative nature of such investments, the risks include limited operating history for the Funds and the companies in which they invest, challenges in achieving optimum diversification, dependence on managers to enhance portfolio company values, limitations on withdrawal from the Funds, potential conflicts of interest, non-transferability of interests in the Funds and illiquidity of the Funds' investments. The Funds' risk

management cannot entirely eliminate risk. The following are risks associated with the Funds' significant investment strategies.

Risks Related to the Business and Investments of the Fund

The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Funds. Prospective investors should read a particular Fund's entire private placement memorandum and consult their own counsel and advisors before deciding to invest in that Fund.

Investing in portfolio companies involves a high degree of business and financial risk that can result in substantial losses. In order for the Funds to succeed, they must be able to identify potentially successful business enterprises, a process that is difficult even for those with extensive experience investing in such enterprises. Portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and may require substantial additional capital to support expansion or to achieve or maintain a competitive position.

The discussion below of risks associated with an investment in the Funds does not purport to be an exhaustive list of all such risks. Please see the applicable Fund's private placement memorandum for a more detailed discussion of risks.

Business Risks

On behalf of the Funds, Topspin invests primarily in securities issued by privately-held smaller middle-market companies and investing in such companies involves a high degree of business risk and uncertainty. Furthermore, such portfolio companies may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or may otherwise have a weak financial position. In addition, such portfolio companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and other capabilities and a larger number of qualified managerial and technical personnel.

Leveraged Nature of Investments

On behalf of the Funds, Topspin may use debt to leverage investments in portfolio companies. Investments in leveraged companies involve a high degree of risk. As a result, recessions, operating problems and other general business economic risks may have a more pronounced effect on the profitability or survival of such companies. Also, increased interest rates generally increase portfolio company interest expenses. In the event that any such portfolio company cannot generate adequate cash flow to meet debt service, the Funds may suffer a partial or total loss of capital invested in the portfolio company.

Future and Past Performance

The performance of the prior funds managed by the Principals of the Firm cannot be relied upon as indicative of the Funds' future results. While the general partner intends the Funds to have estimated returns commensurate with the risks undertaken, there can be no assurances that an internal rate of return will be achieved. Any given investment made by the

Funds may prove to be unsuccessful and investors should determine whether they are able to absorb a loss of some or all of their investment before purchasing any interests in the Funds.

Investment in Subordinated and Unsecured Securities

Topspin invests on behalf of the Funds in unsecured or subordinate securities, and, as a result, there may be no collateral to protect an investment once made. Additionally, the securities Topspin acquires on behalf of a Fund may be the most junior in what may be a complex capital structure and thus subject to the greatest risk of loss.

Bridge Financing

On behalf of a Fund Topspin may provide bridge financing in connection with one or more of the Fund's investments. A Fund will bear the risk of any changes in capital markets that may adversely affect the ability of a portfolio company to refinance any bridge investments. If such portfolio company were unable to complete a refinancing, the Fund could have a long-term investment in a junior security and the interest rate on such bridge financing may not adequately reflect the risk associated with the unsecured position taken by the Fund.

Competitive Market for Investments

Topspin's business of identifying and structuring transactions of the nature contemplated by the Funds is highly competitive. Topspin competes for investments on behalf of the Funds with other private equity investment vehicles and other companies, including institutional investors. There can be no assurance that the Funds will be able to continue to locate suitable investment opportunities, acquire them for an appropriate level of consideration, achieve a superior rate of return or fully invest its committed capital.

Concentration of Investments

Topspin participates on behalf of the Funds in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, a Fund's investment portfolio could become concentrated and its lack of diversification may increase the Fund's exposure to adverse market conditions. Moreover, such concentration could cause a Fund's aggregate return to be affected substantially by the performance of a few holdings.

Lack of Sufficient Investment Opportunities

It is possible that the Funds will never be fully invested if enough suitable investments are not identified. Investors pay a quarterly Management Fee based on the entire amount of their capital commitments during the investment period or until a successor fund is launched, and thereafter on the unfunded portion of capital commitments plus their capital invested in portfolio securities. The payment of such fee is required even if the Funds experience net losses in a particular year and even if the Funds are never fully invested.

Co-Investment Opportunities; Investing with Third Parties

The general partner may provide any person, including limited partners, other Topspin clients, strategic investors, lenders, other third-parties or Topspin any opportunity to co-invest

alongside a Fund, either directly into a Fund portfolio company or through a co-investment vehicle formed and managed by Topspin (a “Co-Invest Fund”). As noted under Item 4 above, Topspin maintains discretion with respect to which persons will be offered the co-investment opportunity (the “Co-Investors”). Each co-investment opportunity (should any exist) is likely to be different, and allocation of each such opportunity will depend on the facts and circumstances specific to that unique. In addition to co-investment opportunities offered by Topspin, the Funds may be offered opportunities to invest in joint ventures or otherwise alongside third parties (“JV Partners”), including strategic investors, lenders, Investors (or affiliates thereof).

Subject to any limitations in the applicable Fund Governing Documents, Co-Investors and JV Partners may purchase their interests in an investment at the same time as the Fund, from the Fund or from another party prior to or after the Fund has consummated its investment. For example, the SPV Fund was formed to make follow-on investments in certain Fund I portfolio companies. In addition, Co-Investors and JV Partners, particularly when they are purchasing their interests after a Fund has made its initial investment, may have different or superior economic, information or other rights or interests to those of the Fund and its limited partners, and may invest in different assets, different tranches of securities or different parts of a capital structure. Thus, investments made by Co-Investors and JV Partners may prove to be more advantageous or provide investment results that are more profitable than those enjoyed by a Fund. Topspin generally will not have control rights over direct Co-Investors or JV Partners, and the Funds may not have control rights over certain of their investments made with Co-Investors or JV Partners. Therefore, the Funds may have a limited ability to protect their investment positions and will be subject to typical risks in connection with third-party involvement, including the possibility that a third-party may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the Fund, or may be in a position to take (or block) action in a manner contrary to the Fund’s investment objectives. The Fund may also in certain circumstances be liable for the actions of Co-Investors or JV Partners. Investments made with JV Partners may involve carried interests or fees payable to such JV Partners or their affiliates, thereby reducing the distributions to the Fund.

Co-Investors generally bear their *pro rata* share of expenses related to consummated investments, and investors in any Co-Invest Fund will also bear expenses related to the formation and operation of such fund. Topspin generally expects Fund I, Topspin Consumer Partners I and Topspin Consumer Partners II, and not the Co-Invest Funds or other Co-Investors, to bear the costs of any unconsummated investments.

Difficulty in Valuing Investment Portfolio

A Fund’s general partner will value the Fund’s investments in portfolio companies from time to time at their fair market values. Partnership assets that are publicly traded securities for which market prices are readily available will be valued based on their trading prices; however, for almost every portfolio company, there will likely be no public market for its securities. Thus, the valuation of investments in portfolio companies inherently is highly subjective and imprecise and requires the use of techniques that are costly and time consuming and ultimately provide no more than an estimate of value. In establishing the value of a Fund’s investments in portfolio companies, the general partner may also consult with accounting firms, investment banks and other third-parties when needed, to assist with the valuation of the Fund’s investments. The value set by the general partner may not reflect the price at which a Fund could dispose of its investment

in a particular portfolio company at any given time.

Restricted Nature of Investment Positions

All or a substantial portion of a Fund's investments will consist of securities that are subject to restrictions on sale by that Fund because they are not registered under the Securities Act or other applicable securities laws and may be subject to contractual restrictions and conditions on transfer. Generally, the Funds will not be able to sell such securities under the Securities Act or will only be able to sell the securities under Rule 144 or other rules under the Securities Act which permit limited sales under specified conditions. In addition, practical limitations may inhibit a Fund's ability to liquidate certain of its investments in the portfolio companies since the issuer will be privately held and the Fund will own a relatively large percentage of the issuers' equity securities. Sales may also be limited by market conditions, which may be unfavorable for the sale of securities of particular issuers or issuers in particular industries. The above limitations on liquidity of a Fund's investments could prevent a successful sale thereof, result in the delay of any sale or reduce the amount of proceeds that might be realized from such sale.

Potential Illiquidity of Securities Distributed in Kind

Investments may be distributed in kind to the limited partners under certain circumstances. Generally, in-kind distributions are expected to be salable by the distributee partner. However, circumstances may arise after distribution which defer or prohibit the sale by a limited partner of distributed securities. No assurances can be made that the distributee partner will achieve gains or will not suffer losses by reason of choosing or being required to hold securities distributed to it by the Fund.

Actual Results May Vary Significantly From Projections

Topspin may rely upon projections, forecasts or estimates relating to investment decisions in a particular portfolio company. Projections, forecasts and estimates are forward looking statements and are based upon certain assumptions. Actual events are difficult to predict and beyond the Funds' control and may differ significantly from those assumed. Accordingly, there can be no assurance that estimated returns or projections can be realized or that actual returns or results will not be materially lower than estimated. Projected operating results of a company in which Topspin invests on behalf of a Fund normally will be based primarily on financial projections prepared by each portfolio company's management and subject to numerous factors outside the control of the Funds. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections.

Need for Follow-On Investments

Following the initial investments in portfolio companies, Topspin may decide on behalf of a Fund to provide additional funds to portfolio companies or have the opportunity to increase a Fund's investments in a successful business. There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by Topspin not to make follow-on investments on behalf of a Fund or a Fund's inability to make them may have a substantial negative impact on a portfolio company in need of such an investment or may result in a lost opportunity for a Fund to increase its participation in a

successful operation.

Certain Regulatory Considerations

The Funds may make investments in industries that are or may become subject to regulation under the laws of any one or more jurisdictions in which they operate. New and existing regulations and the burdens of regulatory compliance may have a material adverse effect on companies that operate in these industries. In addition, the Funds may invest in companies which thereafter experience a change in laws or regulations which change has an adverse effect on the portfolio company.

Public Disclosure Obligations

A Fund may be required to disclose confidential information relating to its investments in portfolio companies and its financial results to third-parties that may request such information if and to the extent required by federal, state or local law or regulation applicable to the Fund or any of its limited partners, including those limited partners that are public agencies or governmental bodies. There can be no assurance that such information will not be disclosed either publicly or to regulators, or otherwise. In addition, in order to comply with regulations and policies to which the Fund, the general partner, the Firm, portfolio companies, or service providers (including financial institutions) are or may become subject, or to satisfy regulatory or other requirements in connection with transactions, the Fund, the general partner or the Firm may be required to disclose information about the limited partners, including their identities. (Such disclosure obligations may adversely affect certain limited partners, particularly limited partner who are not otherwise subject to public disclosure of information relating to the private holdings of funds in which they invest.)

Effects of Bankruptcy

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

Possible Adverse Consequences of Control Positions

Although non-control investments may also be made, Topspin intends to make investments

on behalf of the Funds that allow the Fund to acquire control or exercise influence over management and the strategic direction of a portfolio company. The exercise of control over a company imposes additional risks of liability in circumstances where the limited liability characteristic of business operations of the company may be ignored. In one recent U.S. court ruling, the court held that a private equity fund was liable for the pension withdrawal liabilities of one of its portfolio companies because the private equity fund was engaged in a “trade or business” through its management and operational control of its portfolio company. Thus, the exercise of control over a portfolio company by a Fund could expose the assets of such Fund to claims by such portfolio company and its shareholders, pension beneficiaries and creditors. While the general partner intends to conduct the affairs of each Fund in a manner that will minimize the exposure of these risks, the possibility of successful claims cannot be precluded.

Less Control in Minority Positions

Although Topspin, on behalf of the Funds, typically acquires principally controlling interests in their portfolio companies, they may, as part of its overall investment strategy, elect to purchase or maintain after any disposition a minority position in one or more of its portfolio companies, and as such, it may not be able to exercise control over such companies.

COVID-19 Pandemic

Occurrences of epidemics or pandemics, depending on their scale, may cause different degrees of damage to global, national and local economies. COVID-19 (also known as novel coronavirus or coronavirus disease 2019) presents unique, rapidly changing and hard to quantify risks. In general, it has resulted in a significant reduction in commercial activity on a global scale that has adversely impacted many businesses. Governments, on the national, local and state level, are instituting a variety of measures including lockdowns, quarantines and states of emergencies, which collectively may slow the global economy to the point where it enters a recession. Although there is reason to believe that the COVID-19 outbreak may be contained over a reasonable period of time, there can be no assurance this will be the case and, in the meantime, global equity, bond and credit markets may be adversely affected. Such disruption may adversely affect the Funds’ returns, operating results and financial condition.

Cyber Security Breaches and Identity Theft

Information and technology systems of Topspin and the Funds’ portfolio companies may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, Topspin, the Funds and/or a portfolio company may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Topspin and/or a portfolio company’s operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm Topspin’s, the Funds’ or a portfolio company’s reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance. Although

Topspin takes various measures and has made, and will continue to make, significant investments to ensure the integrity of information systems and to safeguard against such failures or security breaches, there can be no assurance that these measures and investments will provide adequate protection. Despite security measures, information technology networks may be vulnerable to attacks by third parties or breached due to employee error, malfeasance or other disruptions. Additionally, Topspin may use service providers to hold its financial or investor data. While our service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents as described above, there are inherent limitations to such plans and systems including the possibility that certain risks have not been identified. Furthermore, neither Topspin nor the Funds can control the cybersecurity plans and systems put in place by its service providers or any other third party whose operations may affect us or a Fund.

Other Risks

Other risks related to investment in a Fund are detailed in such Fund's offering documents.

***ITEM 9* DISCIPLINARY INFORMATION**

The Firm and its management persons are not subject to any material legal or disciplinary events.

***ITEM 10* OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Topspin is an affiliation of the Filing Adviser and two Relying Advisers, each registered with the SEC under an umbrella registration. Topspin is also affiliated with the Funds' general partners. The general partners are also considered investment advisers registered in accordance with SEC guidance under the Advisers Act pursuant to Topspin's registration. These general partners are:

- Topspin Partners LBO GP, LLC;
- Topspin Partners II GP, LP;
- Topspin Partners III GP, LP; and
- Topspin LBO SPV GP, LP

These affiliated investment advisers operate as a single advisory business together with Topspin and serve as managers or general partners of the Funds and other pooled vehicles and may share common owners, officers, partners, employees, consultants or persons occupying similar positions. All of these affiliated investment advisers are under common control and subject to Topspin's code of ethics and compliance programs adopted pursuant to the requirements of the Advisers Act.

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

Code of Ethics

The Firm has adopted a written Code of Ethics, as required by Rule 204A-1 under the Advisers Act, to establish principles of conduct, require compliance with federal securities laws by all of our employees and assist in detecting, managing and, to the extent possible, avoiding conflicts of interest, which may arise between employees and the Funds as a result of personal investing activities. The Firm's Code of Ethics contains policies and procedures that address, among other things, pre-clearance of certain personal securities transactions, periodic reporting of employees' personal securities transactions and holdings, and prompt internal reporting of any violations of this Code of Ethics.

The Firm will provide a copy of its Code of Ethics to Fund investors or prospective investors upon request.

Recommendations of Securities in which the Firm or a Related Person has Some Financial Interest

The Firm does not anticipate recommending securities to the Funds in which the Firm or a related person owns a material financial interest.

Cross Trades and Principal Transactions

Although the Firm does not expect to direct one Fund to sell securities to another Fund (i.e., effect "cross trades" between the Funds). If in the future, the Firm has the opportunity to effect cross trades between or among its Funds, the Firm may, to the extent permitted under applicable law, effect cross trades between Fund accounts, including Fund accounts in which the Firm or its personnel may have a proprietary investment. The Firm will undertake cross trades only when it deems the trade to be in the best interest of each participating Fund. Further, any such cross trades will generally be valued and priced at fair value and will be conducted on terms no less favorable to each Fund involved in the transaction than would be the case in a transaction with an independent third party and in accordance with any fiduciary obligation under applicable law. When effecting any such trades, the Firm may have conflicting loyalties and responsibilities.

Although the Firm does not expect to engage in principal transactions, to the extent any transaction qualifies as a "principal transaction" under the Advisers Act (i.e., where the Firm or an affiliate is acting as principal for its own account in a securities transaction with a Fund), the Firm will implement policies and procedures designed to comply with the provisions of Section 206(3) of the Advisers Act.

Conflicts and Potential Conflicts of Interest

The following discussion includes certain, but not all, conflicts of interest.

Portfolio Company Fees

The Firm and its affiliates receive certain fees from portfolio companies in connection with the purchase, monitoring or disposition of investments or in connection with unconsummated transactions (e.g., transaction, directors', consulting, management, investment banking, closing, organization, set-up, topping, break-up and other similar fees). Topspin also receives similar fees

from companies and third parties other than portfolio companies, which limited partners will not receive the benefit of. Additionally, in certain limited cases, the Fund or a portfolio company may pay a finder's fee or transaction fee to a consultant or similar person who may be affiliated with the Firm in conjunction with the identification of an investment opportunity actually consummated. While the Management Fee generally will be reduced by a percentage of certain of such fees, the potential for receipt of a portion of such fees could create an incentive for the Firm to choose investments that include a significant amount of such fees.

Other Portfolio Company Compensation

The Firm may recommend, and may be paid or reimbursed for certain compensation and other fees and expenses that relate to, the employment of certain expected portfolio company consultants or employees and certain services provided to portfolio companies. In such instances, the Firm could have a conflict of interest in connection with the applicable Fund's initial investment in such portfolio company and the resulting payment or reimbursement of such amounts. In addition, as a result of the Funds' controlling interests in portfolio companies, the Firm typically has the right to appoint board members to such portfolio companies, or to influence their appointment, and to determine or influence a determination of their compensation, if any.

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

A Fund's Governing Documents include restrictions on the ability of the Fund to purchase investments from or sell investments to the general partner, the Topspin, certain of their affiliates or any officers of Topspin or certain of its subsidiaries, subject to exceptions. Notwithstanding those restrictions, the Fund may invest in a company in which affiliates of the Topspin or personnel of the Topspin or its affiliates have certain direct or indirect ownership interests (such as an ownership interest as a result of an investment in publicly traded securities, a co-investment with a third party managed fund that is buying or selling such company or a participation in the carried interest of such third party managed fund) if certain conditions specified in the Governing Documents are satisfied. In addition, portfolio companies in which the Fund has invested are permitted to invest in, acquire or sell their securities to, or enter into other transactions with, portfolio companies in which other funds or accounts managed by the Topspin or its affiliates have invested if certain conditions specified in the Fund's Governing Documents are satisfied. Any of these transactions could give rise to conflicts of interest, including in circumstances where the Topspin or its affiliates are able to influence the terms and conditions on which such transactions occur and have different economic interests in the parties involved in those transactions.

Limited Partner Advisory Committee

Although the Advisory Committee is intended to act as the representative of the limited partners in respect of certain matters, including reviewing valuations of the Fund's assets and

addressing potential conflicts of interest, the Advisory Committee may not have the same interests as all investors. Furthermore, the Advisory Committee cannot be expected to be expert in such matters, and certain of its determinations may, in fact, adversely affect the performance of the Fund.

Side Letters

The general partner may enter into a side letter or other similar agreement with a particular limited partner (including any investor in any Parallel Fund) in connection with its investment without the approval of any other limited partner. This would have the effect of establishing rights under or supplementing the terms of the Fund Agreements with respect to such limited partner in a manner potentially more favorable to such limited partner than those applicable to other limited partners. Such rights or terms in any such side letter or other similar agreement may include, without limitation, (i) rights to designate a member of the Advisory Committee, (ii) excuse rights applicable to particular investments (which may increase the percentage interest of other limited partners in, and contribution obligations of other limited partners with respect to, such investments), (iii) reporting obligations of the general partner, (iv) waiver of certain confidentiality obligations, (v) consent of the general partner to certain transfers by such limited partner, (vi) co-investment rights, or (vii) rights or terms necessary in light of particular legal, regulatory or public policy characteristics of a limited partner.

The Firm and its personnel may, from time to time, acquire or come into possession of confidential or material non-public information or be restricted from initiating transactions in certain instruments which, if disclosed, might affect an investor's decision to buy, sell or hold an investment. Under applicable law, the Firm and its personnel are prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of the Firm or its affiliates.

Accordingly, should the Firm or its Principals or employees come into possession of material nonpublic or other confidential information, they are prohibited from communicating such information to clients, and have no responsibility or liability for failing to disclose such information to clients.

In addition, investors in the Funds may have conflicting investment, tax and other interests with respect to their investments in the Funds, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts may arise in connection with decisions made by Topspin and its affiliates regarding an investment that could be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, Topspin and its affiliates generally will consider the investment and tax objectives of a Fund and its investors as a whole, not the investment, tax or other objectives of any investor individually.

The Firm and/or its employees maintain relationships with (or may invest in) financial institutions or other service providers, some of which will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services to, the Firm and/or the Funds.

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

The Firm and its affiliates may also, from time to time, engage in arm's length transactions with service providers to the Funds that may also have ownership interests in one or more Funds.

ITEM 12* **BROKERAGE PRACTICES*

Although the Firm has discretionary authority to recommend broker-dealers for client transactions, the Firm does not expect to use this authority. Since the Firm anticipates that the securities of the underlying funds and portfolio companies will not be publicly traded, the Firm does not anticipate engaging any broker-dealer to effect transactions in securities of underlying funds and portfolio companies.

In addition, with respect to private company securities transactions on behalf of a Fund, the Firm may retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Fund and/or its portfolio company. In doing so, the Firm will consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although the Firm generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Funds may not necessarily pay the lowest commission or fee for such services.

ITEM 13* **REVIEW OF ACCOUNTS*

Review of Fund Portfolio

The only accounts managed by the Firm are the Funds. The Principals of the Firm meet on a periodic basis to discuss new investment opportunities that should be presented to the general partner. The investment positions and assets within the Funds' portfolios are monitored and reviewed by personnel of the Firm regularly. The Principals of the Firm also meet whenever needed to review and approve new investment opportunities or to evaluate developments with respect to existing investments and/ or opportunities for exiting investments.

Fund Reporting

Investors receive an audited annual financial report for each Fund within 120 days after the conclusion of each fiscal year, and an unaudited financial report within 60 days after the conclusion of each of the first three quarters of each Fund's fiscal year, or as soon as practicable thereafter. The Firm will use all reasonable efforts to deliver annual tax information for an investor's tax return within 180 days after the end of each fiscal year.

In addition to the information typically provided to all investors, the Fund may in certain circumstances (e.g., in connection with a co-investment opportunity) provide certain investors with additional information with respect to a Fund or a portfolio company or more frequent reports that other investors will not necessarily receive.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

The Firm currently does not engage third parties to solicit clients. The Firm had engaged MVision Private Equity Advisers USA LLC to solicit investors on behalf of Topspin Consumer Partners II.

ITEM 15 CUSTODY

Under Advisers Act Rule 206(4)-2 (the “Custody Rule”), the Firm is deemed to have custody of each Fund’s assets due to the authority of the general partner with respect to the assets of applicable Fund. To comply with the Custody Rule, each Fund is subject to an annual audit, and the audited financial statements are distributed to each Fund’s investors. Such financial statements are prepared in accordance with generally accepted accounting principles by an independent public accountant registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB).

ITEM 16 INVESTMENT DISCRETION

The Firm has investment discretion over the Funds’ assets in accordance with each Fund’s Governing Documents. The general partner has the authority to delegate investment discretion to the Firm pursuant to the limited partnership agreements of the Funds. The Governing Documents generally set forth the limitations with respect to the management of the Funds and the activities of the Firm.

ITEM 17 VOTING CLIENT SECURITIES

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Advisers Act, the Firm has adopted and implemented written policies and procedures governing the voting of client securities.

The Funds are primarily invested in privately-held portfolio company investments which typically do not issue proxies. However, upon occasion, the Firm will receive proxies in connection with publicly traded portfolio companies, in which case it is the Firm’s policy to exercise the proxy vote in the best interest of the Funds, taking into consideration all relevant factors, including without limitation, acting in a manner that it believes will (i) maximize the economic benefits to the relevant Fund and (ii) promote sound corporate governance by the issuer. On rare occasions, the Firm may be required to exercise a vote for a privately-held portfolio company, in which case the same procedures shall apply.

The Firm seeks to avoid material conflicts of interest between its own interests on the one hand, and the interests of the Funds on the other. In situations where the Firm is required to vote the proxy for a company in which its employees serve on the board of directors, the Firm has determined that this does not inherently present a conflict of interest, as the sole purpose of this representation is to maximize the return on the Funds’ investment in such portfolio company. Accordingly, while the Firm is generally, but not automatically, fully supportive of recommendations made by a portfolio company’s board of directors with respect to proxy votes related to that issuer, the Firm will review all proxies in accordance with its proxy voting guidelines

and may or may not vote in favor of the board's recommendation.

All conflicts of interest will be resolved in the interests of the Funds. In situations where the Firm perceives a material conflict of interest, the circumstances surrounding such potential conflict will be reviewed with the Firm's CCO, Leigh Randall, who will be responsible for recommending the appropriate action, which may include removing certain of the Firm's employees from the proxy voting process.

All proxies that the Firm receives will be treated in accordance with these policies and procedures. A copy of the Firm's written proxy voting policies and procedures, as well as a record of how the Firm has voted in the past, will be maintained and available for review upon written request made to the Firm's CCO at One Station Plaza, Suite 2B, Mamaroneck, NY 10543.

***ITEM 18* FINANCIAL INFORMATION**

The Firm does not require prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure. The Firm has not been the subject of any bankruptcy petition.