

Item 1. Cover Page

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**Part 2A of Form ADV
(The “Brochure”)**

March 27, 2024

This Brochure provides information about the qualifications and business practices of Regal Healthcare Capital Management, LLC (the “Adviser” or “Regal”). If you have any questions about the contents of this Brochure, please contact Jon Santemma, Chief Compliance Officer, at 212-393-4790 or jsantemma@regalhcp.com. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

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

Item 2. Material Changes

The Adviser does not consider any of the information contained in this version of the Brochure to represent a material change from the information contained in its most recent previous version dated March 30, 2023.

Our current and future investors are encouraged to read this Brochure, as well as all of the governing documents applicable to their current and prospective investment, in their entirety. To receive an additional current copy of this Brochure free of charge, please contact Jon Santemma at 212-393-4790 or jsantemma@regalhcp.com.

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Item 4. Advisory Business

The Adviser is a New York-based private equity management firm that, together with its affiliates, provides investment advisory services to pooled investment vehicles which are exempt from registration under the Investment Company Act of 1940, as amended, which include Regal Healthcare Capital Partners, L.P., RHCP-II, L.P., RHCP-II QP, L.P., RHCP-III, L.P., and RHCP-III QP, L.P. (each a “Fund” and collectively, the “Funds” or each a “Client” and collectively, the “Clients”). The Adviser has been in business since 2017 and its owners are David Kim, MD, Jon Santemma and Terry Wang.

The Adviser provides advisory services with respect to equity investments in private companies operating in the healthcare sector. Interests in the Funds generally are privately offered to qualified limited partners in the United States. The Funds make direct equity investments into small and medium-sized companies that demonstrate a potential for longevity and growth. The Adviser’s investment advisory services consist of identifying and evaluating investment opportunities and negotiating the terms of purchase and sale of investments as well as providing day-to-day managerial support services. Investments are made predominantly in non-public companies, although investments in public companies are permitted in certain instances. From time to time, the senior principals of the Adviser or other individuals chosen by the Adviser may serve on portfolio companies’ respective boards of managers or otherwise act to influence control over management of portfolio companies held by the Funds.

The Adviser tailors its advisory services to the individual needs of each of its Clients (not the individual investors of the Clients) based on the specific characteristics of such Client, including but not limited to: the stage in the investment period of each Client, and any other restrictions set forth in the private placement memorandum, limited partnership agreement, investment advisory agreement and other governing documents of the relevant Fund (collectively, “Governing Documents”).

The Adviser does not participate in wrap fee programs.

As of December 31, 2023, the Adviser had approximately \$703,645,217 in regulatory assets under management, all of which were managed on a discretionary basis.

Item 5. Fees and Compensation

The Adviser is compensated with an asset-based fee calculated as 2% of committed capital of each Client for the first five years of the fund duration and 2% of invested capital of each Client thereafter. The Adviser bills Clients bi-annually in advance for the asset-based fee. Regal, in its sole discretion, may waive or modify any fees for investors that are members, employees or affiliates of the Adviser, relatives of such persons, and for certain large, strategic, or other investors.

Each Fund’s relevant general partner earns a performance-based fee (“Carried Interest”) based on the profits of each Fund that is deducted from the investment proceeds of the limited partners. Generally, the relevant general partner receives Carried Interest of 20% of the profits of a Fund, subject to an 8% hurdle rate. In certain Funds, the general partner is eligible to receive a Carried Interest of 25% of the profits of a Fund above a 3.0x money-on-money return, with no catch-up (i.e., 25% only on the profits above 3.0x). Each Fund’s Governing Documents include further detail concerning the Carried Interest calculation. While not generally negotiable, the general partner of each Fund may, in its sole discretion, waive or reduce the amount of Carried Interest for a limited partner in a Fund, generally with respect to employees of the Adviser and their family members. These performance fee arrangements have been structured subject to Section 205(a)(1) of the Investment Advisers Act of 1940 in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

In addition to the asset-based fee and Carried Interest, in certain instances, the Adviser may charge additional fees or expenses to the Clients or the portfolio companies of the Clients as payments for services rendered by the Adviser. These fees include, but are not limited to, monitoring fees, transaction fees, and other consulting or advisory fees, and expenses include, but are not limited to, certain employment related costs incurred by Adviser. In addition, the Adviser at times will charge the Clients and portfolio companies of the Clients for reimbursement of such Clients or portfolio company expenses borne by the Adviser, such as but not limited to organizational expenses, partnership expenses, or general operational expenses.

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

As described in detail in Item 5 above, the Adviser generally receives a performance fee from each Client. The fact that each general partner's carried interest allocations are based on the performance of the Fund may create incentive for a general partner to make investments that are more speculative than would be the case in the absence of such distributions. This incentive is mitigated, however, due to the fact that all Funds pay Carried Interest and any losses a Fund sustains will reduce the general partner's Carried Interest distribution. The incentive is further mitigated by the fact that the Adviser's ability to attract future investors is tied to the performance of its investments.

Item 7. Types of Clients

As described in Item 4, the Adviser's Clients are pooled investment vehicles.

Regal Healthcare Capital Partners, LP limits its investors to persons who are "accredited investors" as defined in the Securities Act of 1933. RHCP-II QP, LP and RHCP-III QP, LP limit their respective investors to persons who are both "accredited investors" and "qualified purchasers" as defined in the Investment Company Act of 1940, and RHCP-II, LP and RHCP-III, LP limit their respective investors to persons who are both "accredited investors" and "qualified clients" as defined in the Investment Advisers Act of 1940. The minimum contribution for limited partners in each Fund was \$500,000, but commitments less than \$500,000 were also accepted at the discretion of each Fund's general partner.

Investors in the Adviser's Clients include a broad range of U.S.-based investors, including, among others, individuals, trusts and investment companies. In addition, employees and other persons associated with the Adviser and/or its affiliates are investors in the Clients.

Opportunities to invest in a portfolio company may be made available to any person or entity, including without limitation, strategic investors, lenders, deal sources, other private equity or venture capital firms, limited partners of the Clients, other persons or entities affiliated, associated or otherwise known to the Adviser or its personnel and unrelated third parties. This may arise whenever the Adviser has the opportunity for an investment in an existing or prospective portfolio company and the Adviser determines that all or a portion of the applicable opportunity is not required to be offered to, or is not appropriate for, a Fund. Such determinations are based on the provisions of the applicable Funds' Governing Documents and other factors as the Adviser may consider in its sole discretion, including those that may be specified from time to time in its policies on investment allocation. The Adviser is not obligated to arrange co-investment opportunities, and no Limited Partner will be obligated to participate in such an opportunity. The Adviser has sole discretion as to the amount (if any) of a co-investment opportunity that will be allocated to any particular Limited Partner.

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

The Adviser's methods and strategies center on sourcing and investing in small-cap companies with EBITDA generally between \$2 and \$10 million. The Adviser believes that generally the best first step in

finding successful target companies starts with meeting and partnering with talented executives and management teams.

Executive-First Sourcing: The Adviser primarily sources potential targets for investment by leveraging its network of operating talent, brokers, and intermediaries. The Adviser has developed the following investment strategies:

- “Executive-First” Searches: The Adviser searches for operating executives who have a clear outlook and strategy based on prior experience. The Adviser then searches for a target company that matches the executive’s strategy, consummates that investment, and then places the executive in the lead operating role to execute the strategic vision.
- “Executive-First” Partnerships: The Adviser draws on executives who, while not having a specific strategy to partner with a potential target company, are valuable in evaluating investment opportunities and can help win the deal, conduct due diligence, and assist once the deal is closed.
- Management Buyouts: The Adviser seeks out executives who are looking to buy the business that they are currently operating, taking advantage of the executive’s knowledge and access to information on the target company as well as the ability to create a clear and coherent investment strategy around the target.
- Growth Capital: Some target companies are already being run by executives executing a compelling investment strategy, and the Adviser partners with these companies to provide growth capital.

Focus on Attractive Small-Cap Market: The Adviser believes that the small-cap private equity market is significantly less efficient and competitive than the traditional middle- and large-cap markets. Furthermore, these businesses are often underachieving due to lack of management or expertise in operational efficiencies. The Adviser seeks potential targets from this deep pool of small-cap businesses, which often offer large growth potential at reasonable valuations.

Flexible and Creative Transaction Structures: The Adviser believes in structuring each deal for the specific circumstances of the opportunity and the needs of the selling or controlling shareholders. Most transactions, especially with family-owned and entrepreneur-owned businesses, have unique issues and concerns. The Adviser is skilled in creative structuring to tailor each deal to the target company.

The Adviser only recommends investments in equity or equity-like securities, which results in the investments having a high degree of risk, which are discussed in detail in this Brochure, including but not limited to a complete loss of investment. Further, the Adviser only recommends investments in the healthcare industry, which results in a concentrated portfolio which may suffer negatively if there are pressures on the broader healthcare industry.

Risk Factors

An investment in any Fund entails substantial risks, including, but not limited to, the possibility of a complete loss of the amount invested. There can be no assurance that a Fund’s investment objective will be achieved or that there will be any return of capital, and investment results may vary substantially on a monthly, quarterly, or annual basis. There can also be no assurance that a portfolio company will achieve a Fund’s investment objective. Current and prospective investors should carefully consider the following factors, among others not enumerated herein, in determining whether an investment in a Fund is suitable for them. Different or new risks not addressed below may arise in the future and, therefore, the following list is not intended to be exhaustive. There are many market-related and other factors, some of which cannot

be anticipated, that could result in an investor losing a major portion or all of its investment in a Fund or co-investment or prevent a Fund from generating profits. Any of these factors could make a Fund unable to execute its investment strategy.

An investor should only invest in a Fund if they are fully able, financially and otherwise, to bear such loss and if the investor has the background and experience to thoroughly understand the risks of its investment. The Funds are a potentially suitable investment only for sophisticated investors for whom (i) an investment does not represent a complete investment program and (ii) in consultation with their own investment and tax advisors, fully understand and are capable of assuming the risks of an investment in the Funds.

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

- Liquidity of Investments. An investment in the Adviser requires a long-term commitment with no certainty of return. The Adviser enters deals that are highly speculative and privately negotiated, rendering an investment in the Funds difficult to value and difficult for disposition. An investment in any Fund should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating each Fund (including the annual management fee) may exceed income, thereby requiring that the difference be paid from such Fund's capital.
- Healthcare Companies. Healthcare companies are generally subject to greater governmental regulation than other industries. Changes in governmental policies may have a material effect on the demand for or costs of certain products and services. Expansion of facilities by healthcare providers may be subject to "determinations of need" by the appropriate government authorities. This process increases the time and cost involved in these expansions, and also in those cases makes expansion plans uncertain, limiting the revenue and profitability growth potential of healthcare facilities operators and negatively affecting the price of their securities. Finally, because the products and services of healthcare companies affect the health and well-being of many individuals, these companies are especially susceptible to liability lawsuits. The value of a healthcare company can drop dramatically not only as a reaction to an adverse judicial ruling, but also from the adverse publicity accompanying threatened litigation.
- Character of the Investment. Most of the Adviser's target companies are small and medium-sized businesses, which may operate at a loss, require subsequent additional capital, or experience financial distress. While such investments could provide great gains, there is also a risk of substantial losses.
- Business Risks. Each Fund's investment portfolio consists primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

- Future and Past Performance. The performance of the Funds and members of the Adviser's team's prior investments is not necessarily indicative of any Fund's future results. While the Adviser intends for its Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that the targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.
- Concentration of Investments. Each Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, the investment portfolio of a particular Fund could become highly concentrated, and the performance of a few holdings may substantially affect its aggregate return.
- Lack of Sufficient Investment Opportunities. It is possible that a Fund may never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty. Limited partners, however, are required to pay annual management fees during each Fund's investment period based on the entire amount of such partner's commitments.
- Limited Transferability of Fund Interests. There will be no public market for the Funds' interests, and none is expected to develop. There are substantial restrictions upon the transferability of any Fund interests under each Fund's partnership agreement and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable.
- Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of each Fund's investments, and, hence, most of each Fund's investments will be difficult to value. Certain investments may be distributed in kind to partners.
- Ability to Exit Investments Successfully. The ability of a Fund to achieve successful and profitable exits of its portfolio investments may be affected by a number of factors prevailing at the time, including general economic conditions, interest rates, availability of capital, interest levels of strategic and financial buyers and cyclical trends. It is difficult to predict with any certainty whether there will be a ready and willing market of buyers for any particular portfolio company at the time the Fund seeks a realization.
- Cybersecurity Risk. The Funds, their portfolio companies, their service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their portfolio companies, despite the efforts of service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Funds and their portfolio companies. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to the systems of the Funds, their portfolio companies, their service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of such systems to disclose sensitive information to gain access to the confidential data. A successful penetration or circumvention of the security of such systems could result in the loss or theft of data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Funds or their portfolio companies to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

- **Catastrophic Events.** The Funds may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; terrorism; and public health crises, including the occurrence of a contagious disease. To the extent that any such event occurs and has a material effect on global financial markets or specific markets in which the Funds participate (or has a material effect on locations in which the Adviser operates) the risks of loss can be substantial and could have a material adverse effect on the Funds and the investments therein.

For information regarding the types of securities and portfolio companies in which Funds invest, please see Item 4 and Item 8, above.

Item 9. Disciplinary Information

There is no disciplinary information to disclose.

Item 10. Other Financial Industry Activities and Affiliations

There are no other financial industry activities and/or affiliations to disclose.

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

Code of Ethics

The Adviser has adopted a Code of Ethics (the “Code”) that obligates the Adviser and its related persons to put the interests of the Clients before their own interests and to act honestly and fairly in all respects in their dealings with Clients. All of the Adviser’s personnel are also required to comply with applicable federal securities laws. For additional information about the Code or to request a copy, please contact the Adviser’s Chief Compliance Officer, Jon Santemma, at 212-393-4790 or jsantemma@regalhcp.com. See below for further provisions of the Code as they relate to the pre-clearing and reporting of securities transactions by related persons.

The Code contains a securities trading policy, which sets forth standards of conduct that are expected of supervised persons, as well as addresses conflicts that may arise from personal trading. The Code covers standards of business conduct, prohibited business practices, personal trading requirements, reporting of personal securities transactions, insider trading, restrictions on accepting and giving significant gifts, and reporting of certain gifts and business entertainment items, among other things.

The Code includes a prohibition on insider trading and outlines strict policies that dictate how any such information is treated. Supervised persons are prohibited from trading, either personally or on behalf of others, in securities while in possession of material non-public information regarding these securities or communicating material non-public information to others. A restricted list is maintained regarding issuers about which the Adviser has material non-public information. Pre-clearance is required for certain personal securities transactions, including initial public offerings and certain limited offerings. In addition, supervised persons are required to submit quarterly reports of security transactions for their own accounts or any account in which they have a direct or indirect beneficial interest.

The Adviser does not expect there to be any instances of employees having access to material non-public (“insider”) information. Nonetheless, the Adviser’s Code requires personnel to report their personal securities transactions and comply with the policies and procedures reasonably designed to prevent the misuse of, or trading upon, material non-public information. Nonetheless, the Adviser, in the course of its

investment management and other activities, may come into possession of confidential or material non-public information about issuers of securities, including issuers in which the Adviser or its related persons have invested or seek to invest on behalf of a Client. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, including the Clients. The Adviser maintains written policies and procedures reasonably designed to prohibit the communication of such information to persons who do not have a legitimate need to know such information and to otherwise ensure that the Adviser is acting in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security. The Adviser and its personnel are prohibited from communicating such information with respect to the Clients or using such information for the Clients benefit.

Participation or Interest in Client Transactions

Supervised persons of the Adviser and its affiliates may directly or indirectly own an interest in the Funds. It is the Adviser's policy that it will not affect any principal or agency cross securities transactions for Client accounts. The Adviser will also not cause Clients to enter into securities trades with each other without the appropriate limited partner advisory committee or Client consent. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated Fund and another Client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. Neither of these circumstances applies to the Adviser at this time.

The Code requires supervised persons to place the interests of Clients first, and on an annual basis each supervised person must certify that he or she has read and understands the Code and has complied with its provisions.

If any matter arises that the Adviser determines in its good faith constitutes an actual conflict of interest, the Adviser may take such actions as may be necessary or appropriate within the context of the Governing Documents to address the conflict. The offering documents for each Fund details a complete description of what the Adviser believes to be the most significant conflicts of interest associated with an investment in the Fund. Investors should carefully consider the conflicts of interest herein as well as those outlined in the Adviser's offering documents prior to investing in a Fund.

Supervised persons may serve on the boards of Fund portfolio companies. Serving in such capacity may give rise to conflicts to the extent that a supervised person's fiduciary duties to a portfolio company may conflict with the interests of a Fund in general; however, as the Funds will generally be significant shareholders of such companies, it is expected that such interests will generally be aligned. Additionally, any fees earned for sitting on such portfolio company boards are generally not offset against management fees. The Adviser may also appoint persons that are not supervised persons to portfolio company boards; any such fees are paid by the relevant portfolio company and not by the Adviser or its relevant Fund.

Each Fund has an advisory board which is established under the respective Fund's Governing Documents. Each Fund's advisory board is comprised of select limited partners of each Fund. A conflict of interest may exist in that not all limited partners are asked to join a Fund's advisory board.

Each Fund's investors may have conflicting investment, tax and other interests with respect to their investments. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of investments made by each Fund, the structuring of the acquisition of portfolio companies and the timing of the disposition of investments. Such structuring of portfolio companies may result in different after-tax returns being realized by different investors. As a consequence, conflicts of interest may arise in connection with decisions made by the Adviser that may be more beneficial for one investor than another investor, especially with respect to investors' individual tax situations. The Adviser considers the investment and tax objectives of each Fund as a whole, and not the individual investment, tax or other objectives of any particular investor.

From time to time, the Adviser may be presented with investment opportunities that would be suitable for more than one of the Funds. In determining which investment vehicles should participate in such investment opportunities, the Adviser and its affiliates are subject to conflicts of interest among the investors. The Adviser will endeavor to resolve these conflicts of interest in light of its obligations to investors and attempts to allocate investment opportunities among investors in a fair and equitable manner as described in Item 7 and in the Adviser's policies on investment allocation and co-investments.

Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by the Adviser in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections.

There is not expected to be an actively traded market for most of the securities owned by the Funds. When estimating fair value, the general partners will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The Adviser has established a valuation policy which it will follow when performing portfolio company valuations. The Adviser does not intend to retain the services of a third-party valuation consultant to assist in performing portfolio company valuations. There is a risk in that the Adviser's valuations of are performed internally by its own team and are not reviewed by an independent third party. The exercise of discretion in valuation by the Adviser may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of management fees.

Personal Trading

Principals and employees of the Adviser may carry on investment activities for their own account and for family members, friends, or others who do not invest in the Funds, and may give advice and recommend securities to vehicles, which may differ from advice given to, or securities recommended or bought for, the Funds, even though their investment objectives may be the same or similar. The Adviser's employees are prohibited from trading, either personally or on behalf of others, in securities while in possession of material non-public information regarding these securities or communicating material non-public information to others. Personal securities transactions by employees who manage Client accounts are required to be conducted in a manner that prioritizes the Client's interests in Client eligible investments.

Item 12. Brokerage Practices

The Adviser does not ordinarily deal with any financial intermediary such as a broker-dealer, and commissions are not ordinarily payable in connection with such investments because the Clients invest in private portfolio companies, generally in the form of investments in private securities. To the limited extent the Adviser may transact in public securities for a Client, or engage intermediaries to effect transactions in private securities for a Client, it intends to select brokers, dealers and other intermediaries based upon their ability to provide best execution for a Fund.

Item 13. Review of Accounts

The managers of the Adviser and other members of the Adviser's investment team regularly review and monitor each Client's portfolio to determine whether positions should be maintained in view of current market conditions. The Adviser's review may consider specific securities held, adherence to investment guidelines and the Client's performance.

The Chief Compliance Officer and the Adviser's principals review the accounts of the Funds on a regular basis and periodically check to confirm that each Fund is maintained in accordance with its stated business objectives. The Adviser and/or the Chief Compliance Officer performs additional reviews in the event that a portfolio company needs subsequent financing, in the event of a potential acquisition or liquidity event, or if there were a serious performance issue at a portfolio company. Investments made by Clients are private, illiquid, and long-term in nature. Members of the Adviser's investment team closely monitor the operations of its portfolio companies and maintain ongoing oversight. These reviews include, but are not limited to, review of: sales trends, margins, profitability, debt to equity ratios, material business developments, competitive landscape and management oversight.

Each Fund generally will provide to its limited partners (i) audited financial statements annually within 90 days of year end; (ii) unaudited financial statements for the first six months of each fiscal year, within 60 days of such close; (iii) annual tax information necessary for each partner's U.S. tax returns; (iv) descriptive investment information for each portfolio company quarterly; and (v) reports summarizing material affiliated transactions. All reports are sent to limited partners either electronically or by mail, as per each investor's preference. Upon request, certain investors may receive additional information and reporting that other investors may not receive.

Fund investors receive reports from the Funds as described in the Funds' Governing Documents, certain investors may negotiate or request to receive reports from a Fund on a more frequent basis or that include information not provided to other investors (including, without limitation, more detailed information regarding portfolio positions) through the use of side letters or otherwise.

Item 14. Client Referrals and Other Compensation

The Adviser does not receive any monetary compensation or any other economic benefit from a non-Client for the Adviser's provision of investment advisory services to a Client.

Item 15. Custody

The Adviser will comply with the requirements of Rule 206(4)-2 of the Advisers Act ("Custody Rule") with regards to custody of assets of the Clients. The Custody Rule imposes certain obligations on registered investment advisers that have custody or possession of any funds or securities in which any client has any beneficial interest. An investment adviser is deemed to have custody or possession of client funds or securities if the adviser directly or indirectly holds client funds or securities or has the authority to obtain

possession of them (regardless of whether the exercise of that authority or ability would be lawful). An investment adviser is deemed to have custody if it or its affiliate serves as a general partner to a limited partnership client of the Adviser.

The Adviser is required to maintain the funds and securities (except for securities that meet the privately offered securities exemption in the Custody Rule) over which it has custody with a “qualified custodian.” Qualified custodians include banks, broker-dealers, FCM and certain foreign financial institutions.

Rule 206(4)-2 generally imposes on advisers with custody of clients’ funds or securities certain requirements concerning reports to such clients (including underlying investors in certain circumstances) and surprise examinations relating to such clients’ funds or securities. Clients that receive account statements directly from a custodian should carefully review these account statements. However, the Adviser need not comply with such requirements with respect to pooled investment vehicles if the pooled investment vehicle: (i) is audited at least annually by an independent public accountant, and (ii) distributes its audited financial statements prepared in accordance with generally accepted accounting principles to the client, or, in certain circumstances, all limited partners, members or other beneficial owners, within 120 days (180 days in the case of a fund of fund adviser) of its fiscal year end. The Adviser intends to rely upon this exception, and therefore will be exempt from Rule 206(4)-2 reporting and examination requirements, with respect to the Funds.

The Client’s accounts are held at qualified custodians including unaffiliated broker-dealers and banking institutions. Annually, upon completion of the Clients’ year-end audit, the Adviser will distribute audited financial statements to investors in the Clients. The Adviser shall ensure that audited financial statements for the Clients are delivered to all investors within 120 days of the end of each fiscal year, in compliance with the Custody Rule.

Item 16. Investment Discretion

As described in Item 4 herein, the Adviser has discretionary authority to manage securities accounts on behalf of Clients as described in the Clients Governing Documents. Please see Item 4 for a description of any limitations the Clients may place on the Adviser’s discretionary authority. The Adviser entered into an investment management agreement with each of the Clients, which set forth the scope of the Adviser’s discretion, prior to assuming full discretion in managing the Clients’ assets.

Although it is the Adviser’s policy to allocate investment opportunities to an eligible Client on a pro rata basis (based on assets under management), these and other factors may lead the Adviser to allocate securities to the Clients in varying amounts.

Item 17. Voting Client Securities

By virtue of the Fund Governing Documents, the Adviser has the authority to vote Client securities on behalf of its Funds. The Adviser’s security voting policy seeks to ensure that the Adviser votes Client securities in the best interest of the Funds, including where there may be material conflicts of interest in voting such securities. The Adviser generally believes its interests, and those of its supervised persons, are aligned with those of the Fund’s investors through the principals beneficial ownership interests in the Funds, and therefore will not seek investor approval or direction when voting Client securities. In the event that there is or may be a conflict of interest in voting Client securities, the Adviser may address the conflict using several alternatives, including by seeking the approval or concurrence of an Advisory Committee on the proposed Client security vote, or through other alternatives set forth in the Adviser’s Client security voting policy.

The Adviser does not consider service on portfolio company boards by Adviser personnel or the Advisers' receipt of nominal board fees to create a material conflict of interest in voting Client securities with respect to such companies.

The Adviser will provide a copy of its Client security voting policy to any existing or prospective limited partner upon request to Jon Santemma, Chief Compliance Officer, at 212-393-4790 or jsantemma@regalhcp.com. Clients may also obtain information from the Adviser, free of charge, about how the Adviser voted any previous Client securities, if any.

Item 18. Financial Information

The Adviser is not required to include a balance sheet because it does not require or solicit the payment of fees six months or more in advance. The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients nor has it been the subject of a bankruptcy proceeding.