

COMPASS PARTNERS INTERNATIONAL JERSEY L.P.

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FORM ADV PART 2

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This brochure provides information about the qualifications and business practices of Compass Partners International Jersey L.P. If you have any questions about the contents of this brochure, please contact us at (203) 966-7447. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Compass Partners International Jersey L.P. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This brochure regarding the investment advisory business of Compass Partners International Jersey L.P. dated January 2019 (this “Brochure”) is an update to the version of the Brochure filed in March 2018. Although this Brochure contains a number of refinements, the only material change in this Brochure from last year’s version is that an additional fund is a client of the firm and discretionary assets under management have increased from \$450 million to \$600 million.

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Item 4 – Advisory Business

Structure; History and Ownership

Compass Partners International Jersey L.P. (referred to in this brochure as we, us or the “Firm”) is a private equity advisory firm with its principal place of business in St. Helier, Jersey. The Firm was formed as a Jersey limited partnership in January 2016, and is succeeding to the advisory business of Compass Partners International Jersey Limited, which itself was formed in November 2015 as a Jersey corporation. The general partner of the Firm is Compass Partners International Jersey Limited, a Jersey corporation (the “General Partner”). John-Paul Meagher, Martin Bralsford and Hilary Jones are the directors of the General Partner.

Compass Partners Investments Topco Limited, a Jersey corporation, holds all of the General Partner’s ordinary shares. Compass Partners Investments Topco Limited, in turn, is owned by a number of individuals associated with the Firm and its affiliated entities, including Frank Rudd, Steve Waters, Tim Wright, Alister Wormsley and Anthony Marraccino. Frank Rudd, Steve Waters, Robert Gasparini and Peter Horoszko (the “Income Shareholders”) hold the income shares of the General Partner, which entitle them to a portion of the income received by the Firm, but which confer no voting rights.

Types of Advisory Services

We act as an adviser with respect to the general partner of two enterprises: Compass Partners Investments Master Fund LP (“Master Fund”) and Compass Partners Investments GC Fund LP (“GC Fund”) and their sub-funds (collectively, the “Funds”). Our advice in respect the Funds is provided to the Funds’ general partners, Compass Partners Investment Master GP Limited and Compass Partners Investments GC GP Limited, Jersey corporations and affiliates of the firm (the “Fund General Partners”), which have authority over the assets of Funds.

In early 2016 the Master Fund acquired a portfolio of companies and in July 2018, the GC Fund acquired additional interests in two of the portfolio companies acquired by the Master Fund and another portfolio company (collectively, the “Portfolio Companies”).

We do not currently act as an investment adviser with respect to any clients other than the Funds and the Fund General Partners, although we may advise other clients in the future. We generally do not tailor our investment strategy to the needs of particular investors in the Funds. However, in certain circumstances, we may advise that a transaction be structured in a manner to benefit one or more investors, provided the other investors are not disadvantaged.

Assets Under Management

As of December 31, 2018, we managed approximately \$600,000,000 of client assets on a non-discretionary basis. We do not manage any client assets on a discretionary basis.

Item 5 – Fees and Compensation

Fees

We estimate an annual advisory fee from Fund General Partners and Portfolio Companies of approximately \$2.2 million paid quarterly in advance.

In addition to compensation received directly from the Fund General Partners, the Income Shareholders and other persons associated with the Firm may also receive consideration for their services to the Portfolio Companies and affiliates of the Firm or the Fund General Partners. Such persons may also take management positions with the Portfolio Companies, in which case they may receive a salary and/or other compensation from such Portfolio Companies.

Expenses

The Fund General Partners and the Funds bear the organizational and offering expenses incurred in their formation and the acquisition of the Portfolio Companies.

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

The Firm does not receive any performance-based compensation.

Item 7 – Types of Clients

As discussed in Item 4, our only clients are the Fund General Partners of the Funds.

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

Investment Objective and Strategy

Our investment objective in the management of our clients is capital appreciation through a hold and sell approach to our investments. Depending on the investment opportunities available to us, we may focus on other objectives and strategies, such as those that emphasize dividend earnings.

Our investment strategy inherently involves certain significant risks. There can be no assurance that our investment objective will be realized or that any account will be profitable in the future. See the section titled “– Risks Associated with Our Investment Strategy” below.

Risks Associated with Our Investment Strategy

As with other private equity investments, an investment with us involves a high degree of risk. There can be no assurance, based on these risks, as well as other risks inherent in any investment, that we will meet our investment objectives or otherwise be able to successfully carry out our investment program. An investor should only invest with us if the investor can withstand a total loss of its investment.

Competitive Nature of Our Portfolio Companies’ Businesses

No assurance can be given that Portfolio Companies, no matter how well managed or capitalized, will meet their objectives or continue to stay in business.

Dependence on Key Personnel

Our success depends in substantial part on the Income Shareholders' and other key persons' skills and expertise and those of the managers of the Portfolio Companies. There can be no assurance that such persons will continue in such roles. To the extent that we are unable to retain the services of such persons, the performance of the Portfolio Companies may suffer.

Risk of Reliance on Management by Third Parties

There can be no assurance that the management of the Portfolio Companies will operate successfully. Although we monitor the performance of each Portfolio Company, the success of the Funds depend upon management to operate the Portfolio Companies on a day-to-day basis.

Lack of Liquidity of Investments

The investments in the Portfolio Companies are illiquid. Dispositions of Portfolio Companies may be subject to contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof.

Leverage

The portfolio of the Funds were acquired using leverage, entitling a third-party lender to a portion of the cash flow generated by the Portfolio Companies. Although the use of leverage may enhance returns and permit acquisitions on better terms, it involves a heightened degree of risk, is inherently more sensitive to adverse economic factors (such as a significant rise in interest rates, a downturn in the economy, deterioration in the condition of such Portfolio Companies, declines in revenues and increases in expenses) and can exaggerate the financial effect of any increase or decrease in the value of the Portfolio Companies.

Risks Upon Disposition of Portfolio Companies

In connection with the disposition of an investment in a Portfolio Company, the Funds may be required to make representations about the business and financial affairs of the Portfolio Company typical of those made in connection with the sale of any business, or may be responsible for the contents of disclosure documents under applicable securities laws. The Funds may also be required to indemnify the purchasers of such Portfolio Company or underwriters to the extent that any such representations or disclosure documents turn out to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the investors in the Funds.

Risk Arising from Provision of Managerial Assistance

Persons associated with the Firm may be designated as directors or officers of the Portfolio Companies. Such involvement could expose the Funds' or the Fund General Partners' assets to claims by a Portfolio Company, its security holders and its creditors, including claims that we or the Fund General Partners are controlling persons and thus are liable for securities law violations of a Portfolio Company. These measures could also result in certain liabilities in the event of the bankruptcy or reorganization of a Portfolio Company; could result in claims against us, the Fund General Partners or the Funds if the designated directors violate their fiduciary or other duties to a Portfolio Company or fail to exercise appropriate levels of care under applicable corporate or securities laws, environmental laws or other legal principles; and could expose the Funds or the Fund General Partners to claims that it interfered in management to the detriment of a Portfolio Company. While we seek to advise the Fund General Partners in a way that will minimize the exposure to these risks, the possibility of successful claims cannot be precluded.

General Economic Conditions, Political Risks and Catastrophic Events

General economic conditions may affect the activities of the Portfolio Companies. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value of the Portfolio Companies. Depending on the country in which a Portfolio Company is located or operates, there may exist the risk of adverse political developments, including nationalization, confiscation without fair compensation or war.

Portfolio Companies may also be subject to catastrophic events and other force majeure events, such as fires, earthquakes, adverse weather conditions, changes in law, eminent domain, riots, terrorist attacks and similar risks. These events could result in the partial or total loss of the economic value of a target company or significant down time resulting in lost revenues, among other potentially detrimental effects.

Item 9 – Disciplinary Information

None of the Firms, the Income Shareholders or the Firm's other associated persons has ever been sanctioned or reprimanded by any regulator or self-regulatory organization, nor has any such person been sued (or, to our knowledge, threatened with litigation) by any client or by any local state or federal authority on behalf of a client.

Item 10 – Other Financial Industry Activities and Affiliations

As noted elsewhere in this Brochure, we provide advice to the Fund General Partners, who are affiliates. We are also affiliated with certain other entities that directly or indirectly provide services to the Funds and the Portfolio Companies:

- Compass Partners International II LLP, a United Kingdom limited liability partnership (the "UK LLP"), also provides investment advice to the Fund General Partner in respect of the Funds. The UK LLP is a financial firm registered with the Financial Conduct Authority in the United Kingdom.
- Penguin Investments GP Limited, a Jersey corporation, acts as the general partner to certain of the sub-funds below the Master Fund, and is wholly owned by the Master Fund General Partner.

In addition, the Income Shareholders and other persons associated with the Firm may act as a director or an officer of the Portfolio Companies.

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

Code of Ethics

We have established a Code of Ethics pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended, as part of our overall compliance program. The Code of Ethics includes policies and procedures relating to personal securities trading by firm personnel and protection against the misuse of material nonpublic information. The Code of Ethics is designed to prevent, among other things, any improper conduct whenever any potential conflict of interest may exist with respect to any client. In addition, the Code of Ethics requires the firm and/or all supervised persons of the firm to safeguard and prevent dissemination of non-public information, to refrain from engaging in self-interested transactions without prior approval, to develop adequate internal accounting controls and maintain proper books and records, and to refrain from insider trading. The Code of Ethics also outlines the duties of care and loyalty that the firm and its supervised persons are required to follow with respect to clients, including our obligation to exercise a high degree of care, to seek best execution, to safeguard client assets, to act in the best interest of clients and to render impartial advice to clients. A copy of the Code of Ethics is available upon written request to Anthony Marraccino, Chief Compliance Officer, Compass Partners International Jersey Limited, 26 Mount Row, London, W1K 3SQ.

Item 12 – Brokerage Practices

We do not engage brokers in the execution of our investment strategy on behalf of our clients.

Item 13 – Review of Accounts

The Funds were formed for the purpose of acquiring the Portfolio Companies, and the General Partners were formed for the purpose of acting as the general partners of the Funds. The Funds are not expected to make additional investments. As a result, we do not periodically review our clients' accounts or financial plans.

Investors in the Funds receive annual audited financial statements. We frequently consult with the Fund General Partners, which have discretionary control over the assets of the Funds.

Item 14 – Client Referrals and Other Compensation

We do not currently have any formal arrangements directly or indirectly with any person for client referrals. We do not receive any economic benefit from any person that is not a client for providing investment advice or other services to our clients.

Item 15 – Custody

We do not have custody of client funds and securities.

Item 16 – Investment Discretion

We do not have discretionary authority over the investments of the Fund General Partners or the Funds.

Item 17 – Voting Client Securities

We have adopted a proxy voting policy designed to ensure that we comply with the requirements of Rule 206(4)-6 and Rule 204-2 promulgated pursuant to the Investment Advisers Act of 1940, as amended, and fulfill our obligation thereunder with respect to proxy voting, disclosure and recordkeeping. Because of the nature of our investment advisory activities, it is unlikely that we will be in a position to vote proxies on behalf of any of our clients. In the event that we are in a position to do so, our objective is to ensure that our proxy voting activities on behalf of our clients are conducted in a manner consistent, under all circumstances, with the best interest of our clients. If we determine that we have, or may be perceived to have, a conflict of interest when voting a proxy, we will address matters involving such conflicts of interest on a case-by-case basis.

Our clients may obtain a copy of our proxy voting policies and procedures, and information regarding how we voted particular proxies on behalf of the accounts, on request.

Item 18 – Financial Information

We do not require or solicit prepayment of more than \$1,200 in fees six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year.