

North Sky Capital, LLC
Form ADV – Schedule F

This brochure provides information about the qualifications and business practices of North Sky Capital, LLC (hereinafter “the Applicant”). Please contact Gretchen Postula, Head of Investor Relations, of the Applicant, if you have any questions about the contents of this brochure. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Response to Items 1 and 3

The Applicant is a fund of funds investment manager that makes commitments from pooled investment vehicles and single-sourced vehicles to venture capital funds, leveraged buyout funds, infrastructure funds and similar private equity vehicles, all of which are typically limited partnerships. Such private equity vehicles, in turn, invest primarily in unregistered equity and/or debt securities of private companies. Such vehicles may also invest in or own publicly-traded debt or equity securities and options or warrants to purchase debt or equity. The Applicant also manages direct investment funds, which primarily will make investments in the debt or equity securities of private companies. Such funds may also invest in or own publicly-traded debt or equity securities and options or warrants to purchase debt or equity. Any cash held pending investment or distribution to investors is held in money market or similar accounts.

All investors should review the Private Placement Memorandum and other offering and organizational documents of the funds in conjunction with this brochure for complete information on the investment objectives, fees and strategies of a particular fund. There is no assurance that any of the funds’ investment objectives will be met or that the funds’ strategies will be successful.

The Applicant does not publish reports on a fee or subscription basis.

The Applicant’s annual advisory fees generally range from 15 to 125 basis points depending on the size of each investor’s commitment amount (fee is inversely proportional to commitment size) and the applicable fund. The applicable fee rate is multiplied by each investor’s commitment amount to determine the annual fee for each investor. Annual advisory fees are paid quarterly in arrears and in accordance with negotiated terms between the Applicant and each respective fund. In certain circumstances, annual advisory fees may be reduced or waived with respect to certain investors. Investors are requested to refer to the offering or organizational documents of each of the funds for complete information on the advisory fees charged by a particular fund.

Certain allocations to the Applicant and/or its affiliates are calculated and are charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (“carried interest”). The carried interest charged varies from fund to fund, but typically ranges from 5 to 20% of certain gains. The Applicant and its related persons require that all investors participating in such fee arrangements be “qualified clients” as required pursuant to the Investment Advisers Act of 1940 (the “Advisers Act”). Such fee arrangements may create an incentive for the Applicant to recommend investments which may be riskier or

more speculative than those which would be recommended under a different fee arrangement. Investors are requested to refer to the offering or organizational documents of each of the funds for complete information on the carried interest charged by a particular fund.

The Applicant's funds include Private Equity Partners (PEP) I, PEP II (Venture Fund II, LBO Fund II and Direct Fund II), CleanTech Ventures, PEP III (Venture Fund III, LBO Fund III), PEP IV (Venture Fund IV, LBO Fund IV, CleanTech Fund IV and Direct Fund IV), and CleanTech Alliance Fund (CleanTech Alliance Fund, CleanTech Alliance Fund of Funds and CleanTech Alliance Direct Fund). For these funds, the third parties and independent contractors may be paid placement agent fees or referral fees. The fees may be flat monthly retainers and/or fees based on percentages of (1) client commitments sourced by the placement agents and referral parties or (2) aggregate commitments.

Investors in a fund managed by the Applicant will bear the fees and expenses of such fund, and all investors in such fund will indirectly bear the fees and expenses of the underlying funds in which such fund invests. Similarly, investors in a fund managed by the Applicant will bear the carried interest payments with respect to such fund, and all investors in such fund will indirectly pay an additional carried interest in respect of the underlying funds in which such fund invests to the extent that a carried interest is paid to such underlying fund or its general partner or sponsor.

The funds are offered exclusively to accredited investors pursuant to Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act of 1940, and are therefore not required to register as investment companies under the Investment Company Act of 1940 in reliance upon certain exemptions available to funds whose securities are not publicly offered.

The Applicant's services may be terminated generally by any of its private investment fund clients upon 60 days' prior written notice to the Applicant. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Investors in the private investment funds should refer to the investment terms in the offering documents.

Response to Item 2

The Applicant serves as the general partner and investment manager for the Funds.

Response to Items 3 and 4

The Applicant provides investment advice with respect to various types of securities and investments. Investors are requested to refer to the offering or organizational documents of the funds for complete information on the methods of analysis, sources of information and investment strategies employed with respect to a particular fund. The Applicant typically makes commitments to fund managers and direct investments to companies based on the relevant offering materials, publicly available returns data (e.g., from industry data sources such as Thompson Venture Economics) and proprietary information gleaned from the Applicant's due diligence investigation of each fund manager or company management the Applicant reviews.

Response to Item 5

Advisory persons associated with the Applicant must possess, minimally, appropriate business experience and all required licenses. In addition, the Applicant considers other relevant factors, such as prior relevant employment and educational background, in determining whether an applicant is suitable for employment.

Response to Item 6

Scott Barrington, DOB 9/17/68 (Investment Committee)

Managing Member, North Sky Capital LLC

Education: Macalester College, BA in Mathematics and Economics; University of Michigan Law School, JD

Background (last five years): Head of private equity at Piper Jaffray

Daniel Donoghue, DOB 3/27/61 (Investment Committee)

Co-founder of Discovery Partners

Education: Boston College, BS in Business Administration; University of Chicago Graduate School of Business, MBA

Background (last five years): Currently, manager of a small-cap public sector hedge fund and private equity funds.

Buzz Benson, DOB 10/8/54 (Investment Committee)

Managing Director, SightLine Partners

Education: St. John's University, BS in Accounting

Background (last five years): Managing Director of Sightline Partners

Tad Piper, DOB 10/10/46 (Investment Committee)

Board of Directors, Piper Jaffray Companies

Education: Williams College, BS in Economics; Stanford University, MBA

Background (last five years): Chairman of the Board and Vice Chairman, Piper Jaffray Companies.

Danny Zouber, DOB 8/2/75 (Investment Committee)

Managing Director, North Sky Capital LLC

Education: University of Wisconsin-Madison, BBA in Finance, Investment and Banking

Background (last five years): Vice President of Deeplaven Capital.

Michael Pohlen, DOB 5/2/69 (Investment Committee)

Managing Director, North Sky Capital LLC

Education: BS in Actuarial Science, University of Minnesota; MBA from the Carlson School of Management at the University of Minnesota

Background (last five years): Vice President in Piper Jaffray investment banking group; founder and President of an investment fund; Vice President at Deeplaven Capital Management

Chris Flannery, DOB 1/1/65 (Investment Committee)
Managing Director, Public Finance Investment Banking, Piper Jaffray & Co.
Education: BS in Mathematics, University of Minnesota; MS in Mathematics, Northwestern University; PHD in Mathematics, Northwestern University
Background (last five years): Managing Director, Public Finance Investment Banking, Piper Jaffray & Co.

Gretchen Postula, DOB 1/3/67
Chief Compliance Officer, North Sky Capital, LLC
Education: Ferris State University
Background (last five years): Head of Investor Relations of Piper Jaffray Private Capital, LLC

Response to Item 8

Piper Jaffray Private Capital, Inc. (“Piper Jaffray”) will continue to own an economic interest in the private investment funds managed by the Applicant. Additionally, Piper Jaffray will own an economic interest in the Applicant that entitles Piper to share in a portion of any carried interest earned by the Applicant with respect to the existing private investment funds managed by the Applicant. Piper Jaffray is affiliated with Piper Jaffray & Co., which provides trading services to its clients. The Applicant may utilize Piper Jaffray & Co. for trading services subject to best execution requirements.

As described in the response to Item 1, the Applicant is a fund of funds investment manager that makes commitments from pooled investment vehicles and single-sourced vehicles to venture capital funds, leveraged buyout funds, infrastructure funds and similar private equity vehicles. The Applicant also manages direct investment funds, which primarily will make investments in the debt or equity securities of private companies. The Applicant or an affiliate of the Applicant generally serves as the general partner to these funds. Please refer to Schedule D of Form ADV Part I for a complete list of such funds (available at <http://www.adviserinfo.sec.gov>).

Response to Item 9

The Applicant may, via its controlling ownership interest in one or more funds managed by the Applicant, buy securities for itself from or sell securities it owns to other funds managed by the Applicant, provided that the sale or purchase is consistent with the Applicant’s fiduciary duty to the client. The Applicant's interest in any such transaction will be fully disclosed in writing to such funds and the written consent of the fund (which may, in certain circumstances, be provided by the fund’s Advisory Committee) will be obtained prior to such transactions in accordance with all applicable state and federal securities laws.

The Applicant and its affiliates may engage in “agency cross transactions” as defined in Rule 206(3)-2 promulgated by the SEC under the Advisers Act, in which an affiliate of the Applicant acts as a broker for both an advisory client and for another person on the other side of the transaction. The Applicant’s affiliates may receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to such agency cross transactions.

In its capacity as the general partner of each of the funds, the Applicant and/or its affiliates may have indirect beneficial interests in the securities owned by the funds, and therefore may share in the profits and losses generated by the funds' portfolio of investments.

In addition, the direct investment funds are designed primarily to make co-investments in the portfolio companies of the underlying venture, buyout and infrastructure managers of the Applicant's fund of funds vehicles. The Applicant is therefore expected to invest capital from the direct investment funds into some of the same securities that will be held in its funds of funds vehicles. The Applicant has discretion as to which companies to select for investment. Depending on the timing of the Applicant's offerings, Investors may be able to choose to invest in more than one of the Applicant's fund of funds vehicle at any given time.

Allocation of commitments and investment decisions with respect to fund investment opportunities are made by the Applicant with respect to all clients in accordance with the Applicant's investment allocation policy, which takes into account multiple criteria, including: specific account objectives, account size and capital available for investment, the existing investment mix of an account, diversification needs, the size of the investment opportunity and the ability to make meaningful investments for each client. In the event the investment opportunity is suitable for more than one fund, the Applicant's Investment Committee will derive an allocation that is fair and equitable under the circumstances. In such situations, the Investment Committee may generally allocate an investment opportunity to eligible funds in the order of priority of their inception dates.

Response to Item 9.E

The Applicant has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. The Applicant's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth the Applicant's practice of supervising the personal securities transactions of supervised persons with access to client information. Individuals associated with the Applicant may buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is the expressed policy of the Applicant that no person employed by the Applicant shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

The Applicant requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. The Applicant's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to disciplinary action.

The Applicant will provide a complete copy of its Code of Ethics to any client upon request to the Chief Compliance Officer at the Applicant's principal address.

Response to Item 10

For the Applicant's funds, investors generally must commit a minimum of \$1 million, subject to waiver on a case by case basis.

Response to Item 11

The Applicant will continuously monitor portfolio investments on behalf of the funds. Investments are reviewed in the context of each fund's stated investment objectives and guidelines.

The Applicant or its affiliates will use commercially reasonable efforts to provide fund investors with written quarterly and annual reports on the investment portfolios of the respective funds. The Applicant cannot furnish financial reports to fund investors unless and until the general partner or manager of each underlying portfolio investment has provided the Applicant or its affiliates with financial information necessary to complete such reports. The Applicant or its affiliates will use commercially reasonable efforts to obtain such financial information from such entities on a timely basis.

Response to Item 12

The Applicant has discretion to select venture funds, LBO funds and infrastructure funds for commitments from pooled vehicles and single-sourced vehicles subject to the restrictions set forth in the partnership agreements of the private investment funds. These underlying managers then have full discretion to buy and sell securities. The Applicant is only expected to have discretion to sell a security of a private or public company if the underlying fund managers distribute shares to its limited partners rather than cash. In such event, the Applicant can either distribute shares to investors or sell the shares in order to distribute cash. The distribution of such shares from the underlying manager to the Applicant typically is effected through a broker of the underlying manager's choosing or the Applicant may utilize Piper Jaffray & Co. subject to best execution requirements. The Applicant endeavors at all times to seek best execution for such trades as part of the Applicant's fiduciary duty, investors should be aware that the receipt of compensation by an affiliate itself creates a conflict of interest.

The Applicant has discretion of when to buy and sell securities for the direct investment funds and discretion to select a broker to execute sales of any publicly traded companies in the direct investment funds. In selecting brokers to effect securities transactions, the Applicant seeks to obtain best execution by considering factors including, but not limited to, execution quality, price, the level of service offered, reliability and experience in liquidating distributions from private equity funds and other such factors relevant and beneficial to the funds.

Response to Item 13.A

In connection with investments (or proposed investments) made by certain funds, the Applicant and its affiliates may receive commitment, break-up, directors, consulting, monitoring and/or other transaction fees. In certain circumstances, a portion of such fees may be offset against the advisory fees charged to a fund. Investors are requested to refer to the offering or organizational documents of each of the funds for complete information on the calculation of advisory fees charged by a particular fund.

Response to Item 13.B

Applicant and affiliates of the Applicant have compensated, and will continue to compensate, unaffiliated placement agents or other third parties for introducing investors to a fund. All or a portion of fees payable to such persons in connection with solicitation activities may be borne by

the fund (and therefore indirectly to the investors in the fund). The compensation payable for such introductions generally ranges up to (1) 1.00% of the aggregate capital commitments of investors introduced to the Applicant, or (2) between 0.35% and 0.60% of the aggregate capital commitments of investors, depending on the circumstances. The compensation may also be paid as a monthly fixed fee ranging up to \$15,000 which may be pre-paid as a lump sum payment, depending on the circumstances.

As indicated in Item 12 herein, the Applicant may use Piper Jaffray & Co. as broker for the funds. The Applicant will not make commitments to any broker to compensate that broker through brokerage transactions for investor referrals; however, a potential conflict of interest may arise between a fund's interest in obtaining best price and execution and the Applicant's interest in receiving future referrals.

The Applicant is aware of the special considerations promulgated under Section 206(4)-3 of the Advisers Act. Accordingly, appropriate disclosure shall be made, all appropriate written instruments will be maintained by the Applicant, and all applicable federal and/or state laws will be observed in connection with solicitation activities.

Proxy Voting Policy

Because the Applicant may be deemed to have authority to vote proxies related to securities held by a fund, the Applicant has adopted a set of policies and procedures (the "Voting Policy") in accordance with Rule 206(4)-6 of the Advisers Act. To the extent the Applicant exercises or is deemed to be exercising voting authority over fund securities, the Applicant's general policy is to vote proxies in a manner consistent with the best interests of the fund. The Voting Policy generally describes the approach the Applicant takes when reviewing each proposal submitted for a vote and the information the Applicant takes into consideration when voting proxies. The Voting Policy requires that the Applicant maintain appropriate voting records in connection with the voting of client securities.

The Voting Policy also provides that, in the event that the Applicant determines that a material conflict exists in connection with a vote, the Applicant will take steps to ensure that its voting decision is based on the best interests of the fund and is not a product of the conflict. To ensure that the best interest of the client are protected, the Applicant may elect to do any of the following: (a) seek the advice of the applicable Advisory Board or Committee in voting such security; (b) defer the voting recommendation of an independent third party provider of proxy voting services; or (c) take such other action in good faith which would serve the best interest of the client. Clients may obtain a copy of the Voting Policy or additional information regarding how the Applicant has voted client's securities by contacting the Applicant.