

[PART 2A OF FORM ADV – FIRM BROCHURE]

MPM ASSET MANAGEMENT LLC

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This brochure provides information about the qualifications and business practices of MPM Asset Management LLC (“MPM”, the “Adviser”, or the “Firm”). If you have any questions about the contents of this brochure, please contact us at 617-425-9200. 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.

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

REGISTRATION WITH THE SEC AS AN INVESTMENT ADVISER DOES NOT IMPLY THAT MPM OR ANY MANAGING DIRECTORS OR EMPLOYEES OF MPM POSSESS A PARTICULAR LEVEL OF SKILL OR TRAINING IN THE INVESTMENT ADVISORY OR ANY OTHER BUSINESS.

MATERIAL CHANGES

On July 28, 2010, the SEC published “Amendments to Form ADV,” which amends the disclosure document that the Adviser provides to clients as required by SEC rules. This brochure is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that MPM’s previous brochure did not require.

In the future, this item will discuss only specific material changes are made to this brochure. This item will also reference the date for the last annual update of MPM’s brochure.

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ADVISORY BUSINESS

MPM is a Delaware limited liability company formed in 1997. The principal owner of MPM is MPM Capital LLC.

MPM primarily provides advice to venture capital investment funds that invest in companies in the healthcare industry and more specifically, venture capital investments in the biotechnology and medical technology subsectors of the healthcare industry (the “MPM Funds”). A related person of MPM generally acts as general partner of each MPM Fund, and MPM generally acts as investment manager of each MPM Fund. MPM commenced operations in 1997.

MPM only provides investment advice with respect to the investments made by the MPM Funds and the MPM Funds only make investments in companies in the healthcare industry.

The MPM Funds will invest in innovative healthcare companies in the U.S. and abroad, across all stages of their lifecycles, but with an emphasis on those companies that are product-focused and close to achieving critical, value-enhancing milestones.

The limited partners of the MPM Funds are investors with substantial investment assets that want to participate in a partnership formed to make, hold and dispose of privately negotiated equity and equity-related investments in companies in the healthcare industry.

Investors and prospective investors in each MPM Fund should refer to the confidential private placement memorandum, limited partnership agreement and other governing documents for each MPM Fund (the “Governing Documents”) for complete information on the investment objectives and investment restrictions with respect to a particular MPM Fund. There is no assurance that any of the MPM Funds’ investment objectives will be achieved.

The Governing Documents of each MPM Fund contains various specific investment restrictions that govern the types of investments such MPM Fund may and may not make.

In accordance with common industry practice, one or more of the MPM Funds general partners may enter into “side letters” or similar agreements with certain investors pursuant to which the general partner grants the investor specific rights, benefits, or privileges that are not made available to investors generally.

MPM does not participate in any wrap fee programs.

MPM manages all assets on a discretionary basis in accordance with the terms and conditions of each MPM Fund’s Governing Documents. As of December 31, 2010, the amount of assets MPM manages on a discretionary basis is \$ 879,286,254.

FEES AND COMPENSATION

A. Compensation and Fee Schedules

All investors should review the Governing Documents for each MPM Fund in conjunction with this brochure for complete information on the fees and compensation payable with respect to a particular MPM Fund.

In general, during the period in which the MPM Funds will be making investments (the “Investment Period”), the advisory fee payable to MPM for each calendar quarter will equal 2.0% of the committed capital of each MPM Fund. In general, the advisory fee payable to MPM for each calendar quarter following termination of the Investment Period for each MPM Fund is equal to 90% of the fee for the preceding quarter until the termination of each such fund.

In general, the general partner of each MPM Fund will receive a 20% carried interest in the profits after return of fees and expenses. The general partner will not receive its distribution unless, at the time of the distribution, the remaining portfolio (excluding the distribution) is carried more than at 125% of cost. In addition, the actual compensation received by the general partner will be determined after the limited partners have received the return of their capital contributed and the MPM Fund has attained a cumulative internal rate of return on realized investments of 10%. There is also a standard clawback provision with a guarantee.

Investors and prospective investors in each MPM Fund should refer to the Governing Documents of the applicable MPM Fund for complete information on the advisory fees charged by MPM.

Investors and prospective investors in the MPM Funds should note that similar advisory services may (or may not) be available from other investment advisers for similar or lower fees.

B. Deduction of Fees

Investors in the MPM Funds are billed directly for advisory fees incurred.

C. Other Fees and Expenses

In addition to the fees payable to MPM, the MPM Funds may incur certain charges imposed by third parties, including (but not limited to) any sales or other taxes, fees or government charges that may be assessed against the MPM Funds; commissions, brokerage fees and similar charges incurred in connection with the purchase or sale of securities (including any merger fees payable to third parties and whether or not any such purchase or sale is consummated); the costs and expenses (including travel-related expenses) of holding meetings or conferences with the MPM Funds’ investors; all expenses relating to litigation and threatened litigation involving the MPM Funds; indemnification obligations and expenses; expenses attributable to normal and extraordinary investment banking, commercial banking, accounting, auditing, appraisal, tax advisory, tax preparation, legal, external consulting, custodial and registration services provided to the MPM Funds; premiums for liability insurance; the costs of dissolving the MPM Funds and liquidating the MPM Funds’ assets; and the costs and expenses for tax and audit services to the MPM Funds.

The MPM Funds are also charged a one time organizational fee (that is capped) to help pay for the start up costs associated with forming a new venture fund.

D. Timing of Payments

Advisory fee payments are generally due quarterly in advance. Please refer to the MPM Funds’ Governing Documents for more complete information on the timing of advisory fee payments.

Payments of advisory fees are made in advance in accordance with the terms of each MPM Fund’s Governing Documents. MPM’s services may be terminated by any of the MPM Funds at any time by prior written notice to MPM delivered within a reasonable period of time prior to

such termination. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

E. Transaction-Based Compensation

Neither MPM nor its supervised persons will receive any compensation with respect to the purchase or sale of securities or other investment products by any MPM Fund.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Performance-Based Fees

A related person of MPM, as general partner of each MPM Fund, will receive certain allocations calculated and charged based on a share of capital gains on or capital appreciation of the assets of the MPM Fund (as described more fully above under “Compensation and Fee Schedules”).

The performance-based allocation arrangements discussed above comply with Rule 205-3 under the Investment Advisers Act of 1940 (the “Advisers Act”). Fees paid to the general partners of the MPM Funds are separate and distinct from the advisory fees charged by MPM for advisory services.

Performance-based allocation arrangements received by related persons of MPM may create an incentive for MPM to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement. Please refer to the Governing Documents of each MPM Fund for more complete information on the “performance-based fee” arrangements of each MPM Fund.

TYPES OF CLIENTS

A. Types of Clients

MPM provides advice to pooled investment vehicles, including the MPM Funds. The limited partners of the MPM Funds may include corporations, endowments, foundations, trusts, estates, individuals and pension and profit sharing plans. The MPM 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 (as amended, the “Company Act”), and are therefore not required to register as investment companies under the Company Act in reliance upon certain exemptions available to MPM Funds whose securities are not publicly offered.

B. Minimum Investment Requirements

MPM and its related persons require that each limited partner in each of the MPM Funds be an “accredited investor” as defined in Regulation D under the Securities Act of 1933 (the “Securities Act”). In addition, MPM and its related persons require limited partners in certain MPM Funds to be “qualified purchasers” as defined in the Company Act.

Depending on the MPM Fund, generally, investors must invest a minimum dollar amount of \$3,000,000 to invest in a MPM Fund. The general partners of each MPM Fund may waive the minimum investment amount.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. *Methods of Analysis*

MPM is focused exclusively on making investments in the healthcare industry and, more specifically, on venture capital investments in the biotechnology and medical technology subsectors of the healthcare industry. Since this is MPM's exclusive focus, the investors in the MPM Funds are fully aware of the investment focus. The risks involved in investments in this sector are described in subsections B and C below.

MPM's investment strategy for each MPM Fund is fully described in the applicable MPM Fund's Governing Documents.

Subject to certain restrictions, MPM has discretionary authority to determine the type and amount of securities and investments to be bought and sold on behalf of each MPM Fund. Allocation of commitments and investment decisions with respect to investment opportunities are made by MPM with respect to the MPM Funds in accordance with MPM's investment allocation policy, which takes into account multiple criteria, including (but not limited to) the investment objectives and strategies of each MPM Fund, differences with respect to the available capital, size and remaining life of the MPM Funds, differences in risk profile at the time the opportunity becomes available, potential conflicts of interest, the nature of the security or the transaction, and current and anticipated market conditions.

B. *Material Risks*

The task of identifying investment opportunities and managing such investments is difficult. There can be no assurance that MPM will be able to choose, and the MPM Fund will be able to make and/or realize any particular investment or that the MPM Funds will be able to generate returns for their investors. In addition, there can be no assurance that any investor will receive any distribution from a MPM Fund. Investing in the MPM Funds involves a risk of loss that investors should be prepared to bear. Investors in the MPM Funds should carefully consider, among other factors, the following risks involved with MPM's investment strategies. Investors in the MPM Funds are requested to refer to the Governing Documents of the applicable MPM Fund for complete information on investment strategies employed by the MPM Fund and the corresponding risks associated with such investment strategies.

C. *Business and other Risks*

The MPM Funds will invest substantially all of their available capital (other than capital the general partner of such MPM Fund determines to retain in cash or cash equivalents or capital applied toward fund expenses and liabilities) in securities of portfolio companies. The types of investments that the MPM Funds anticipate making involve a high degree of risk. In general, financial and operating risks confronting portfolio companies can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that the MPM Funds will be adequately compensated for risks taken. A loss of an investor's entire principal is possible. The timing of profit realization is highly uncertain. Losses are likely to occur early in the life of the MPM Funds, while successes often require a long maturation.

Early stage and development stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing and general management, which, in

some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing which may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper can be small.

Investments in more mature companies in the expansion or profitable stage involve substantial risks. Such companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire other businesses or develop new products and markets. These activities by definition involve a significant amount of change in a company and could give rise to significant problems in sales, manufacturing and general management of these activities.

The MPM Funds may invest a substantial portion of its assets in companies with modest capitalization. While the general partner of each MPM Fund believes that small and medium-sized companies can provide greater growth potential than larger, more mature companies, investing in the securities of such companies also involves greater risk, potential price volatility and cost. Investments in these companies often involve higher risks because the companies lack the management experience, financial resources, product diversification, markets, distribution channels and competitive strengths of larger companies. In addition, in many instances, the frequency and volume of the trading activity in their stock is substantially less than is typical of larger companies. Therefore, the securities of smaller companies may be subject to wider price fluctuations. The spreads between the bid and asked prices of the securities of these companies in the U.S. over-the-counter market typically are larger than the spreads for more actively traded securities. As a result, the MPM Funds could incur a loss if such funds were to sell such a security a short time after its acquisition. When making a large sale, the MPM Funds may have to sell a portfolio holding at a discount from quoted prices or may have to make a series of small sales over an extended period of time because of the limited trading volume of smaller company securities.

Many of the MPM Fund's investments will be highly illiquid. As such, there will be no public markets for the securities held by the MPM Funds and there can be no assurance that the MPM Funds will be able to realize such investments in a timely manner. In addition, the realization of value for any investments will not be possible or known with any certainty until the general partner elects, in its sole discretion, to sell the investments of the MPM Funds and subsequently distribute the proceeds to the limited partners or to distribute securities to limited partners in lieu of cash. Also, since the MPM Funds may only make a limited number of investments and since many of the investments of the MPM Funds may involve a high degree of risk, poor performance by a few of the investments could severely affect the total returns to the limited partners. Additionally, it should be noted that past performance of MPM managing directors is not a guarantee of future results. While the MPM Funds generally all have the same investment focus, from fund to fund the investment focus may differ slightly including, without limitation, to be more weighted towards later stage and growth equity investments and alternative investments.

The MPM Funds plan to focus their investing in life science companies. The value of their interests may be susceptible to factors affecting the life science industries and to greater risk and market fluctuation than an investment in a fund that invests in a broader range of securities. The specific risks faced by life sciences companies include:

- rapidly changing science and technologies;
- products or technologies that may quickly become obsolete;

- exposure to a high degree of government regulation, making these companies susceptible to changes in government policy and failures to secure, or unanticipated delays in securing, regulatory approvals;
- scarcity of management, technical, scientific, research and marketing personnel with appropriate training;
- the possibility of lawsuits related to patents and intellectual property; and
- changing investor sentiments and preferences with regard to life sciences sector investments (which are generally perceived as risky).

As is typical of venture capital firms, the portfolio holdings of the MPM Funds will not be broadly diversified. A downturn of the economy or in the business of any one company could impact the aggregate returns delivered to limited partners by the MPM Funds.

DISCIPLINARY INFORMATION

MPM and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to an investor's evaluation of MPM or its personnel.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Registered Broker-Dealers

A. Registered Broker-Dealers

None of MPM or its management persons is registered as a broker-dealer or a registered representative of a broker-dealer. In addition, neither MPM nor its management persons are affiliated with any broker-dealer, bank or other financial services firm.

B. Registered Futures Commission Merchants, Commodity Pool Operators and Commodity Trading Advisors

None of MPM or any of its management persons is registered as a registered futures commission merchant, commodity pool operator or commodity trading advisor.

C. Relationships with Related Persons

As discussed in the section titled "Participation or Interest in Client Transactions; Personal Trading," MPM and its related persons are, directly or indirectly, the general partner, limited partners and/or managing members/general partners of the general partner of each of the MPM Funds. MPM and its related persons may spend substantially all of their business time on one or more of the MPM Funds as required pursuant to the terms of each MPM Fund's Governing Documents. Investors are requested to refer to the Governing Documents of each MPM Fund for more complete information on the requisite time commitments of MPM and its related persons to the MPM Funds.

Employees of MPM and its affiliates may serve as officers, advisors, directors or in comparable management functions for portfolio companies in which the MPM Funds invest, or provide other services to portfolio companies, and may receive compensation in connection therewith. Employees of MPM may also from time to time serve on the board of directors or a creditors committee of a portfolio company, or be given access for other reasons to confidential information relating to companies in which the MPM Funds invest. As a result, the MPM Funds

may, under certain circumstances, be prohibited for a period of time from engaging in transactions with respect to the debt or securities of such a portfolio company, which prohibition may have an adverse effect on the MPM Funds.

Vaughn Kailian, a MPM Managing Director, continues to serve on his legacy, industry-related (non-MPM) boards, including BIO Ventures for Global Health, BIO (the Biotech Industry Organization), Cephalon, Inc. and NicOx.

MPM has placement agent agreements with two firms. Both have been engaged to assist MPM with respect to fundraising in Europe and to date neither placement agent has been actively involved in helping solicit investors for the MPM Funds.

Certain MPM Managing Directors with considerable senior-level operating experience may at times serve interim management roles at the companies in which the MPM Funds invest. These individuals provide additional support and guidance to the portfolio company's management team. Deploying senior level talent to portfolio companies (which most young companies could not otherwise afford or attract) for a specific pre-determined period of time is a capital efficient manner for MPM to add demonstrable value to its companies. In addition, having access to these individuals can help the portfolio company save critical time and scarce resources by avoiding the need to hire executive recruiters, interview potential recruits, negotiate compensation packages and then terminate the person when then the specific job has been accomplished. The ability to deploy such individuals to portfolio companies enhances the opportunity set of investments that MPM can pursue on behalf of its limited partners.

The above individuals may spend a substantial portion of their time with these related activities.

D. Selection or Recommendation of Other Advisers

MPM does not recommend or select other investment advisers for its clients. MPM does not have other business relationships with other advisers that create a material conflict of interest.

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

A. Code of Ethics

MPM has adopted a Code of Ethics ("Code") under Rule 204A-1 of the Advisers Act that requires all employees and certain other persons subject to the Code to conduct business consistent with certain laws; to avoid or disclose conflicts of interest; to comply with certain standards with respect to the disclosure of confidential information and the misuse of material non-public information. MPM has appointed a Chief Compliance Officer who is responsible for maintaining and enforcing the Code of Ethics.

The Code of Ethics contains policies and procedures with respect to personal securities transactions by persons defined as Access Persons under the Code and by immediate family members of Access Persons that are designed to prevent front-running, scalping and the misuse of inside information. Access Persons and their immediate family members must report all personal transactions in reportable securities to the Chief Compliance Officer on at least a quarterly basis and all holdings in reportable securities on an annual basis and are subject to certain pre-clearance requirements and other restrictions with respect to their personal trading. The Chief Compliance Officer monitors all transactions by Access Persons and their immediate family members in order

to ascertain any pattern of conduct with may evidence conflicts or potential conflicts with the principles and objective of the Code of Ethics, or other inappropriate behavior. MPM's Code permits MPM's Chief Compliance Officer to exempt from MPM's personal securities transaction requirements and restrictions an immediate family member of an Access Person if the immediate family member is a "Professional Investor," which is a person who invests on behalf of third-party clients. MPM's Code only permits such an exemption to be granted upon written request made to the Chief Compliance Officer and only if the Professional Investor enters into a mutually-binding confidentiality agreement with the relevant Access Person designed to prevent front-running, scalping and the misuse of inside information by the Professional Investor and the relevant Access Person. MPM's Code also permits MPM's Chief Compliance Officer to exempt from MPM's personal securities transactions requirements and restrictions an Access Person who is an officer or member of the Board of Directors of a public company that is on MPM's Restricted Securities list and who requests in writing permission to enter into a Rule 10b5-1 sales plan or similar systematic program (a "Sales Plan") in order to sell stock in such public company. MPM's Code only permits such an exemption to be granted upon written request made to the Chief Compliance Officer, review and approval of the Sales Plan by the Chief Compliance Officer and if the Access Person agrees not to amend or modify such Sales Plan without the prior consent of the Chief Compliance Officer. Notwithstanding the foregoing, the Access Person shall continue to be subject to MPM's personal securities transaction requirements and restrictions including, but not limited to, the reporting of all personal transactions and holdings in reportable securities to the Chief Compliance Officer on a periodic basis and pre-clearance requirements and other restrictions with respect to personal trading.

MPM will provide to any investor or any prospective investor at no cost a copy of the Code of Ethics. Investors or prospective investors wishing to receive this information should contact MPM by telephone during normal business hours.

B, C and D. Participation or Interest in Client Transactions

As general partners, limited partners and/or managing members of the general partners of each of the MPM Funds, MPM and its related persons have indirect beneficial interests in the interests owned by the MPM Funds and will share in any profits and losses generated by the MPM Funds' investments. In general, MPM and its related persons are restricted from making direct investments in those companies invested in by the MPM Funds.

MPM does not engage in cross or principal trades.

BROKERAGE PRACTICES

MPM is responsible for implementing each MPM Fund's investment objectives and strategies, as set forth in the applicable MPM Fund's offering memorandum.

In general, MPM does not utilize broker-dealers to purchase portfolio investments for the MPM Funds, however, if MPM were ever called upon to utilize a broker, it would do so in accordance with its duty to seek best execution for the MPM Funds. The MPM Funds may become in possession of publicly traded securities (as a result of IPOs or acquisitions) and MPM will then need to select a broker-dealer to either sell such shares or distribute them to the investors in the MPM Funds. In selecting broker-dealers to effect securities such transactions, MPM seeks to obtain best execution by considering factors including, but not limited to, execution quality, price, the level of service offered, reliability, experience in liquidating distributions from private equity funds and such other factors as MPM considers relevant and beneficial to the MPM Funds.

MPM has established allocation and aggregation procedures for the allocation of portfolio investment transactions among the MPM Funds. The allocation and aggregation procedures are designed to ensure that each MPM Fund is treated fairly and that transactions are allocated in a manner that is fair and equitable to each MPM Fund relative to the other MPM Funds, taking into account all relevant facts and circumstances. MPM will always take into account each MPM Fund's investment objectives and investment allocation policy in the allocation process. In general, investment opportunities are to be allocated across different MPM Funds the procedures require the pro-rata allocation of investment opportunities between or among the MPM Funds for which the investment opportunity would be appropriate. In the event that investment opportunities are not allocated on a pro-rata basis, the procedures require that such other method of allocation is reasonable and does not result in an improper disadvantage/advantage to one participating MPM Fund as compared to another MPM Fund, taking into account multiple criteria, including specific MPM Fund objectives, MPM Fund size and capital available for investment, MPM Fund diversification needs, the size of the opportunity, and current and anticipated market conditions. To the limited extent permitted by the Governing Documents of each MPM Fund, certain MPM Funds may conduct a significant portion of their investment activities in parallel with any other MPM Fund, subject to any applicable tax, regulatory and other considerations.

REVIEW OF ACCOUNTS

A and B. Review of Client Accounts

MPM monitors portfolio investments on behalf of each MPM Fund. Investments are reviewed in the context of each MPM Fund's (i) adherence to the investment objectives and guidelines as set forth in the Governing Documents of each MPM Fund; (ii) the MPM Fund's investment performance. The reviews occur both on a formal and informal basis. Informally, the performance of investments and MPM Funds occur during the Monday meeting of MPM's investment professionals.

The reviews also occur more formally. At the end of each quarter, the investments in each MPM Fund are reviewed to determine if there is a change in the value of those investments. At year end, those valuations are reviewed and audited by MPM's external auditors. In addition, twice a year, MPM conducts a full portfolio review which is a two and a half day meeting. All the investment professionals attend these meetings and each portfolio company is discussed at length. Prior to the meeting, a binder is prepared and distributed that contains a two page summary of each investment that includes: (1) the current investment thesis, (2) original investment thesis, (3) recent successes, (4) current and/or anticipated issues, (5) financing plan, (6) upcoming milestones and valuation triggers and (7) exit model. During the discussion for each company, the investment professionals are encouraged to think critically about the investment thesis and to offer any assistance/guidance to the company and the investment professionals who are most actively involved in such investment.

MPM's ongoing risk management process is also described in Item 8 ("Methods of Analysis, Investment Strategies and Risk of Loss"), above.

All of the supervised persons are involved in the reviews described above.

C. Reports to Clients

The general partners of each MPM Fund distribute quarterly and annual written reports to their respective limited partners. These reports generally contain an individual capital account statement as of the end of such fiscal year, a listing of investments held by the MPM Fund and audited financial statements of the MPM Fund. The financial statements for the annual reports are audited.

Investors are requested to refer to the Governing Documents of each MPM Fund for further information on the reports provided by a particular MPM Fund to its investors.

CLIENT REFERRALS AND OTHER COMPENSATION

In general, MPM and its related persons do not receive commitment, structuring, monitoring and/or other transaction fees from portfolio investments in which one or more of the MPM Funds may invest or propose to invest.

CUSTODY

MPM does not have physical custody of any client assets. MPM may be deemed to have custody of the assets of the MPM Funds as a result of its authority over the MPM Funds.

It is MPM's policy to cause each MPM Fund with assets over which MPM is deemed to have "custody" to be audited annually and distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), to investors no later than 120 days after the end of each fiscal year. In addition, upon the final liquidation of any such MPM Fund, MPM will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such MPM Fund to all investors promptly after completion of the audit.

INVESTMENT DISCRETION

MPM is responsible for implementing each MPM Fund's investment objectives and strategies, as set forth in the applicable MPM Fund's Governing Documents. MPM has full discretionary authority over the investment activities of each MPM Fund pursuant to each MPM Fund's Governing Documents. Any limitations on MPM's discretionary authority with respect to a MPM Fund's investments are set forth in that MPM Fund's Governing Documents.

VOTING CLIENT SECURITIES

MPM has adopted policies and procedures regarding the voting of proxies as is required under Rule 206(4)-6 under the Advisers Act. These policies and procedures are designed to ensure that proxies received with respect to securities in MPM Fund accounts where MPM exercises voting discretion are voted in the best interests of such MPM Funds and that MPM maintains records of its proxy voting in compliance with the Advisers Act.

Unless otherwise instructed by an investor, MPM will vote proxies consistent with general guidelines that MPM has adopted and which MPM believes reflect the best interests of its investors, after taking into consideration all relevant facts and circumstances at the time of the vote.

MPM will provide to any investor at no cost a copy of these voting policies and procedures and information regarding how the applicable MPM Fund's proxies have been voted in the past. Investors or prospective investors wishing to receive this information should contact MPM by telephone during normal business hours.

FINANCIAL INFORMATION

MPM does not solicit or require prepayment of fees six months or more in advance from its clients and MPM is not aware of any financial condition that is expected to affect its ability to manage the MPM Funds.