



## Item 1 – Cover Page

FEG Private Investors, LLC  
Form ADV Part 2A-March 30, 2016

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Cincinnati, Ohio 45202  
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[www.feg.com](http://www.feg.com)

This Brochure provides information about the qualifications and business practices of FEG Private Investors, LLC. If you have any questions about the contents of this Brochure, please contact us by phone at 513-977-4400 or by email at our website address [www.feg.com](http://www.feg.com), under the “contact us” section. 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.

FEG Private Investors, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about FEG Private Investors, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



**Fund Evaluation Group®**  
investment advisors

## Item 2 – Material Changes

This Brochure dated March 30, 2016 is a prepared according to the Securities and Exchange Commission's (SEC's) requirements and rules released on July 28, 2010. Material changes and non-material changes to this ADV Part 2A since the last annual update on March 16, 2015 are listed below.

- Effective May 31 2015, Chris Meyer, an executive vice president, left the firm to join another investment advisory firm.
- Effective November 18, 2015, Julie T. Thomas, CPA, IACCP became Chief Compliance Officer of the firm. Julie replaced John F. Labmeier, the firm's General Counsel, who was acting CCO during the period from August 24, 2015 to November 18, 2015. John was named acting CCO with the departure of Maureen Kiefer Goldenberg who left the firm to join another investment advisory firm.
- Item 8 – Added description of Private Opportunity Fund III and enhanced our risk disclosures.
- Item 11 – Enhanced our Code of Ethics disclosure.
- Item 17 – Enhanced our disclosure regarding Voting Client Securities.

Pursuant to SEC rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Julie Thomas, Chief Compliance Officer at 513-977-4400 or [jthomas@feg.com](mailto:jthomas@feg.com). Our Brochure is also available on our website [www.feg.com](http://www.feg.com), free of charge.

Additional information about FEG Private Investors, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about any persons affiliated with FEG Private Investors, LLC who are registered, or are required to be registered, as investment adviser representatives of FEG Private Investors, LLC.

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## **Item 4 – Advisory Business**

FEG Private Investors, LLC (the “Manager”) will provide investment advisory services to its sole clients, FEG Private Opportunities Fund, L.P., FEG Private Opportunities Fund II, L.P., and FEG Private Opportunities Fund III, L.P. (the “Funds”) Delaware limited partnerships, manage the Funds’ investing activities, assist the Funds generally in the conduct of business, maintain necessary books and records for the Funds, and render services on behalf of the Funds (not otherwise provided by third parties) necessary for the Funds’ operations.

The Manager is majority owned and controlled by Fund Evaluation Group, LLC (“FEG”). The Manager has agreed, among other things, to make investment decisions and provide a program of continuous investment management for the Funds.

As a private offering, the offering of interests of the Funds are made in reliance upon an exemption from registration under the Securities Act of 1933 for sale of securities which does not involve a public offering. The Funds are not required to register as investment companies under the Investment Company Act of 1940 under a provision which excludes from the definition of an “investment company,” any issuer which has not made and does not presently propose to make a public offering of its securities, and has fewer than 100 beneficial owners.

The Manager has total assets under management of \$335,095,812 as of September 30, 2015.

The Manager’s portfolio team is led by Susan Mahan Fasig, CFA and Director of Private Capital, Christian S. Busken, Keith M. Berlin and Nathan Werner, CFA. Please see schedule ADV Part 2B for full credentials and biographies.

Investors in the Funds should refer to the applicable Private Placement Memorandum and Offering Documents for further information.

## **Item 5 – Fees and Compensation**

During the investment period of the Funds, the management fee will be equal to .2125% on a quarterly basis (0.85% on an annualized basis) of the Funds’ committed capital. Following the investment period, the fee will decline by 10% per year. The fee will be paid quarterly and in arrears, and will be prorated with respect to any quarterly period less than a full quarter. FEG Private Opportunities Fund, L.P. held a final close in August 2013, and is no longer open to new investors. FEG Private Opportunities Fund II, L.P. held a final close on April 30, 2015, and is no longer open to new investors. FEG Private Opportunities Fund III, L.P. held its first close on January 29, 2016.

The Fee will begin to accrue and be payable as of the later of (i) the initial closing or (ii) the first day of the fiscal quarter in which the Funds make their first commitments to investment funds.

Occasionally, FEG Private Investors, LLC will, either directly or indirectly, through its affiliates, enter into side letter arrangements. All arrangements, as such, will be in writing and agreed upon by all parties.

The investment advisory agreement may be terminated at any time without penalty, upon 60 days written notice by either party.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

The Manager does not charge any performance-based fees.

## **Item 7 – Types of Clients**

The clients of Manager are the FEG Private Opportunities Fund, L.P., the FEG Private Opportunities Fund II, L.P. and the FEG Private Opportunities Fund III, L.P., all are Delaware limited partnerships designed for sophisticated investors.

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

### **Private Opportunities Fund, L.P.:**

#### **Investment Strategy**

The Manager seeks to build a diversified portfolio of between approximately 15 and 20 private investment funds across three broad private capital sectors, global private equity, special situations, and real assets. Investors are expected to benefit from the removal of the significant burden of independently sourcing, selecting, and managing multiple private capital fund relationships.

### **Private Opportunities Fund II, L.P.:**

#### **Investment Strategy**

The Manager seeks to assemble a portfolio of private investment funds (the “Investment Funds”) that specialize in investing in one of the three key segments: global private equity, special situations, or real assets. To offer investors the ability to customize their strategy allocation, the Fund is offering three Series of Interests:

Series A: FEG Private Opportunities Fund II Series-Invest opportunistically across all segments within diversification guidelines.

Series B: Global Equity and Special Situations Series-Invest (where possible, pro rata) in parallel with Series A in all Investment Funds in the global private equity and special situations segments of Series A.

Series C: Real Assets Series-Invest (where possible, pro rata) in parallel with Series A in all Investment Funds in real assets segment of Series A.

### **Private Opportunities Fund III, L.P.:**

#### **Investment Strategy**

The Manager seeks to meet its investment objective by sourcing attractive investment opportunities, selecting institutional quality firms, and opportunistically building a diversified portfolio. The Manager

seeks to generate returns by investing across three key market segments: private equity, private real assets, and private debt. The Fund will be offered as four underlying Series to accommodate interest in a customized solution. Consistent with the strategy of its predecessor funds, Series A will invest opportunistically across the three key strategies within defined ranges, while Series B, C, and D will be dedicated to one strategy each, as defined below.

Series A: FEG Private Opportunities Fund III Series-Invest opportunistically across all segments within diversification guidelines.

Series B: Private Equity Series-Invest (where possible, pro rata) in parallel with Series A in all Investment Funds in the private equity segment of Series A.

Series C: Private Real Assets Series-Invest (where possible, pro rata) in parallel with Series A in all Investment Funds in the private real assets segment of Series A.

Series D: Private Debt Series-Invest (where possible, pro rata) in parallel with Series A in all Investment Funds in the private debt segment of Series A.

### **Methods of Analysis**

The Manager incorporates a research process for Investment Funds that has been developed and refined by FEG's research department over the past 25 years. The process for sourcing, screening, and selecting private investment funds was created using this research platform.

The research process is collaborative in that the Manager and FEG's research department share thoughts and ideas regarding potential investment funds and address any questions or concerns throughout the process. In addition to weekly research meetings, which are attended by the entire research department, the Manager meets on a regular basis for a focused review of current investment opportunities, work flow, and relevant issues.

Investment funds that meet a minimum quality threshold on organizational structure, personnel, investment philosophy, and performance must also demonstrate six key attributes to be recommended for the Funds. The research department uses a combination of on-site meetings, in-office interviews, and conference calls to assess each manager.

The Manager, with oversight from the Funds' Investment Policy Committee, manages the entire manager review process, including pre-investment sourcing, due diligence, and post-investment monitoring. The research process occurs in conjunction with the portfolio construction process, in which the Manager selects the appropriate mix of investment opportunities for the Funds.

### **Risk Factors**

The purchase of interests in private equity funds involves certain risks and is suitable only for persons of substantial financial means who have no need for liquidity in their investment, and who can bear the risk of the potential loss of their entire investment. No guarantee or representation is made that the investment program of the Funds or any investment fund will be successful, that the various investment funds selected will produce positive returns, or that the Funds will achieve its investment objectives.

Various risks involved in investing may include market risk, liquidity risk, limited transferability, investment funds risk, non-registered investment funds risk, valuation risk, derivative risk, venture financing risk, distressed securities risk, interest rate risk, real estate ownership risk, currency risk, and financial risk, among others. Investors in the Funds should refer to the applicable Private Placement Memorandum and Offering Documents for further information concerning risks.

Summarized below are other important risks for investors in the Funds to consider:

- *Data Sources Risks:* The Manager uses external software applications to analyze performance attribution and to assist in investment decision making or investment research. As a result, if information that the Manager receives from a third party data source is incorrect, the Manager may not achieve the desired results. Although the Manager has found the third party data sources to be generally reliable, the Manager typically receives these services “as is” and cannot guarantee that the data received from these sources is accurate.
- *Technology and Cyber Security Risks:* The Manager and our clients for whom we provide services depend heavily on telecommunication, information technology and other operational systems, whether the Manager’s or those of others (e.g., the Investment Funds, the Investment Fund Managers, custodians, transfer agents and other parties to which the Manager or they outsource the provision of services or business operations). These systems may fail to operate properly or become disabled as a result of events or circumstances wholly or partly beyond the Manager’s or their control. Further, despite implementation of a variety of risk management and security measures, the Manager’s information technology and other systems, and those of others, could be subject to physical or electronic break-ins, unauthorized tampering or other security breaches, resulting in a failure to maintain the security, availability, integrity and confidentiality of data assets. Technology failures or cyber security breaches, whether deliberate or unintentional, including those arising from use of third-party service providers or client usage of systems to access accounts, as well as failures or breaches suffered by the issuers of securities in which the Manager’s invest, could delay or disrupt our ability to do business and service our clients, harm our reputation, result in a violation of applicable privacy and other laws, require additional compliance costs, subject us to regulatory inquiries or proceedings and other claims, lead to a loss of clients and revenues or financial loss to our clients or otherwise adversely affect our business or the Funds we manage.
- *Risks Related to Regulation:* Laws and regulations affecting our business change from time to time, and we are currently operating in an environment of significant regulatory reform. We cannot predict the effects, if any, of future legal and regulatory changes on our business or the services we provide.
- *Risks Related to Conflicts of Interest:* Various conflicts of interest are discussed throughout this document. Please review this information carefully and contact us if you have any questions.



Investors in the Funds should refer to the applicable Private Placement Memorandum and Offering Documents for further information concerning risks.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of FEG Private Investors, LLC or the integrity of its management. FEG Private Investors, LLC has no information applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

FEG Private Investors, LLC is affiliated with the following entities who all share the same principal address at 201 East Fifth Street, Suite 1600, Cincinnati, Ohio 45202:

- Fund Evaluation Group, LLC- a federally registered investment adviser
- FEG Investors, LLC- a federally registered investment adviser
- FEG POF, LLC- the general partner of the FEG Private Opportunities Fund, L.P. and FEG Private Opportunities Fund III, L.P.
- FEG POF II, LLC- the general partner of the FEG Private Opportunities Fund II, L.P.
- FEG Private Opportunities AIV, LLC- a Delaware limited liability company
- FEG Private Opportunities II AIV, LLC- Delaware limited liability company
- FEG Absolute Access Fund, LLC- a federally registered investment company
- FEG Absolute Access TEI Fund, LLC- a federally registered investment company
- FEG Directional Access Fund, LLC- a federally registered investment company
- FEG Equity Access Fund, Ltd- an unregistered private hedge fund of funds

### **Conflicts of Interest Disclosure**

FEG has established a Conflicts of Interest policy to help mitigate potentially perceived conflicts as a result of some directors or officers who may also serve as officers or directors of affiliated entities.

## **Item 11 – Code of Ethics**

### *General*

FEG Private Investors, LLC maintains a Code of Ethics as required by applicable SEC rules. FEG Private Investors' Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, requiring employees to put client interests ahead of our own and disclose actual and potential meaningful conflicts of interest. The Code of Ethics incorporates our insider trading policies and personal trading policies that are described in greater detail below. All officers, partners and employees of FEG Private Investors are deemed to be "Access Persons" and are subject to the Code of Ethics. FEG Private



Investors' employees are required to report any violation of the Code of Ethics promptly to our Chief Compliance Officer.

FEG Private Investors, LLC will provide a complete copy of its Code of Ethics to any client upon request to the Chief Compliance Officer at the Manager's principal address.

#### *Policy on Insider Trading*

FEG Private Investors' Code of Ethics includes the firm's policy prohibiting the use of material non-public information (MNPI). Our policies require our employees to immediately report the receipt of potential MNPI to the compliance and legal department. FEG Private Investors do not typically receive MNPI, however, if it receives such information, appropriate procedures are followed to establish a restricted or watch list. Any transaction in an issuer on the restricted list must be reviewed and approved by our compliance department.

#### *Personal Trading Policy*

Access Persons of FEG Private Investors may buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is the express policy of FEG Private Investors that no person employed by FEG Private Investors 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.

FEG Private Investors requires all Access Persons to provide annual securities holdings reports and quarterly transaction reports to the Manager's Chief Compliance Officer. Additionally, FEG Private Investors requires such Access Persons to obtain approval from the Chief Compliance Officer prior to investing in any IPO's, private placements (limited offerings), or ETFs in excess of \$10,000.

FEG Private Investors requires that all employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. FEG Private Investors' Chief Compliance Officer shall determine whether or not the Code of Ethics has been violated and recommend disciplinary action where appropriate.

### **Item 12 – Brokerage Practices**

The Manager will not use Brokers for distribution. In addition, the Manager does not utilize brokers in executing portfolio transactions or participate in soft dollar arrangements.

## **Item 13 – Review of Accounts**

All private investment funds approved by the Funds' Investment Policy Committee are set up for ongoing monitoring and reporting functions. The Manager is responsible for all monitoring and reporting functions.

### **Ongoing Monitoring**

The Manager creates an electronic news alert for each investment fund and monitors the investment fund via both subscription and public databases, as well as via participation in industry conferences and meetings. Additionally, the Manager may seek to create intra-quarter dialogue with key members of the investment fund, as warranted, in order to help ensure effective ongoing monitoring of the Funds.

### **Quarterly Conference Calls**

On a quarterly basis, financial reports and letters are reviewed by the Manager and a call is typically conducted with one or more key professionals managing the investment fund. The call encompasses a review of the current portfolio (including any investments or significant portfolio company events), any organizational changes (such as employee departures and hires), and any administrative issues (such as changes to valuations methodology). Additional calls may be scheduled when there is a unique situation or question that is not covered in the investment fund's quarterly communications. A call will typically not be scheduled if the annual investors meeting occurred during the relevant quarter or another recent meeting or call was held.

### **Annual Meetings**

The Manager will seek to be present at the annual meetings of all investment funds in the Funds. If not possible, the Manager will seek to schedule an annual on-site meeting. At the annual meeting or on-site meeting, the Manager will seek to meet with the investment team and monitor team dynamics and investment culture along with progress within the investment portfolio.

### **Advisory Board Participation**

When appropriate, the Manager will seek an advisory board seat or observation rights in order to have access to valuation reviews and other oversight matters.

FEG Private Investors, LLC will receive and review quarterly performance updates, and maintain an ongoing dialogue with members of the portfolio team. The Funds' administrator, transfer agent, and custodian, acting at the discretion of the Manager, will send quarterly statements reflecting their balance, activity/transactions, and performance of the individual accounts. FEG Private Investors, LLC will also send clients a quarterly narrative, market commentary summarizing performance of the underlying portfolio managers.

## **Item 14 – Client Referrals and Other Compensation**

InterOcean Capital, LLC, an investment adviser registered under the Investment Advisers Act of 1940, will serve as sub-adviser to the FEG Private Opportunities Fund, L.P. The sub-adviser participates by

appointing a member to the Investment Policy Committee, thereby assisting in providing for oversight of the investments, approving investment fund selection recommendations, and reviewing other matters that come before the Fund.

The Manager will compensate the sub-adviser with a quarterly fee equal to \$2,500 per quarter, for as long as the Agreement is in effect.

### **Item 15 – Custody**

FEG Private Investors, LLC is deemed to have custody because the Manager's affiliates serve as a general partners of its pooled investment vehicles. FEG Private Investors encourages investors to carefully review statements from their custodians.

In compliance with SEC regulations, the Manager is subject to an annual audit and distributes its audited financial statements to all limited partners within 120 days of the end of its fiscal year.

### **Item 16 – Investment Discretion**

FEG Private Investors, LLC has discretionary authority pursuant to the advisory agreement. Such discretion is to be exercised in a manner consistent with the stated investment objectives for the Funds.

Investors in the Funds should refer to the applicable Private Placement Memorandum and Offering Documents for further information.

### **Item 17 – Voting Client Securities**

The Manager will accept discretionary authority over the client's proxy voting when our clients wish to provide us with this authority. The Manager's investment advisory agreements with our clients will generally specify whether or not we have the authority to vote proxies on their behalf. . In voting proxies, the Manager will vote in accordance with our proxy voting policy and procedures as further described below:

#### *FEG Private Investors' Proxy Voting Policy and Procedures*

FEG Private Investors' proxy voting policy is to vote proxies in the best long-term economic interests of our clients without regard to our interests or the interests of our affiliates. The Manager will vote all proxies from a specific issuer the same way for each client absent qualifying restrictions from a client. Clients are permitted to place reasonable restrictions on the Manager's voting authority. Such requests are to be made in writing. A voting officer has been delegated the authority for monitoring proxy actions, making voting decisions in accordance with these policies and ensuring that proxies are submitted in a timely manner. Copies of the Manager's proxy voting policy and its voting record for the past five years are available upon request to the Chief Compliance Officer at 513-977-4400.

## **Item 18 – Financial Information**

FEG Private Investors, LLC is required to provide you with certain financial information or disclosures about FEG Private Investors, LLC's financial condition. FEG Private Investors, LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.