

ROARK CAPITAL GROUP

Roark Capital Management, LLC
1180 Peachtree Street NE, Suite 2500
Atlanta, Georgia 30309
(404) 591-5200
www.roarkcapital.com

February 14, 2012

Form ADV, Part 2A (the “Brochure”) provides information about the qualifications and business practices of Roark Capital Management, LLC and its affiliates (collectively “RCM” or “Advisor”). For more information on the disclosure requirements required for Part 2A see the “General Instructions for Part 2 of Form ADV” by visiting www.sec.gov/rules/final/2010/ia-3060.pdf. If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer, Jeffrey J. Keenan (404-591-5217 / jjk@roarkcapital.com). Additional information about RCM is also available on the SEC’s website at: www.adviserinfo.sec.gov.

RCM is registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940 (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Item 2: Material Changes

RCM filed its initial application to register as an investment adviser with the SEC on February 14, 2012. Accordingly, pursuant to disclosure rules under the Advisers Act, this is the first Brochure compiled by RCM to provide new and prospective investors with clearly written, meaningful, current disclosure of its business practices, conflicts of interest and background of its advisory personnel. All recipients of this Brochure are encouraged to read it carefully in its entirety.

In the future, this Item will identify and discuss the material changes since the last annual update to assist investors and make them aware of certain information that has changed since the prior year's Brochure.

Item 3: Table of Contents

Item 2: Material Changes	2
Item 3: Table of Contents	2
Item 4: Advisory Business.....	2
Item 5: Fees and Compensation	3
Part 6: Performance Based Fees and Side-by-Side Management	5
Part 7: Types of Clients	5
Part 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	6
Part 9: Disciplinary Information.....	14
Part 10: Other Financial Industry Activities and Affiliations	14
Part 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ...	15
Part 12: Brokerage Practices	17
Part 13: Review of Accounts	17
Part 14: Client Referrals and Other Compensation	17
Part 15: Custody	18
Part 16: Investment Discretion	18
Part 17: Voting Client Securities.....	18
Item 18: Financial Information.....	19

Item 4: Advisory Business

RCM is a private equity firm organized as a limited liability company under the laws of the State of Delaware. Neal K. Aronson, Managing Partner of RCM (the “Managing Partner”) founded Roark Capital Group (“Roark”) in 2001. RCM employs the entire Roark team and provides consulting and advisory services to the Funds and Roark’s portfolio companies. The investment activities of RCM are led by the Managing Partner and the Investment Committee. Neal Aronson, Jeffrey J. Keenan, Stephen D. Aronson, Robert W. “Toby” Chambers, Ezra S. Field, Erik O. Morris, Steven M. Romaniello, Anthony P. Scotto, and Robert Sheft (collectively the “Principals”) comprise all of the members of RCM’s Investment Committee. RCM employs a number of other investment professionals who help RCM execute its investment strategy.

RCM serves as an investment manager and provides discretionary advisory services to several related investment vehicles, including private investment partnerships; together with any respective parallel funds, special purpose and/or subsidiary investment vehicles (the “Fund” or collectively the “Funds”). Within each Fund structure is a designated general partner or manager

(the “General Partner(s)”). Unless and only to the extent that the context otherwise requires, references to RCM includes the General Partner(s).

The Funds are organized to make equity and structured investments in middle market companies typically headquartered in North America. Investments will typically range from \$25 million to \$150 million, with larger transactions often financed through equity co-investments. The Funds will invest in industries where the senior members of its investment team have operating and principal investing experience, such as franchising/multi-unit, consumer products and services, environmental services and business services. As of February 14, 2012 RCM managed \$1.2 billion of assets on behalf of the Funds.

In providing services to the Funds, RCM formulates each Fund’s investment objectives, directs and manages the investment of each Fund’s assets, and provides reports to investors. Investment advice is provided directly to the Funds and not individually to the limited partners of the Funds (the “Investors” or “Limited Partners”). RCM manages the assets of the Funds in accordance with the terms of each Fund’s individual limited partnership agreements and other governing documents applicable to each Fund (the “Governing Fund Documents”). All material terms are generally established at the time of the formation of a Fund.

Shares or limited partnership interests in the Funds are not registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and the Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests in the Funds are offered and sold exclusively to Investors satisfying the applicable eligibility and suitability requirements, either in private transactions within the United States or in offshore transactions.

Item 5: Fees and Compensation

RCM provides investment advisory services to each of the Funds pursuant to separate investment advisory agreements (the “Agreements”). The Agreements for each Fund, along with specific organizational documents of the Fund, set forth in detail the fee structure relevant to each such Fund. The terms of the Agreements are generally established at the time of the formation of the applicable Fund. RCM typically receives compensation from: (a) fees based on a percentage of committed capital or actively invested capital; (b) carried interest allocations; and (c) certain other fees or expenses related to transactions. Investors should review all fees charged by RCM and others to fully understand the total amount of fees to be paid by a Fund and, indirectly, by their Limited Partners.

Management Fee: The Funds pay RCM an annual management fee (the “Management Fee”) at rates ranging from 1.75% to 2% (per annum). The Management Fee is payable quarterly in advance based upon committed capital during the commitment period and on actively invested capital thereafter, in each case in accordance with the Governing Fund Documents. RCM and its affiliates reserve the right to waive or reduce Management Fees for certain Investors, including employees, a limited number of strategic partners, advisors and consultants and others as may be determined in RCM’s sole discretion.

Carried Interest Allocations: A portion of each Fund's net investment profit may be allocated to the capital account of its General Partner as "Carried Interest." The manner of calculation of such Carried Interest is disclosed in the Governing Fund Documents, and may vary by fund. Generally, however, 20% of the investment profits of the Funds are allocated as Carried Interest to such Fund's General Partner subject to a preferred return of 8% per annum, and subject to a catch-up, a giveback and an escrow. As is the case with Management Fees, RCM and its affiliates reserve the right to waive or reduce Carried Interest for certain Investors, including employees, a limited number of strategic partners, advisors and consultants and others as may be determined in RCM's sole discretion.

Other Fees Earned by RCM: RCM may receive transaction, consulting, advisory and other similar fees associated with investments or proposed investments or commitments made by each Fund, fees in connection with transactions that are not completed and monitoring fees from portfolio companies. All or a portion of certain of these Other Fees may be applied to reduce the quarterly Management Fee. The recipients of this Brochure must refer to the detailed information found in each Fund's Governing Documents for specific information about the fees earned by RCM, including Other Fees, and the fees charged to the Fund.

Other Expenses Charged to the Funds: In addition to Management Fees, Carried Interest and Other Fees, the Funds' limited partners will bear indirectly (to the extent not reimbursed by a portfolio company) the fees and expenses charged to the Funds. Those fees and expenses will vary by Fund, but typically will include, among other things: fees associated with the acquisition, holding and disposition of investments, financing, legal, auditing, consulting, and accounting fees and expenses, interest on fees and expenses arising out of all borrowings made by the Funds, placement fees, and expenses of the Investor Advisory Boards for the Funds and meetings of the Limited Partners.

The types of fees and expenses that will be charged to the Funds in relation to the acquisition, holding and disposition of investments, include, where contemplated by the applicable Partnership Agreement, among other things: meals, entertainment, lodging and travel expenses.

In addition to the full-time investment professionals of the Firm, the Funds and their portfolio companies may engage the services of certain advisers to work actively with RCM on sourcing and evaluating new transactions, as well as providing strategic advice related to portfolio company matters. These advisers are not partners or employees of RCM or any of its affiliates, but rather consultants engaged by certain Funds. The compensation of such individuals is generally treated as an expense of the relevant Fund(s) or the relevant portfolio company.

The recipients of this Brochure must refer to the detailed information found in each Fund's Governing Documents for specific information about the expenses charged to the Fund(s).

Organizational Expenses: Each Fund will bear all reasonable legal and other organizational and offering expenses incurred in the formation of each Fund and related entities ("Organizational Expenses"). Organizational Expenses in excess of \$1.5 million will reduce the Management Fees otherwise payable by the Limited Partners by an identical amount.

Placement Fees: All fees due to placement agents will not be subject to the limitation set forth in “Organizational Expenses” above, but will reduce the Management Fees otherwise payable by the Limited Partners by an identical amount.

Overhead Expenses: Each Fund’s General Partner and the Advisor will pay all of their respective ordinary administrative and overhead expenses in managing Fund investments, including salaries, benefits and rent.

Part 6: Performance Based Fees and Side-by-Side Management

As described above, RCM or its affiliates receive performance-based compensation in the form of Carried Interest, which calculation is based on the profits typically generated from the recapitalization, sale or other disposition of Fund assets. The fact that a portion of the Advisor’s compensation is directly computed on the basis of profits generated by the sale or disposition of Fund assets may create an incentive for RCM to make investments on behalf of the Funds that are riskier or more speculative than would be the case in the absence of such compensation.

Part 7: Types of Clients

RCM provides discretionary management and advisory services to the Funds directly, subject to the direction and control of the General Partner of each Fund, and not individually to the Limited Partners. Investors in the Funds may include, but are not limited to, high net worth individuals, pension plans (corporate, state and foreign), sovereign wealth funds, endowments, foundations, banks, pooled investment vehicles (e.g., funds-of-funds), trusts, estates or charitable organizations, and corporate or business entities.

The minimum commitment for a Limited Partner is outlined in the Governing Fund Documents; however RCM maintains discretion to accept less than the minimum investment threshold. Investors will be required to meet certain suitability qualifications, such as being an “accredited investor” within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act. Also, Investors will be required to make certain representations when investing in a Fund, including, but not limited to representation that: (i) they are acquiring an interest for their own account, (ii) they received or had access to information they deem relevant to evaluate the merits and risks of the prospective investment and that (iii) they have the ability to bear the economic risk of an investment in the Funds. Details concerning applicable Investor suitability criteria are set forth in the respective Governing Fund Documents and subscription materials, which are furnished to each Investor.

The Funds may enter into separate agreements, commonly referred to as “side letters”, or other similar agreements with a particular Limited Partner in connection with its admission to one of Funds without the approval of any other Limited Partner, which would have the effect of establishing rights under or supplementing the terms of the applicable Fund’s Partnership Agreement with respect to such Limited Partner in a manner more favorable to such Limited Partner than those applicable to other Limited Partners. Such rights or terms in any such side letter or other similar agreement may include, without limitation: (i) excuse rights applicable to particular investments (which may increase the percentage interest of other Limited Partners in, and contribution obligations of other Limited Partners with respect to, such investments), (ii) reporting obligations, (iii) waiver of certain confidentiality obligations, (iv) consent to certain

transfers by such Limited Partner or (v) rights or terms requested or necessary in light of particular investment, legal, regulatory or public policy characteristics of a Limited Partner.

Part 8: Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

Each Fund's investment objective is to achieve long-term capital appreciation primarily through middle-market investments in companies in which the Fund will generally have significant influence on the management, operations and strategic direction of the business. The Funds' investments are primarily in the form of control positions in companies, achieved through leveraged acquisitions, recapitalizations, restructurings and growth equity transactions.

RCM researches, targets and actively pursues companies that meet its investment criteria. The Advisor's investment strategy is to generate attractive risk-adjusted returns by identifying middle market companies in targeted industries and business models where RCM seeks to capitalize on its industry insight and operating experience to source investments, drive growth and create value. These companies are typically characterized by: predictable, stable and recurring revenues, strong and sustainable competitive positions, attractive cash flow characteristics, actionable growth opportunities and talented and committed management teams. Furthermore, RCM's Atlanta, Georgia location helps facilitate deal flow as a material number of companies in the Advisor's target industries are headquartered in the Southeast and many middle market owners have a desire to deal with buyers away from the financial center cities.

Although the primary goal of the Advisor is to seek investments in targeted industries in proprietary transactions or limited auctions, the Advisor will also consider investments in industries other than those described in the Funds' Governing Documents and this Brochure and will evaluate transactions sourced from investment banking firms conducting broad auctions.

Allocation of Investment Opportunities: Through the end of the Commitment Period, any investment opportunity suitable for a Fund that is presented to RCM will be offered to the Fund, except for: (i) investment opportunities related to current portfolio holdings of RCM; (ii) investment opportunities anticipated to require less than \$1 million of equity investment; (iii) investment opportunities required to be presented to any pre-existing investment fund sponsored by the Principals or their affiliates or any other investment fund permitted to be organized by the Principals or their affiliates under a Partnership Agreement; (iv) investments intended to protect or enhance the value of investments included in paragraphs (i) through (iii) above; and (v) investment opportunities presented to the investment professionals of the Funds in their capacity as directors of public or private companies and in similar circumstances where pre-existing fiduciary duties apply.

Reinvestment of Capital: During the Commitment Period, the Funds, at the discretion of RCM, may retain or recall for reinvestment the invested capital portion of any proceeds received by the Funds from the sale, refinancing or recapitalization of any investment that is realized within 18 months after the investment was originally made.

Co-Investment: Where appropriate, RCM intends, but will not be obligated, to provide co-investment opportunities to Limited Partners and/or third parties. RCM may allocate the available

investment among the Funds, the Limited Partners and/or any third party as RCM may, in its sole discretion, determine.

Follow-On Investments: After the Commitment Period has expired, the Funds may make investments to preserve, protect or enhance the value of existing investments (“Follow-On Investments”); provided, that such investments will not exceed the lesser of (i) the aggregate amount of undrawn capital commitments as of the end of the Commitment Period and (ii) 20% of capital commitments.

Similar Funds: Without the consent of at least 75% in interest of the Limited Partners, RCM will not act as the manager or the primary source of transactions on behalf of another pooled investment fund with overall objectives substantially similar to those of a Fund, until the earlier of (i) the end of the Commitment Period or (ii) such time as 75% of the capital commitments are invested or committed to be invested or used to fund expenses (including a reserve for fees, expenses and Follow-On Investments).

Alternative Investment Vehicles: In connection with any investment, RCM will have the right to: (i) in the case of a potential investment, direct the capital contributions of some or all of the Limited Partners to be effected through one or more alternative investment vehicles and (ii) in the case of an existing investment, transfer all or a portion of such existing investment to an alternative investment vehicle, if, in the determination of RCM, the use of such vehicles would enable the Fund(s) to overcome legal and regulatory constraints, be more tax efficient and/or facilitate participation in certain types of investments. Any such vehicles will be managed by the Advisor or an affiliate thereof. The profits and losses of such vehicles may be aggregated with those of the Fund(s) for purposes of determining distributions by either the Fund(s) or such vehicles.

Partnerships and Feeder Funds: One or more parallel partnerships (the “Parallel Partnerships”) may be organized by RCM for legal, regulatory, tax or other reasons. Such Parallel Partnerships may invest on a pro rata basis in all Fund(s) transactions. Furthermore, RCM may organize a Parallel Partnership for the participation of the investment professionals of the Advisor and certain related parties, advisors and consultants to the Fund(s) in reliance on the exemption contained in Section 3(c)(1) of the U.S. Investment Company Act (the “Strategic Partnership”). This structure would allow the Funds to admit a greater number of Investors while at the same time allowing management, related parties, advisors and consultants to invest without having to meet the higher threshold of investor qualification required under Section 3(c)(7) of the Investment Company Act. In the event that a Strategic Partnership is organized, the commitments to the Strategic Partnership will count towards the capital commitments of RCM. Such a Strategic Partnership would invest on a pro rata basis in all Fund(s) transactions. The structure and management of a Strategic Partnership would be substantially similar to that of a Fund, except that RCM may elect to waive any applicable Management Fee or Carried Interest.

In addition, RCM may organize one or more special purposes offshore investment vehicles for investment by certain Investors (the “Feeder Funds”). The Feeder Funds would be Limited Partners of the Fund(s) and have no other activities.

Exclusion from Certain Investments: Limited Partners will not be obligated to contribute capital toward any investment if the making of such investment, in the opinion of counsel satisfactory to RCM, would be illegal or is otherwise prohibited by statute or regulation for such Limited Partners. Limited Partners may be excluded from an investment if RCM determines that participation in such investment is reasonably likely to violate any regulatory requirements or have financial, legal or other material adverse effects on the Funds, any Limited Partner or any portfolio company. In the event that one or more Limited Partners are excused from participation in an investment, RCM may either elect to have the Funds not make the investment or elect to have the Funds make the investment without the participation of such Limited Partner(s). The undrawn capital commitment of an excused or excluded Limited Partner will not be reduced as a result of any excuse or exclusion. RCM may make additional capital calls to replace the capital contributions not made by any excused or excluded Limited Partners, but Limited Partners will not be required to fund amounts in excess of their undrawn capital commitments.

Risk of Loss

An investment in the Funds involves significant risks, certain of which are described in more detail in each Fund's Governing Documents. An investment in the Funds should be undertaken only by Investors capable of evaluating the risks of the Funds and bearing the risks they represent. Prospective Investors must rely upon their own examination of and ability to understand the nature of the investment, including the risks involved, in making a decision to invest in the Funds. There can be no assurance that the Funds will be able to achieve their investment objectives or that Limited Partners will receive a return on their capital; investment results may vary substantially on a quarterly and annual basis. Each prospective Investor should make its own inquiries and consult its own advisors as to the Funds and this offering and as to legal, tax and related matters concerning an investment in the Interests.

The descriptions contained below are a brief overview of different risks related to RCM's investment strategy; however, it is not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in connection with the management and operations of the Funds. A more detailed list of risks is provided in the confidential memorandums of relating to each of the Funds.

Lack of Operating History: Although the Principals have prior experience, and have been involved in private equity investments or investment advising throughout their careers, the investments and the activities relating to such investments may be different in certain respects from those that they will engage in on behalf of the Funds. Accordingly, any prior investment results are not necessarily indicative of the Funds' future investment results.

Dependence on Key Personnel: The success of the Funds will be highly dependent on the expertise and performance of the Principals. The loss of the services of one or more of these individuals could have a material adverse effect on the performance of the Funds. There can be no assurance that the Principals will continue to be associated with the Advisor or any of its affiliates throughout the life of the Funds, as they are under no contractual obligation to remain with the Advisor or any of its affiliates for all or any portion of the term of the Funds. In addition, in the event that the Principals cannot agree on decisions affecting the Fund, the investment results of the Fund may be adversely affected. Furthermore, although investment professionals employed by

the Advisor will commit a significant amount of their business efforts to the Funds, they are not required to devote all of their business time to the Fund's affairs. They may manage newly created partnerships.

Illiquidity of Investments: An investment in the Funds requires a long term commitment with no certainty of return. It is unlikely there will be near term cash flow available to the Limited Partners. Many of the Funds' investments will be highly illiquid, and there can be no assurance that the Funds will be able to realize such investments at attractive prices or otherwise be able to effect a successful realization or exit strategy. Consequently, dispositions of such investments may require a lengthy time period or may result in distributions in kind to the Limited Partners. Additionally, the Funds may acquire securities that cannot be sold except pursuant to a registration statement filed under the Securities Act, or in accordance with Rule 144 promulgated under the Securities Act. There can be no assurance that private purchasers can be found for the Funds' investments.

Portfolio Concentration: Although the Funds' Governing Documents may set forth certain concentration limits, diversification of investment is not a mandated objective of the Funds. The Funds' portfolios may include a small number of large positions. While this portfolio concentration may enhance total returns to the Limited Partners, if any large position has a material loss, then returns to the Limited Partners may be lower than if they had invested in a more diversified portfolio.

General Nature of the Funds' Investments: A substantial portion of the Funds' investments will be in equity or equity related investments which by their nature involve business, financial, market and/or legal risks. While such investments offer the opportunity for significant capital gains, they also involve a degree of risk that can result in substantial losses. There can be no assurance that the Principals will correctly evaluate the nature and magnitude of the various factors that could affect the value of such investments. Prices and market movements of the Funds' investments may be volatile, and a variety of other factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Fund's activities and the value of the Fund's investments. As a result, the Funds' performance over a particular period may not necessarily be indicative of the results that may be expected in future periods and may not show any return for a considerable period of time, if at all. Given the nature of the targeted companies, there is a risk that one or more investments of the Funds may result in losses or fail to yield any returns. Such investments could, in certain circumstances, subject the Funds to certain additional potential liabilities that may exceed the value of the Funds' original investments therein.

A portion of the Funds' investments may involve under performing companies or companies identified by the Advisor as being in need of additional capital. The financial condition of such companies may be weak or their balance sheets highly leveraged, and any investment in them may involve a high degree of risk.

The Funds may co-invest in a company with financial, strategic or other third-party investors. Such investments will involve additional risks not present in investments where a third party is not involved, including the possibility that the co-investor may have interests or objectives that are

inconsistent with those of the Funds or may be in a position to take action contrary to the Funds' investment objectives. In addition, the Funds may in certain circumstances be liable for actions of its third party co-investors or partners.

Although the Funds intend to make primarily control-oriented investments, the Funds may make minority investments in companies where they may have limited influence. Although the Funds will seek certain minority shareholder protections, the Funds' control over the investment policies of these companies may be limited. The management or other shareholders of such companies may have economic or business interests or goals that are inconsistent with those of the Funds.

Regulated Industries: The Funds may invest in companies that operate in regulated industries. Examples include, without limitation, franchising and environmental services. The operations of such companies will be subject to compliance with applicable regulations, and such companies may be subject to increased regulations resulting from both new requirements and re-regulation of previously de-regulated markets. Prices may be artificially controlled, and regulatory burdens may increase costs of operations. New or increased regulations could adversely affect the performance of the companies in which the Funds invest.

Contingent Liabilities: Much of the Funds' investments are expected to involve private securities. In connection with an investment in private securities, the Funds may assume, or acquire, a portfolio company subject to contingent liabilities. These liabilities may be material and may include liabilities associated with pending litigation, regulatory investigations or environmental actions, among other things. To the extent these liabilities are realized, they may materially adversely affect the value of a portfolio company. In addition, if the Funds have assumed or guaranteed these liabilities, the obligation would be payable from the assets of the Funds, including the unfunded capital commitments of Limited Partners. In connection with the disposition of an investment in private securities, the Funds may be required to make representations about the business and financial affairs of the company typical of those made in connection with the sale of a business. The Funds also may be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate. These arrangements may cause the Funds to assume contingent liabilities that ultimately might yield funding obligations that must be satisfied by the Limited Partners to the extent of their unfunded capital commitments and certain obligations to return distributions.

General Economic Risks: General economic conditions, interest rates, and the availability of alternate sources of financing may affect the Funds' results, including the value of its companies and its ability to sell them for a profit. Investments in portfolio companies of the type targeted by the Funds may be adversely affected by changes in governmental policies, taxation, housing starts, petroleum prices, minimum wage laws, other laws and regulations and currency fluctuations. The Funds' strategy in some portfolio investments may be based, in part, on the premise that appropriate businesses and assets will be available for purchase by the Funds at prices that the General Partner considers favorable. Further, the Funds' strategy may rely, in part, on the existence of market conditions conducive to generating favorable prices during the term of the Funds. No assurance can be given, however, that appropriate businesses and assets can be acquired at favorable prices as this will depend, in part, on events and factors outside the control of the General Partner.

Fluctuations in Financial Markets: General fluctuations in the market prices of securities and interest rates may adversely affect the value of the portfolio investments of the Funds and/or increase the risks associated with an investment in the Funds. Volatility and instability in the securities markets may also increase the risks inherent in the portfolio investments of the Funds. The state of the industry remains fluid and additional changes are expected.

Middle-Market Companies: Investments in middle-market companies may entail more risks than are customarily associated with investments in larger companies. Middle market companies often have more limited product lines, smaller marketing, research and development budgets, fewer customers and more limited financial resources than larger companies. Middle market companies may be more dependent on a smaller and less experienced management group than larger companies. They may also have a higher concentration of sales with a smaller number of customers. As a result, such middle market companies may be more vulnerable to general economic trends, competition, and changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in middle market companies, could make it difficult for the Fund to respond effectively to negative economic or political developments.

Increased Supply of Capital and Competition: There are an increasing number of private equity firms and other well capitalized firms that are pursuing companies similar to those targeted by the Funds. This competition includes hedge funds, business development companies, special purpose acquisition corporations, and direct investments by firms that have historically been limited partners in private equity firms. In addition, there has been an increase in the number of lenders interested in providing financing to middle market companies. These factors have resulted in an increase in the supply of equity and debt capital available to acquire companies that would be of interest to the Funds. As a result, purchase price multiples may increase and the Funds may encounter increased competition.

No Guarantee of Investment Returns: An investment in the Funds requires a long-term commitment, with no certainty of return. There most likely will be little or no near-term cash flow available to the Limited Partners. There can be no assurances that the returns generated by the Fund's investments will compensate the Limited Partners adequately for the business and financial risks assumed. There can be no assurances that the Funds will be able to dispose of investments at prices equal to or greater than the price at which the Funds purchased such investments.

Leveraged Nature of Investments: The companies in which the Funds will invest may employ a certain amount of leverage, a portion of which may carry floating interest rates. The leveraged capital structure of portfolio companies may increase the exposure of the Funds' investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates. The Funds' investments may be among the most junior capital in a portfolio company's capital structure. If a portfolio company is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the

Funds may suffer a partial or total loss of capital invested in the portfolio company, which, given the size of the Funds' investments, could adversely affect the return of the Funds.

Difficulty of Locating Suitable Investments: There can be no assurance that there will be a sufficient number of suitable investment opportunities to enable the Funds to invest all of their capital commitments in opportunities that satisfy the Funds' investment objectives, or that such investment opportunities will lead to completed investments by the Funds. The activity of identifying, analyzing, completing and realizing an attractive investment opportunity is highly competitive and involves a high degree of uncertainty. The Funds will compete for the acquisition of investments with other investors, some of which will have greater resources than the Funds. Such competitors may include other private equity funds as well as individuals, financial institutions and other institutional investors. Further, over the past several years, an ever-increasing number of private equity funds have been formed (and many existing funds have grown in size). In addition, the availability of investment opportunities generally will be subject to market conditions as well as, in some cases, the prevailing regulatory or political climate. Therefore, identification of attractive investment opportunities is difficult and involves a high degree of uncertainty, and competition for such opportunities may become more intense. There can be no assurance that the General Partner of each Fund will be able to identify a sufficient number of investment opportunities for the Funds to enable them to invest fully the capital commitments in opportunities that satisfy the Funds' investment objectives, or that such investment opportunities will lead to completed investments by the Funds.

Need for Additional Investments: The Funds may be called upon to provide follow on funding for its portfolio companies or have the opportunity to increase its investment in portfolio companies. There can be no assurance that the Funds will be able to make such additional investments or that the Funds will have sufficient funds to do so. Any decision not to make such additional investments or the inability to make them may have a substantial negative impact on a portfolio company in need of such an investment or may diminish the respective Fund's ability to influence the portfolio company's future development.

Bridge Loans: From time to time, the Funds may lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities. Such bridge loans will typically be convertible into a more permanent, long-term security; however, for reasons not always in the Funds' control, such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Funds.

Investments Longer Than Term: The Funds may invest in investments which may not be advantageously disposed of prior to the date that the Funds will be dissolved, either by expiration of each Fund's term or otherwise. Although RCM expects that investments will be either disposed of prior to dissolution or suitable for in-kind distribution at dissolution, the Funds may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

Distributions: There can be no assurance that the operation of the Funds will be profitable, that the Funds will be able to avoid losses or that cash from their investments will be available for

distributions to the Investors. The Funds will have no source of funds from which to pay distributions to the Investors other than income and gain received on their investments and the return of capital. In addition, while each Fund intends to make distributions in cash, it is possible that certain distributions may be made in kind and could consist of securities for which there is no readily available public market and with respect to which there are substantial transfer restrictions or of securities of entities unable to perform under contractual obligations.

Risks Associated with Foreign Investments: Although the Funds intend to invest principally in companies headquartered in North America, the Funds may from time to time invest in portfolio companies headquartered outside of North America. Investing outside North America may involve greater risks than investing in North America. In particular, the value of a Fund's investments in foreign securities may be affected by changes in currency exchange rates, which may be volatile. Additional risks may include: (i) economic dislocations in the host country; (ii) less publicly available information; (iii) less developed regulatory institutions; and (iv) greater difficulty of enforcing legal rights in a foreign jurisdiction. Moreover, some foreign companies may not be subject to uniform accounting, auditing and financial reporting standards comparable to those that apply to U.S. companies. Finally, in some foreign countries, there is the possibility of expropriation of value, including through confiscatory taxation, limitations on the repatriation or sale of securities, property or other assets of the Fund, political or social instability or diplomatic developments, each of which could have an adverse effect on the Fund's investments in such countries.

Provision of Managerial Assistance and Control: The Funds typically will designate directors to serve on the boards of directors of portfolio companies. Moreover, in its efforts to avoid having the assets of the Fund constitute "plan assets" of any plan subject to Title I of ERISA (as defined herein) or Section 4975 of the Code (as defined herein), the General Partner of each Fund may, in this regard, elect to operate the Fund as a VCOC (as defined herein). Operating the Fund as a VCOC would require that the Fund obtain rights to participate substantially in or influence the conduct of the management of a number of the Fund's portfolio companies. The designation of directors and other measures contemplated could expose the assets of the Fund to claims by a portfolio company, its security holders and its creditors. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, pension liabilities, failure to supervise management, violation of government regulations and other types of liability. If these liabilities were to occur, the Fund could suffer significant losses in its investments. While the Advisor intends to manage the Funds in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Illiquidity of Limited Partner Interests: The interests will be issued in reliance upon certain exemptions from registration or qualification under applicable U.S. federal and state securities laws and so will be subject to certain restrictions on transferability. The Funds have no plans, and are under no obligation, to register the interests under the Securities Act. There will be no public market for the interests, and none is expected to develop. In addition, Limited Partners will not be entitled to withdraw their capital contributions, and the interests may not be assigned or transferred without the written consent of the General Partner of each Fund, which consent may be granted or withheld in its sole discretion. Accordingly, the interests constitute illiquid

investments and should only be purchased by persons that are able to bear the risk of their investment for an indefinite period of time.

No Right to Control the Fund's Operations: Limited Partners will have no opportunity to control the day to day operations of the Funds, including investment and disposition decisions. In order to safeguard their limited liability from the liabilities and obligations of the Funds, Limited Partners must rely entirely on the General Partners and the Advisor to conduct and manage the affairs of the Funds.

General Risks Associated with Changes in Laws and Regulations: The Funds, the General Partners, RCM and/or their respective affiliates are subject to risks associated with changes that may generally occur with respect to U.S. federal, state or local laws and regulations, developing interpretations of such laws and regulations, and increased scrutiny by U.S. federal, state and local regulators and law enforcement authorities. Such changes, interpretations and increased scrutiny could result in claims against the Funds, the General Partners, RCM, and/or their respective affiliates, directly, or indirectly, for actions taken or not taken by the Funds, the General Partners, or RCM, and/or their respective affiliates. Thus, the Funds, the General Partners, RCM and/or their respective affiliates face the continuing risk of potential litigation and regulatory action. These risks are often difficult or impossible to predict, avoid or mitigate in advance and may make some investments unavailable to the Funds. The effect on the Funds, the General Partners, RCM or any affiliate of any such legal risk, litigation or regulatory action could be substantial and adverse.

Part 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or investor's evaluation of the adviser or the integrity of the adviser's management. Neither RCM nor any of its officers, directors, employees or other management persons, have been involved in any legal or disciplinary events in the past 10 years that would require disclosure in response to this Item.

Part 10: Other Financial Industry Activities and Affiliations

Pooled Investment Vehicles

RCM organizes and sponsors the Funds, which are private investment companies and partnerships. These pooled investment vehicles managed by RCM are controlled by affiliated General Partner entities. RCM or the General Partners will be responsible for all decisions regarding portfolio transactions of the Funds and have full discretion over the management of the Funds' investment activities. While the General Partners are not separately registered as investment advisers with the SEC, all of their investment advisory activities are subject to the Advisers Act, and the rules thereunder. In addition, employees and persons acting on behalf of the General Partners are subject to the supervision and control of RCM. Thus, the General Partners, all of their employees and the persons acting on their behalf would be "persons associated with" the registered investment adviser so that the SEC could enforce the requirements of the Advisers Act on the General Partners.

Portfolio Company Representation

Employees of the Advisor may serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interests of such portfolio companies and their respective shareholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interests of the portfolio company may not be in the best interests of the Fund, and vice versa. Accordingly, in these situations, there will be conflicts of interest between such individual's duties as an employee of the Advisor and such individual's duties as a director or officer of such portfolio company.

Part 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics and Personal Trading

Pursuant to Rule 204A-1 of the Advisers Act, RCM has adopted a written Code of Ethics (the "Code") predicated on the principle that the Advisor owes a fiduciary duty to the Funds and its Investors. The Code is designed to address and avoid potential conflicts of interest and is applicable to all officers, directors, members, partners or employees of RCM (the "Employees"), each Employee's spouse, minor children and other family members living in his or her household (the "Related Persons"), as well as each other individual designated in writing by a compliance officer as being subject to all or a portion of the compliance procedures or policies adopted by the Advisor (collectively the "Covered Persons"). The Advisor requires its Employees to act in the Funds' best interests, abide by all applicable regulations and avoid any action that is, or could even appear to be, legally or ethically improper.

The Advisor requires pre-clearance before purchasing an IPO or limited offering (i.e., private placement); requires periodic reporting of Covered Persons' personal securities transactions and all holdings; and requires prompt internal reporting of Code violations. RCM endeavors to maintain current and accurate records of all personal securities accounts of its Covered Persons in an effort to monitor all such activity. A copy of RCM's Code is available upon written request to RCM at 1180 Peachtree Street NE, Suite 2500, Atlanta, Georgia 30309, Attn: Jeffrey J. Keenan, Chief Compliance Officer.

Certain transactions in which RCM engages may require, for either business or legal reasons, that no Covered Person trade in the subject securities for specified time periods. Such securities will appear on a list (the "Restricted List") that will be circulated to all Covered Persons. No Covered Person may engage in any sort of trading activity with respect to a security or a derivative thereof on the Restricted List without obtaining prior written approval from the Chief Compliance Officer.

The Advisor, its employees or a related entity will have an investment in each Fund. For example, the General Partner for each Fund is 100% owed by the Principals and other investment professionals working for RCM. In addition, each General Partner will participate in the Fund's investment program by agreeing to commit a certain percentage of the Fund's total capital commitments or a certain amount as defined in the Fund's Governing Documents. Therefore, RCM, its employees or a related entity participate in transactions of the Funds.

Incentive Compensation: The existence of the Carried Interest that each General Partner will receive under the Governing Fund Documents may create an incentive for the General Partner to approve and cause the Funds to make riskier and more speculative investments than they would otherwise make in the absence of such performance based compensation, although the capital commitments by the General Partner to invest in portfolio investments and the General Partner giveback should tend to reduce this incentive.

Allocation of Investment Opportunities: In some instances, portfolio investments may be made available to and shared with certain co-investors (from which the General Partner(s), RCM and one or more of their respective affiliates may receive Carried Interest and Management Fees), and thus not all investment amounts that might otherwise be available to the Funds relating to a portfolio investment will be presented to the Funds.

Allocation of Expenses: The General Partner(s), the Advisor, the Principals and/or one or more of their respective affiliates may from time to time incur expenses on behalf of the Funds, other affiliated entities and one or more existing or subsequent entities established by the Principals. Although attempts will be made to allocate such expenses on an equitable basis, there can be no assurance that such expenses will in all cases be allocated appropriately.

Diverse Membership: The Limited Partners may have conflicting investment, tax and other interests with respect to their investments in the Funds. The conflicting interests of individual Limited Partners may relate to or arise from, among other things, the nature of the Funds' investments, the structuring or the acquisition of investments and the timing of disposition of the Funds' investments. As a consequence, conflicts of interests may arise in connection with decisions made by the General Partner(s) or RCM, including with respect to the nature or structuring of investments, that may be more beneficial for one Investor than for another Investor, especially with respect to Investors' individual tax situations. In selecting and structuring investments appropriate for the Funds, the General Partner(s) and RCM will consider the investment and tax objectives of the Funds and the Limited Partners as a whole, and not the investment, tax or other objectives of any Limited Partner individually.

Other Fees: As noted earlier, the Advisor may receive certain fees from investments in connection with transaction, monitoring and other similar fees or compensation (net of related expenses) or in connection with any investment not completed (i.e., Other Fees). Although a percentage of these Other Fees may be applied to reduce the quarterly Management Fee payable by the Limited Partners, the Limited Partners will not receive the benefit of all of such fees and conflicts of interest may arise in connection with the payment of such fees.

Investor Advisory Board: An Investor Advisory Board will be established for each Fund, consisting of representatives of certain Limited Partners selected by each General Partner that are not affiliates of the General Partner. The Investor Advisory Board will meet at least annually and as requested by each General Partner to: (i) review any matters involving a potential conflict of interest; (ii) approve the addition of any Principal or any proposed substitute of any Principal who is no longer actively involved in the affairs of the Fund; and (iii) discuss such other matters as may be raised by the General Partner.

Part 12: Brokerage Practices

RCM focuses on making investments in private securities, and does not ordinarily deal with any financial intermediary such as a broker-dealer; therefore commissions are not ordinarily payable in connection with such investments. To the limited extent RCM transacts in public securities, or other non-private equity investments (e.g., currency hedging), RCM will seek to obtain best execution. RCM intends to select brokers based upon the broker's ability to provide best execution for the Funds. RCM and/or the General Partner is generally authorized to make the following determinations, subject to each Fund's investment objectives and restrictions, without obtaining prior consent from the relevant Fund or any of their Investors: (1) which securities or other instruments to buy or sell; (2) the total amount of securities or other instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions.

Soft Dollars

RCM does not participate in any soft dollar arrangements outside of receiving research available to other institutional investors. Research services received from brokers and dealers are supplemental to RCM's own research effort. To the best of RCM's knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. The Advisor does not separately compensate such broker-dealers for the research and does not believe that it "pays-up" for such broker-dealers' services due to the difficulty associated with the broker-dealers not breaking out the costs for such services.

Trade Aggregation

If a Fund transacts in a publicly traded security, due to exclusivity provisions and the fact that RCM generally only invests the assets of a Fund during its respective Commitment Period, it generally would not be practicable to aggregate transactions with another Fund.

Part 13: Review of Accounts

All investments are carefully reviewed and approved by RCM's investment team, which includes the Managing Partner and other members of the Investment Committee. The portfolio companies are reviewed on a regular basis and the investment personnel meet periodically to discuss investment ideas, economic developments, industry outlook and other issues related to current portfolio holdings and potential investment opportunities.

RCM provides each Limited Partner with the following reports in accordance with the terms of the applicable Governing Fund Documents: (i) audited annual financial statements; (ii) unaudited quarterly financial statements; and (iii) annual tax information necessary to complete any applicable tax returns. RCM also holds annual meetings with the Limited Partners.

Part 14: Client Referrals and Other Compensation

RCM may periodically engage third party placement agents (i.e., solicitors) to introduce prospective Investors to the Funds. The fees and expenses of any third-party placement agents will be paid by the Funds, but will be reimbursed by RCM by offsetting its Management Fees.

As noted earlier, RCM or its affiliates may charge portfolio companies transaction fees, break-up fees, monitoring fees, other similar fees.

Part 15: Custody

RCM has access to client accounts (i.e., the Funds) since it or an affiliate serves as the General Partner of the Funds. Limited Partners will not receive statements from any custodians. Instead, the Funds are subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each Limited Partner. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 90 to 120 days of each Fund's fiscal year end.

Part 16: Investment Discretion

In accordance with the terms and conditions of the Governing Fund Documents, and subject to the direction and control of the General Partner of each Fund, the Advisor generally has discretionary authority to determine, without obtaining specific consent from the Funds or its Limited Partners, the securities and the amounts to be bought or sold on behalf of the Funds, and to perform the day-to-day investment operations of the Funds.

Part 17: Voting Client Securities

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Advisers Act, RCM has adopted and implemented written policies and procedures governing the voting of client securities.

RCM's Funds are primarily invested in privately-held portfolio company investments which typically do not issue proxies. However, upon occasion, RCM will receive proxies in connection with its publicly traded portfolio companies, in which case it is the Advisor's policy to exercise the proxy vote in the best interest of its Funds, taking into consideration all relevant factors, including without limitation, acting in a manner that RCM believes will (i) maximize the economic benefits to the relevant Fund and (ii) promote sound corporate governance by the issuer. On rare occasion, RCM may be required to exercise a vote for a privately-held portfolio company, in which case the same procedures shall apply.

RCM will seek to avoid material conflicts of interest between its own interests on the one hand, and the interests of its Funds on the other. However, as is typical with private equity investing, RCM generally seeks and accepts the election of a RCM representative to serve on the board of directors on behalf of its Funds and will typically, but not always, vote in favor of board recommendations. In situations where RCM is required to vote the proxy for a company in which employees of RCM serve on the board of directors, RCM has determined that this does not inherently present a conflict of interest, as the sole purpose of this representation is to maximize the return on the Funds' investment in such portfolio company. Accordingly, while RCM is generally, but not automatically, fully supportive of recommendations made by a portfolio company's board of directors with respect to proxy votes related to that issuer, it will review all proxies in accordance with its proxy voting guidelines and may or may not vote in favor of the board's recommendation.

All conflicts of interest will be resolved in the interests of RCM's Funds. In situations where RCM perceives a material conflict of interest, the circumstances surrounding such potential conflict will be reviewed with RCM's General Counsel, who will be responsible for recommending the appropriate action, which may include removing certain of RCM's employees from the proxy voting process.

All proxies that RCM receives will be treated in accordance with these policies and procedures. A copy of RCM's written proxy voting policies and procedures, as well as a record of how RCM has voted in the past, will be maintained and available for review upon written request to RCM at 1180 Peachtree Street NE, Suite 2500, Atlanta, Georgia 30309, Attn: Jeffrey J. Keenan.

Item 18: Financial Information

A balance sheet is not required to be provided as RCM (i) does not solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.