

**INVESTMENT ADVISER BROCHURE
PART 2A OF FORM ADV**

BISON CAPITAL ASSET MANAGEMENT, LLC

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Bison Capital Asset Management, LLC (the “Management Company”). If you have any questions about the contents of this Brochure, please contact us at (310) 260-6570. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

The Management Company is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). However, such registration does not imply a certain level of skill or training.

Additional information regarding the Management Company is also available on the SEC’s website at www.adviserinfo.sec.gov.

MATERIAL CHANGES

Bison Capital Asset Management, LLC (the “**Management Company**”) is a newly registered investment adviser and this is its initial Brochure. For future Brochures, this page will describe any material changes made since the previous Brochure.

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ADVISORY BUSINESS

Bison Capital Asset Management, LLC (the “**Management Company**”), the registered investment adviser, is a Delaware limited liability company. The Management Company commenced operations in January, 2003. The following investment advisers are affiliated with the Management Company:

- Bison Capital Equity Partners, LLC (“**Fund I GP**”)
- Bison Capital Partners II, LLC (“**Fund II GP**”)
- Bison Capital Partners III, LLC (“**Fund III GP**”)
- Bison Capital Partners IV GP, L.P. (“**Fund IV GP**”)

(each, a “**General Partner**” and together with the Management Company and their affiliated entities, “**Bison**”)

Each General Partner listed above is registered under the Advisers Act pursuant to the Management Company’s registration in accordance with SEC guidance. This Brochure also describes the business practices of each General Partner, which operate as a single advisory business together with the Management Company.

Bison provides discretionary investment advisory services to its clients, which consist of private investment-related funds. Bison’s clients include the following (each, a “**Fund**,” and together with any future private investment fund to which Bison provides investment advisory services, “**Funds**”):

- Bison Capital Structured Equity Partners, LLC (“**Fund I**”)
- Bison Capital Equity Partners II-A, L.P. (“**Fund II-A**”)
- Bison Capital Equity Partners II-B, L.P. (“**Fund II-B**”)
- Bison Capital Equity Partners III-B, L.P. (“**Fund III**”)
- Bison Capital Partners IV, L.P. (“**Fund IV**”)

Interests in the Funds are privately offered to qualified investors in the United States and elsewhere. The Funds are expected to invest through negotiated transactions in operating companies. Bison’s investment advisory services to Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and ultimately selling such investments. Investments are made predominantly in non-public companies, although investments in public companies are permitted in certain instances. From time to time, the senior principals or other personnel of Bison may serve on the boards of directors (or other governing bodies) of such portfolio companies held by the Funds or otherwise act to influence control over management of portfolio companies.

Bison's advisory services for each Fund are detailed in the applicable offering memorandum (each, a "**Memorandum**") and investment management agreement (each, a "**Management Agreement**"), limited partnership agreement (each, a "**Limited Partnership Agreement**") and/or limited liability company agreement (the "**Limited Liability Company Agreement**," and together with the Memorandum, Management Agreement and Limited Partnership Agreement, as applicable, the "**Governing Documents**"), and are further described below under "Methods of Analysis, Investment Strategies and Risk of Loss." Investors in Funds participate in the overall investment program for the applicable Fund, but may be excused from a particular investment due to legal, regulatory or other applicable constraints. The Funds or Bison may enter into side letters or similar agreements with certain investors that have the effect of establishing rights under, or altering or supplementing a Fund's Governing Documents, including provisions relating to the Management Fee (as defined below) and distributions.

As of November 30, 2011, Bison managed \$8.6 million in client assets on a discretionary basis and \$220 million in client assets on a non-discretionary basis. As of the date of this Brochure, Fund IV had not yet completed its initial closing. Accordingly, Fund IV's anticipated assets are not included in the above calculation of Bison's assets under management. In addition, the terms of Fund IV as described in this Brochure, including provisions relating to the Management Fee (as defined below) and distributions, are subject to change.

The Management Company is principally owned by Douglas B. Trussler, Peter S. Macdonald, Yee-Ping Chu and Lou N. Caballero.

FEES AND COMPENSATION

The following is a general description of fees, compensation, and expenses of the Funds. Differences exist from Fund to Fund, and certain Funds may not charge certain fees, compensation, or expenses that other Funds charge. The Governing Documents of the Funds describe fees, compensation and expenses in greater detail.

With respect to the Funds, each General Partner generally receives a management fee and a carried interest in connection with advisory services. The General Partners or other Bison entities or affiliates receive additional compensation in connection with management and other services performed for portfolio companies of Funds and such additional compensation may offset in whole or in part the Management Fees (as defined below) otherwise payable to Bison, as described in the Governing Documents. Investors in the Funds also bear certain fund expenses, as described below.

Management Fees

Generally, a Fund during its investment period will pay the applicable General Partner a management fee (the "**Management Fee**") between 1.5% and 2% on an annual basis of aggregate Partnership investor capital commitments. Payment of the Management Fee will be made quarterly in advance. Generally, investors participating in a closing after the initial closing of a Fund bear the Management Fee from the date of the initial closing of such Fund, plus interest, as applicable. The Management Fee may be reduced upon the expiration of the investment period or earlier upon the occurrence of certain other events as described in the

applicable Governing Documents. The Management Fee generally will be payable until all portfolio investments are disposed and/or distributed or until the General Partner's relationship with the applicable Fund is terminated for other reasons (as described in the Governing Documents). Installments of the Management Fee payable for any period other than a full Management Fee determination period are adjusted on *pro rata* basis according to the actual number of days in such period.

The Management Fee generally will be reduced by, or the applicable Fund will be reimbursed to the extent of, all or a portion of the directors' fees, financial consulting fees, advisory fees, transaction fees, break-up fees and certain other fees paid by portfolio companies to a General Partner, the Management Company or certain of their affiliates. To the extent that such an offset credit would reduce the Management Fee for a given Management Fee determination period below zero, the credit generally will be carried forward for future application against payable Management Fees.

As permitted under the Governing Documents for certain Funds, as applicable, the relevant General Partner may waive a portion of the Management Fee in exchange for a reduction in the General Partner's capital contribution obligation to such Fund and/or a corresponding interest in such Fund's profits. The investors in a Fund may be required to make a *pro rata* contribution according to their respective capital commitments to fund any contribution that would otherwise be required of the General Partner in connection with any such waiver as described above. Waived Management Fees may delay the Management Fee offsets described above and as further described in the applicable Governing Documents.

Carried Interest

Each General Partner generally is entitled to a carried interest with respect to the relevant Fund of up to 20% of all realized profits (in certain cases subject to a specified annually compounded preferred return with a related General Partner catch-up provision), as more fully described in the Governing Documents. The carried interest distributed to a General Partner is subject to a potential giveback at the end of the life of a Fund if the relevant General Partner has received excess cumulative distributions. In certain circumstances and for certain Funds, a portion of the carried interest otherwise payable to the relevant General Partner may be shared with one or more investors in the Fund (either directly or through a reduction of amounts otherwise distributable to the General Partner with respect to such investor), as more fully described in the applicable Governing Document.

Other Information

Bison generally has the right to exempt certain investors in certain Funds from payment of all or a portion of Management Fees and/or carried interest. Any such exemption from fees and/or carried interest may be made by a direct exemption investment, through a separate class of ownership interests of a given Fund (*e.g.*, "special limited partner" interests), or by allowing such investors to invest through other vehicles which co-invest with the relevant investor's Fund.

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Governing Documents,

over the term of the Funds and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other employees of Bison may receive a portion of the Management Fee, carried interest or other compensation received by the General Partner.

In addition to the Management Fee and carried interest payable to the General Partners, each Fund bears certain expenses. Each Fund generally will pay all other costs and expenses of the Fund that are not reimbursed by portfolio companies, generally including legal, auditing, consulting, financing, accounting and custodian fees and expenses; expenses associated with the Fund's financial statements, tax returns and Schedule K-1s; out-of-pocket expenses incurred in connection with transactions not consummated; expenses of the advisory board and annual meetings of the limited partners or members, as applicable; insurance; other expenses associated with the acquisition, holding and disposition of its investments, including extraordinary expenses (such as litigation, if any); and any taxes, fees or other governmental charges levied against the Fund. Brokerage fees may be incurred in accordance with the practices set forth in "Brokerage Practices."

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under "Fees and Compensation," each General Partner receives a carried interest allocation on certain realized profits in the Funds. A carried interest allocation represents an investment adviser's compensation based on a percentage of net profits of the funds it manages. Bison currently only advises Funds that are subject to a carried interest, although the General Partners may exempt certain investors from all or a portion of a Fund's carried interest, as described under "Fees and Compensation." See "Methods of Analysis, Investment Strategies and Risk of Loss," for further discussion of conflicts of interest.

TYPES OF CLIENTS

Bison provides investment advice to Funds. Funds may include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors participating in Funds may include individuals, banks or thrift institutions, other investment entities, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and may include, directly or indirectly, principals or other employees of Bison and its affiliates. Substantially all of the interests of each of Fund I, Fund II-B and Fund III are held by a single third-party investor.

The Funds generally have a minimum investment amount of \$5 million for third-party investors. Generally, investors must be "accredited investors" as defined under Regulation D of the Securities Act of 1933, as amended, and may also be required to be either "qualified purchasers" or "knowledgeable employees" as defined under the Investment Company Act of 1940, as amended. The General Partners may waive such minimum investment amounts and qualification requirements.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

Bison typically seeks to make growth equity investments in fundamentally strong middle-market companies to finance their growth, balance sheet restructuring and/or recapitalization. Bison's primary focus is investing in situations in which the founding entrepreneur or management team retains a significant ownership interest.

The following is a summary of the investment strategies and methods of analysis generally employed by Bison on behalf of the Funds. *There can be no assurance that Bison will achieve the investment objectives of the Funds and a loss of investment is possible.*

Investment and Operating Strategy

Bison follows a "Structured Capital" investment strategy, which includes: (i) focusing on the lower middle market, (ii) sourcing transactions through inefficient channels, (iii) structuring creative transactions to maximize investment returns and distributions while ensuring capital preservation, (iv) enhancing value creation through an active value added partnership with management/owner post closing, and (v) bolstering investment returns through multiple exit paths. Bison's history of success is based on adhering to these five tenets of Structured Capital investing.

Focused on the Lower Middle Market. Bison primarily invests in lower middle market companies, defined as having revenues between \$20 million and \$250 million. Bison focuses on the lower middle market for a number of reasons:

- Large and attractive set of investment opportunities;
- Lower middle market entrepreneurs have more limited capital alternatives as market is relatively inefficient;
- Many smaller companies seeking growth capital are not investment candidates for traditional private equity funds who are focused on control transactions, nor are they candidates for the majority of mezzanine funds who fund control buyouts and are not "sponsors" by nature;
- Large pool of fundamentally strong, entrepreneur-owned companies with aggressive growth objectives who want to build equity value for a future liquidity event and are more focused on finding the best financial partner versus the most efficient capital solution for the company;
- Compared to larger businesses within the same industry, valuations are typically lower and the cost of capital is generally higher, despite the fact that many lower middle market companies have more attractive growth prospects; and
- Significant opportunities for a sophisticated financial partner to add value to lower middle market businesses through strategic oversight, operational support, additional management support, strong financial and operational controls, and directed corporate finance and exit initiatives.

Sourcing Negotiated Transactions. Bison maintains a broad network of deal intermediaries, executives and operators and works with them to identify attractive investment opportunities in industry sectors that meet Bison's criteria. Bison generally avoids auctions and competitive bidding in favor of negotiated transactions primarily as a result of its sourcing channels and the opportunistic nature of the investments it makes. Bison's broad network of longstanding relationships, well-established reputation, and differentiated Structured Capital approach helps to facilitate the origination of attractive investment opportunities outside of a traditional auction process.

Structure Creatively. While every deal requires tailored responses, Bison employs a variety of structures to (i) enhance investment return, (ii) provide meaningful distributions during the investment period, (iii) ensure capital preservation through a detailed credit support analysis and (iv) provide for multiple exit mechanisms. Importantly, Bison's investment is typically in support of an event such as an acquisition, purchasing equity from non-active shareholders, growth, or recapitalization. Bison seeks to create customized structures that balance management's objectives with Bison's risk-return parameters for the Funds. In the past, Bison has developed higher coupon and lower equity participation structures for companies with strong free cash flows and/or management teams more sensitive to dilution. Conversely, Bison has also structured deals in higher growth companies with investment in equity securities protected with contractual minimum return on investment hurdles and liquidation preferences.

Add Value. The Bison Principals seek to partner with portfolio company management teams. The Principals are cognizant of creating a balanced relationship with management by providing financial, strategic and operating support as necessary, but at the same time respecting their operating autonomy. Bison has historically assisted management with strategic planning, financial structuring issues, introduction of new business contacts, asset divestitures, new acquisition opportunities, follow-on financings, hiring additional managerial talent, and positioning for exit. The Principals have been involved in a variety of industries, such as transportation/logistics, healthcare products and services, business services, industrial products/services and manufacturing, and consumer product distribution/services, and have managed or advised companies through acquisitions, management changes, restructurings, strategy realignments, accelerated growth, new business and product line introductions, and realization goals.

Executing Profitable Exits. The Principals seek to generate returns by selecting investments and designing investment structures that allow for multiple exit alternatives. Bison expects a Fund's typical investment horizon to be three to five years. The method and timing of an exit are integral components to value creation, and Bison intends to only invest in a company for which the Principals believe there is a clear path to a viable exit strategy. During the initial phase of the investment process, Bison's exit expectations are discussed with management. If a common objective is not reached, the investment is not made. Bison favors investments that allow multiple exit opportunities, providing the Firm flexibility in its exit strategy depending upon a portfolio company's performance and market conditions.

Risks of Investment

The Funds and their investors bear the risk of loss that Bison's investment strategy entails. Although the following risk factors are generally applicable to Bison's Funds, investors should also refer to each Fund's Memorandum for risk factors specific to their Fund. The risks involved with Bison's investment strategy and an investment in the Funds include, but are not limited to:

Business Risks. Each Fund's investment portfolio will consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Future and Past Performance. The performance of Bison's prior investments is not necessarily indicative of a Fund's future results. While Bison intends for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that positive returns will be achieved. On any given investment, loss of principal is possible.

Leveraged Nature of Investments. The portfolio companies in which a Fund invests may be highly leveraged, thereby increasing the degree of credit risk inherent in each investment. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to finance future operations and capital needs or to pay principal and interest on a Fund's investments when due. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates. A Fund's investments may be unsecured and subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured and bear floating interest rates. In the event any portfolio company cannot generate adequate cash flow to meet debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Fund.

Concentration of Investments. The Funds will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or industries may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Funds may invest in fewer portfolio companies and thus be less diversified.

Lack of Sufficient Investment Opportunities. The business of identifying and structuring private equity and mezzanine transactions is highly competitive and involves a high degree of uncertainty. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, investors will be required to pay annual Management Fees during the commitment period based on the entire amount of their commitments.

Illiquidity; Lack of Current Distributions. An investment in a Fund should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. For certain investments, the return of capital and the realization of gains, if any, may occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund (including the annual Management Fee payable to the applicable General Partner) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including, without limitation, unfunded commitments.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of the Funds' investments, and hence, most of the Funds' investments will be difficult to value. Certain investments may be distributed in kind to the investors.

Reliance on the General Partner and Portfolio Company Management. Control over the operation of the Funds will be vested with the General Partner, and a Fund's future profitability will depend largely upon the business and investment acumen of Bison. The loss or reduction of service of one or more of the principals of Bison could have an adverse effect on the Fund's ability to realize its investment objectives. Although the General Partners will monitor the performance of each Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although each Fund generally intends to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the Fund's objectives.

Projections. Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by each company's management. In all cases, projections are only estimates of future results that are based upon information received from the company and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Conflicting Investor Interests. Limited partners may have conflicting investment, tax, and other interests with respect to their investments in a Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts may arise in connection with decisions made by the General Partner regarding an investment that may be more beneficial to one limited partner than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, a General Partner generally will consider the investment and tax objectives of the Fund and its partners as a whole, not the investment, tax, or other objectives of any limited partner individually.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have

the opportunity to increase its investment in a successful portfolio company. There is no assurance that a Fund will make follow-on investments or that the Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment. Additionally, such failure to make such investments may result in a lost opportunity for the Fund to increase its participation in a successful portfolio company or the dilution of the Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Non-U.S. Investments. The Funds may invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risk due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of a Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on the Fund and/or the Partners with respect to the Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or the Partners.

Additional risks of non-U.S. investments include: (a) economic dislocations in the host country; (b) less publicly available information; (c) less well-developed regulatory institutions; and (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Non-controlling Investments. A Fund may hold meaningful minority stakes in privately held companies. In addition, during the process of exiting investments, a Fund at times may hold minority equity stakes of any size such as might occur if portfolio holdings are taken public. As is the case with minority holdings in general, such minority stakes that the Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes.

Director Liability. In certain circumstances, a Fund is expected to receive the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes a Fund's representatives, and ultimately the Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability.

Market Conditions. Any material change in the economic environment, including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates, could have a negative impact on the performance and/or valuation of the portfolio companies. A Fund's performance can be affected by deterioration in public markets and by market events, which can impact the public market comparable earnings multiples used to value privately held portfolio companies. Movements in foreign exchange rates may adversely affect the value of investments in portfolio companies and a Fund's performance. Following the onset of the recent credit crisis,

the rate of future investment by funds has slowed and may continue to do so as the pricing of new transactions adjusts to reflect the current economic uncertainty and the lack of credit in the markets. Holding periods are also likely to be longer as the rate of realizations slows in light of the deterioration in market conditions for initial public offerings and a decline in mergers and acquisitions activity. The value of publicly traded securities may be volatile and difficult to sell as a block, even following a realization through listing. The impact of the credit crisis may also affect a Fund's ability to raise funding to support its investment objective and also the level of profitability achieved on realizations of investments.

Conflicts of Interest

During the commitment period of a Fund, Bison pursues all appropriate investment opportunities exclusively through such Fund, subject to certain limited exceptions, as described in the applicable Governing Documents. However, Bison may manage other investment funds and investments similar to those in which the Funds invest, and may direct certain relevant investment opportunities to those investment funds and investments. Bison's investment staff will continue to manage and monitor such investment funds and investments. Bison's significant investment in a Fund, as well as Bison's interest in the carried interest with respect to such Fund, operate to align, to some extent, the interest of Bison with the interest of the investors in such Fund, although Bison may have economic interests in such other investment funds and investments as well and receive Management Fees and carried interests relating to such interests. Such other investment funds and investments that Bison may control may compete with a Fund or companies acquired by such Fund. Following the commitment period of a Fund, Bison may, and likely will, focus its investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, Bison will be presented with investment opportunities that would be suitable for more than one of the Funds and/or other investment vehicles operated by advisory affiliates of Bison. In determining which investment vehicles should participate in such investment opportunities, Bison and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Bison attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Bison's advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among such entities in a fair and equitable manner. Where necessary, Bison consults and receives consent to conflicts from an advisory board consisting of investors in the applicable Fund(s) and such other investment vehicles, if any.

Because each General Partner's carried interest is based on a percentage of net realized profits of a Fund, it may create an incentive for Bison to cause such Fund to make riskier or more speculative investments than would otherwise be the case. However, Bison believes that the carried interest does not create a conflict of interest with respect to the Funds and instead operates to align the interests of Bison with that of the Funds.

Since the General Partners are permitted to retain certain fees (as described under "Fees and Compensation") in connection with Fund investments, Bison could have a conflict of interest in connection with approving transactions. Bison manages such conflicts by offsetting the Management Fee by a specified percentage of such fees and by a General Partner's interest in the

carried interest of a Fund. In addition, the potential conflict is further mitigated by the fact that such fees generally are negotiated with the applicable portfolio company's management team.

DISCIPLINARY INFORMATION

Bison and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As described under "Advisory Business" above, the Management Company is affiliated with the General Partners, which are registered with the SEC under the Advisers Act pursuant to the Management Company's registration in accordance with SEC guidance. The General Partners operate as a single advisory business together with the Management Company and serve as general partners of the Funds and other pooled vehicles and may share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

Bison has adopted a Bison Code of Ethics and Securities Trading Policy (the "**Code**"), which sets forth standards of conduct that are expected of Bison principals and employees and addresses certain conflicts that may arise from personal securities trading. The Code requires Bison personnel to:

- report their personal securities transactions;
- pre-clear any proposed purchase of any initial public offering or limited offering; and
- comply with policies and procedures reasonably designed to prevent the misuse of, or trading upon, material non-public information.

A copy of the Code will be provided to any investor or prospective investor upon request to the Bison Chief Compliance Officer at (310) 260-6573. Personal securities transactions by Bison personnel are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

Bison and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Bison and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Bison.

Accordingly, should Bison or any of its affiliated persons come into possession of material non-public or other confidential information with respect to any public company, Bison would be prohibited from communicating such information to clients, and Bison will have no responsibility or liability for failing to disclose such information to clients as a result of

following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Bison personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Funds.

Principals and employees of Bison and its affiliates may directly or indirectly own an interest in the Funds or certain co-investment vehicles. To the extent that co-investment vehicles exist, such vehicles may invest in one or more of the same portfolio companies as the Funds.

The Funds may invest together with other Funds advised by an affiliated adviser of Bison in the manner set forth in the Governing Documents. Bison will allocate investment opportunities or advisory recommendations on a fair and equitable basis, consistent with its fiduciary obligations, the underlying documents for the relevant Fund and the Bison investment allocation policy.

Bison and its affiliates, principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in the Funds, and may give advice and recommend securities to vehicles that may differ from advice given to, or securities recommended or bought for, the Funds, even though their investment objectives may be the same or similar.

BROKERAGE PRACTICES

Bison focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, Bison may also distribute securities to investors in the Funds or sell such securities, including by using a broker-dealer, if a public trading market exists. Although Bison does not intend to regularly engage in public securities transactions, to the extent it does so, it follows the brokerage practices described below.

If Bison sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Bison. In such event, Bison will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Bison may consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; (iv) gross compensation paid to the broker; and (v) the financial strength of the broker.

Bison has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although Bison generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with Bison seeking to obtain best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although Bison generally does not make use of such services at the current time. As a general matter, research provided by these brokers would be used to service all of Bison's Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by Bison, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Fund.

To the extent that Bison allocates brokerage business on the basis of research services, it may have an incentive to select or recommend broker-dealers based on the interest in receiving such research or other products or services, rather than based on its Funds' interest in receiving most favorable execution.

Bison does not anticipate engaging in significant public securities transactions; however, to the extent that Bison engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for any Funds are completed independently, Bison may also purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, Bison may, but is not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or "batched" to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs.

When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Fund participating in such buy or sell order. Each Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided they are fair and equitable to the Funds over time.

REVIEW OF ACCOUNTS

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, Bison closely monitors companies in which the Funds invest, and the Chief Compliance Officer periodically checks to confirm that each Fund is managed in accordance with its stated objectives.

Bison will generally provide to its investors (i) audited financial statements annually, (ii) unaudited financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each investor's U.S. tax returns, and (iv) descriptive investment information for each portfolio company periodically.

CLIENT REFERRALS AND OTHER COMPENSATION

As discussed in the “Fees and Compensation” section, Bison may receive certain fees from a Fund’s portfolio companies. As described in the applicable Fund’s Governing Documents, this compensation may, in certain circumstances, offset all or a portion of the Management Fees paid by the Fund. However, in other circumstances, these fees would be in addition to Management Fees.

From time to time, Bison may enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming an investor in a Fund. Any fees and expenses payable to any such placement agents generally will be borne by Bison directly or indirectly through an offset against the Management Fee.

CUSTODY

As required by the Advisers Act, Bison has established an account with the following qualified custodian to hold funds and securities on behalf of the Funds: Union Bank, N.A., 970 West 190th Street, Suite 995, MC 4-335, Torrance, CA 90502.

INVESTMENT DISCRETION

Bison has discretionary authority to manage investments on behalf of Fund II-A and Fund IV. As a general policy, Bison does not allow clients to place limitations on this authority. Pursuant to the terms of the applicable Governing Documents, however, Bison may enter into side letter arrangements with certain investors whereby the terms applicable to such investor’s investment in a Fund may be altered or varied, including, in some cases, the right to opt out of certain investments for legal, tax, regulatory or other agreed-upon reasons. Bison assumes this discretionary authority pursuant to the terms of the Governing Documents.

VOTING CLIENT SECURITIES

Bison has adopted Proxy Voting Policies and Procedures (the “**Proxy Policy**”) to address how it will vote proxies, as applicable, for a Fund’s portfolio investments. The Proxy Policy seeks to ensure that Bison votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Bison generally believes its interests are aligned with those of a Fund’s investors through the principals’ beneficial ownership interests in the Funds and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Bison may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund’s advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund’s advisory board may approve Bison’s vote in a particular solicitation. Bison does not consider service on portfolio company boards by Bison personnel or Bison’s receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Bison when voting proxies on behalf of a Fund. If you would like a copy of Bison’s complete Proxy Policy or information regarding how Bison voted proxies for

particular portfolio companies, please contact the Bison Chief Compliance Officer at (310) 260-6573, and it will be provided to you at no charge.

FINANCIAL INFORMATION

Bison does not require prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.