



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

MARLIN MANAGEMENT COMPANY, LLC

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March 31, 2015

This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Marlin Management Company, LLC (the “Management Company”). If you have any questions about the contents of this Brochure, please contact us at (310) 364-0100. 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

The Management Company filed its most recent Form ADV Part 2 on March 31, 2014. This annual amendment updates the description of the advisory business of the Management Company and its affiliates.

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ADVISORY BUSINESS

Marlin Management Company, LLC (the “**Management Company**”), the registered investment adviser, is a Delaware limited liability company. The Management Company commenced operations in June, 2005. The following investment advisers are affiliated with the Management Company:

- Marlin Equity Partners, LLC (“**Fund I GP**”)
- Marlin Equity Partners II, L.P. (“**Fund II GP**”)
- Marlin Equity Partners III, L.P. (“**Fund III GP**”)
- Marlin Equity Partners IV, L.P. and Marlin IV Cayman AIV GP, L.P. (collectively, “**Fund IV GP**”)
- Marlin Heritage Partners, L.P. and Marlin Heritage Cayman AIV GP, L.P. (collectively, “**Heritage Fund GP**,” and together with Fund I GP, Fund II GP, Fund III GP and Fund IV GP, the “**General Partners**”)
- Marlin Equity Partners Limited (the “**UK Office**” and together with the Management Company, the General Partners and their affiliated entities, “**Marlin**”)

The UK Office and 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 and the UK Office, which operate as a single advisory business together with the Management Company.

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

- Marlin Equity, L.P. (“**Fund I**”)
- Marlin Equity II, L.P. (“**Fund II**”)
- Marlin Equity III, L.P. (“**Fund III**”)
- Marlin Equity IV, L.P., Marlin Equity IV AIV, L.P. and Marlin IV Cayman AIV, L.P. (collectively, “**Fund IV**”)
- Marlin Heritage, L.P. and Marlin Heritage Cayman AIV, L.P. (collectively, the “**Heritage Fund**”)

Marlin also manages Marlin Executive Fund II, L.P., Marlin Executive Fund III, L.P., Marlin Executive Fund IV, L.P. and Marlin Heritage Executive Fund, L.P. (collectively, the

“Executive Funds”), private investment funds formed to allow certain operating partners of Marlin and its affiliates, as well as certain other persons, to invest in certain portfolio investments made by Fund II, Fund III, Fund IV and the Heritage Fund, as applicable.

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, as well as in publicly traded securities. Marlin’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 Marlin 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.

Marlin’s advisory services for each Fund are detailed in the applicable offering memorandum (each, a **“Memorandum”**) and limited partnership agreement (each, a **“Limited Partnership Agreement”**) and together with the Memorandum, 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 Marlin have entered into side letters or similar agreements with certain investors that have the effect of establishing rights under, or altering or supplementing a Fund’s Limited Partnership Agreement, including provisions relating to the Management Fee (as defined below) and distributions.

As of December 31, 2014, Marlin managed **\$2,878,244,898** in client assets on a discretionary basis. The Management Company is principally owned by David M. McGovern.

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 Limited Partnership Agreements 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 Executive Funds do not pay a management fee and are not subject to a carried interest. The General Partners or other Marlin entities or affiliates may receive additional compensation in connection with management and other services performed for portfolio companies of Funds and a portion of such additional compensation generally will offset the Management Fees (as defined below) otherwise payable to Marlin, 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**”) equal to 2.0% (in the case of Fund III, Fund IV and the Heritage Fund), 2.25% (in the case of Fund II) and 2.5% (in the case of Fund I) on an annual basis of aggregate Fund investor capital commitments. Payment of the Management Fee will be made partially in advance and partially in arrears for a given Management Fee period. 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 generally will be reduced upon the expiration of the Fund’s investment period or earlier upon the occurrence of certain other events as described in the applicable Limited Partnership Agreement. The General Partners generally will pay over to the Management Company a portion of the Management Fee. The Management Fee will be payable until all portfolio investments are distributed or until the General Partner’s relationship with the applicable Fund is terminated for other reasons (as described in the applicable Limited Partnership Agreement). Installments of the Management Fee payable for any period other than a full Management Fee determination period are adjusted on a *pro rata* basis according to the actual number of days in such period.

The Management Fee generally will be reduced by 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 the General Partner, the Management Company or certain of their affiliates, but not including, in any event, any amount received by (x) MOGI (as defined below) or its employees or (y) any amount received by the General Partner or other person from a portfolio company as reimbursement for expenses directly related to such portfolio company, or as payment for services provided to any portfolio company in the ordinary course of such portfolio company’s business or as compensation for services provided by the General Partner, the Management Company, MOGI or other person as an employee of or in a similar capacity for such portfolio company. To the extent that such an offset credit would reduce the Management Fee for a given Management Fee determination period below zero, the credit will be carried forward for future application against payable Management Fees. To the extent any such excess remains unapplied upon dissolution of a Fund, each partner of such Fund will receive its share of such unapplied excess, unless such partner elects not to receive its share.

The Management Company and/or its affiliates generally have discretion over whether to charge transaction fees, monitoring fees or other similar fees or to require other compensation from a portfolio company and, if so, the rate, timing and/or amount of such compensation. The receipt of such compensation may give rise to conflicts of interest between the Funds, on the one hand, and the Management Company and/or its affiliates on the other hand.

Portfolio company-related fees may also include amounts prepaid in anticipation of future services or otherwise accelerated in certain situations (*e.g.*, an initial public offering), which will be offset against the applicable Management Fee to the extent set forth in the relevant Limited Partnership Agreement. Furthermore, a Fund will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee allocable to another entity, including, if applicable, an Executive Fund.

As permitted under the Limited Partnership Agreement of certain Funds, 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 limited partners of 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 Limited Partnership Agreements.

Carried Interest

Each General Partner generally is entitled to a carried interest with respect to the relevant Fund equal to 20% of all realized profits, subject to a specified 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.

Other Information

Marlin 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 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 Limited Partnership Agreement, 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 Marlin 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, including the Executive Funds, 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 (such expenses hereinafter referred to as "**Broken Deal Expenses**"); expenses of the advisory board and annual meetings of the limited partners; 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."

In some cases, a co-investment vehicle may be formed in connection with the consummation of a transaction. Accordingly, where a proposed transaction is not consummated, no co-investment vehicle generally will have been formed, and the full amount of any Broken

Deal Expenses relating to any such proposed transaction would therefore be borne by the Fund or Funds selected by the applicable General Partner as proposed investors for such proposed transaction.

Marlin Operations Group, Inc. (“**MOGI**”), an exclusive consulting firm affiliated with the Management Company, assists the Management Company in its operational due diligence for prospective and consummated transactions and in its post-closing operating initiatives for Fund portfolio companies (such assistance, collectively, “**Operational Services**”). Operational Services may be performed by employees of MOGI or by certain third-party operating professionals who are independent contractors of MOGI, the Management Company, a Fund, a portfolio company, or an affiliate of any of the foregoing. MOGI and such third-party operating professionals (whether or not employed or engaged by MOGI) are hereinafter referred to collectively as the “**Operations Group**.”

The Funds, directly or through portfolio companies in which they invest, bear the cost of Operational Services provided by the Operations Group. Members of the Operations Group (including MOGI) may receive compensation from Fund portfolio companies or from a Fund (including through the reimbursement of fees or other compensation initially paid by the Management Company or applicable General Partner, which may be borne by a Fund through a reduction in the offset to the Management Fees for certain non-investment advisory fees received by the Management Company or its affiliates in connection with the Funds’ investments and portfolio companies). Such compensation will not offset or reduce the Management Fee and, thus, will not be covered by the Management Fee.

Certain members of the Operations Group may, from time to time, participate in meetings of the Management Company’s investment or other committees to, among other things, provide feedback and operational insight regarding a particular industry or prospective portfolio company and help ensure coordination between the Operations Group and Investment Team in constructing an operating plan for a given portfolio company. The Management Company and/or the applicable General Partners generally have discretion over whether to charge fees to or require other compensation from (or seek reimbursement from) a portfolio company in connection with services provided by the Operations Group and, if so, the fee rate or amount. The receipt by members of the Operations Group of such fees or other compensation may give rise to conflicts of interest between the Funds, on the one hand, and the Management Company and/or its affiliates (including MOGI), on the other hand. See “Methods of Analysis, Investment Strategies and Risk of Loss - Conflicts of Interest.”

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. Marlin manages the Executive Funds, which are not charged a performance-based fee. Although this practice could present a conflict of interest, Marlin does not believe this arrangement poses a conflict of interest in practice because the Executive Funds co-invest alongside Fund II, Fund III, Fund IV and the Heritage Fund, as applicable at substantially the same time and on substantially the same terms as such Funds and dispose of such investments in

a similar manner. See “Methods of Analysis, Investment Strategies and Risk of Loss,” for further discussion of conflicts of interest.

TYPES OF CLIENTS

Marlin 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 Marlin and its affiliates.

Funds II, III and IV generally have a minimum investment amount of \$10 million, the Heritage Fund generally has a minimum investment amount of \$5 million, and Fund I did not have a specified minimum investment amount, 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

Marlin seeks to achieve capital appreciation for the Funds primarily through acquiring equity and/or debt interests in small- and middle-market businesses that are encountering some form of transition. Marlin generally seeks to invest the assets of the Heritage Fund (together with its successor funds, the “**Heritage Funds**”) in companies toward the smaller end of the spectrum of target companies and the assets of Fund IV (together with its successor funds, the “**Equity Funds**”) in companies toward the larger end of the spectrum of target companies.

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

Investment and Operating Strategy

Marlin seeks to execute its investment strategy through a consistent, disciplined and repeatable investment process. Marlin is organized to reinforce its investment strategy through every step of the transaction process and seeks to increase expediency and certainty of closure. Marlin utilizes this approach for sourcing, qualifying and executing transactions both to optimize resources and maintain consistency in the execution of its strategy.

Marlin’s investment process incorporates the following phases: (i) sourcing, (ii) qualification, (iii) execution, (iv) value building, and (v) exit.

Sourcing. Marlin's Business Development group maintains primary responsibility for transaction origination. Direct calling, advertising, email, mailings and industry affiliations are all used to reach a variety of deal sources, primarily in technology, healthcare, consumer, business services and manufacturing. The Business Development group is supported by Marlin personnel in developing relationships with investment bankers, business brokers, turnaround consultants, large corporations, lender workout groups, lawyers, accountants, complementary private equity partners, fund-less sponsors, industry executives, media contacts and financing partners.

Qualification. Marlin's qualification stage is a disciplined, opportunity-driven process designed to extract investment opportunities out of the approximately 1,800 prospective deals generated annually.

Marlin looks to acquire businesses that exhibit one or more of the following characteristics:

- \$20 million to \$1 billion in revenue (current profitability not a requirement)
- Strong installed customer base with recurring revenue streams
- Scalable business model
- Defensible market position with barriers to entry
- Experiencing some form of financial, operational or market-related transition
- Strong management team with track record of success
- Underutilized or non-core assets
- Solid brand equity with established channel relationships and/or significant marketing power
- Operating in a fragmented industry with opportunities for consolidation

Execution. Marlin's execution process includes due diligence, creation of a detailed operating plan, price discipline, structuring and assessing financing networks. Because its target companies are typically undergoing some form of transition, Marlin spends a substantial amount of time and effort performing due diligence. During due diligence, the Investment Team, Operations Team and, selectively, management of an existing portfolio company or outside consultants will construct an operating plan that is a critical factor in the investment decision.

Value Building. Building long-term value is the core of Marlin's operations-focused investment strategy. Accordingly, Marlin seeks to partner with outstanding management teams to stabilize, strengthen and grow its portfolio companies. In addition to financial capital, Marlin provides a network of strategic resources and relationships geared to help management teams weather challenging transitions and recognize long-term value opportunity within their businesses.

Exit. Marlin pursues an active exit strategy, with an average expected hold period of two to four years. The intrinsic nature of turnaround/value investing increases the possibility for rapid value creation as exit potential generally increases once a business is returned to profitability or situational distress is repaired. Throughout the investment lifecycle, contact is maintained with potential exit partners including strategic buyers, financial buyers, investment bankers and key opinion leaders. Marlin reviews company specific performance and outlook, as well as general market conditions in both public and private capital markets, to determine the best form of and timing for exit.

Risks of Investment

The Funds and their investors bear the risk of loss that Marlin's investment strategy entails. Although the following risk factors are generally applicable to Marlin's Funds, investors should also refer to each Fund's Memorandum for risk factors specific to their Fund. The risks involved with Marlin'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 Marlin's prior investments is not necessarily indicative of a Fund's future results. While Marlin 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.

Investment in Junior Securities. The securities in which the Funds will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

Non-Controlling Investments. The Funds may invest in debt obligations and other non-controlling interests of portfolio companies. In such cases, a Fund will have a limited ability to protect the Fund's position in such portfolio companies. However, the relevant General Partner will seek appropriate creditor and shareholder rights to help protect the Fund's interest.

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 may substantially affect its aggregate return.

Lack of Sufficient Investment Opportunities. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty. However, limited partners will be required to pay annual Management Fees during the investment 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. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is not generally expected that this will 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 General Partner) may exceed its income, thereby requiring that the difference be paid from a Fund's capital.

Leveraged Investments. The Funds may make use of leverage by having a portfolio company incur debt to finance a portion of its investment in such portfolio company. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast. During times when credit markets are tight, it may be difficult to obtain or maintain the desired degree of leverage. 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. 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 and could accelerate and magnify declines in the value of the Fund's investments in the leveraged portfolio companies in a down market. 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. Furthermore, should the credit markets be tight at the time the Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts.

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 partners.

Reliance on the General Partner and Portfolio Company Management. Control over the operation of the Funds will be vested entirely with the General Partner, and a Fund's future profitability will depend largely upon the business and investment acumen of Marlin. The loss of service of one or more of the principals of Marlin could have an adverse effect on the Fund's ability to realize its investment objectives. Limited partners generally have no right or power to take part in the management of a Fund, and as a result, the investment performance of a Fund will depend entirely on the actions of the General Partner. 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 the portfolio company on a day-to-day basis.

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.

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 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 foreign tax rules to cross-border investments, possible imposition of foreign taxes on a Fund and/or the partners with respect to the Fund's income, and possible foreign tax return filing requirements for the Fund and/or the partners.

Additional risks include: (a) risks of 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.

Director Liability. The Funds will often obtain the right to appoint a representative to the board of directors of the companies in which it invests. Serving on the board of directors of a portfolio company exposes a Fund's representatives, and ultimately such 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.

Uncertain Economic and Political Environment. The current global economic and political climate is one of uncertainty. Prior acts of terrorism in the United States, the threat of additional terrorist strikes and the fear of a prolonged global conflict have exacerbated volatility in the financial markets and can cause consumer, corporate, and financial confidence to weaken, increasing the risk of a "self-reinforcing" economic downturn. The availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, is currently restricted. This may have an adverse effect on the economy generally and on the ability of the Funds and their portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of their businesses. A climate of uncertainty

may reduce the availability of potential investment opportunities and increases the difficulty of modeling market conditions, reducing the accuracy of the financial projections. Furthermore, such uncertainty may have an adverse effect upon the portfolio companies in which the Funds make investments.

Volatility of Credit Markets May Affect Ability to Finance and Consummate Investments. A Fund's ability to generate attractive investment returns may be adversely affected to the extent the Fund is unable to obtain favorable financing terms for its investments. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such marketplace events also may restrict the ability of a Fund to realize its investments at favorable times or for favorable prices.

Conflicts of Interest

During the investment period of a Fund, Marlin generally pursues all appropriate investment opportunities to invest in new portfolio companies through such Fund, subject to certain limited exceptions, as described in the applicable Limited Partnership Agreement. However, Marlin 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. Marlin's investment staff will continue to manage and monitor such investment funds and investments. Marlin's significant investment in a Fund, as well as Marlin's interest in the carried interest with respect to such Fund, operate to align, to some extent, the interest of Marlin with the interest of the partners of such Fund, although Marlin 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 Marlin may control may compete with a Fund or companies acquired by such Fund. Following the investment period of a Fund, Marlin may, and likely will, focus its investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, Marlin 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 Marlin. In determining which investment vehicles should participate in such investment opportunities, Marlin and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Marlin attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Marlin'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, Marlin consults and receives consent to conflicts from an advisory board of a given Fund consisting of limited partners of such Fund(s) and such other investment vehicles, if any.

In addition, Marlin has established an initial investment threshold, with the Equity Funds generally investing in platform investment opportunities presented to or sourced by Marlin that require \$30 million or more of initial permanent equity capital, and the Heritage Funds generally investing in platform investment opportunities in presented to or sourced by Marlin that require less than \$30 million of initial permanent investment capital, subject in each case to the terms of the applicable Governing Documents and any policy regarding investment allocations and co-

investments adopted by Marlin. The foregoing initial investment capital thresholds are not applicable to any follow-on investments made by a Fund in an existing portfolio company or to any add-on acquisitions or other similar transactions by an existing portfolio company.

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 Marlin to cause such Fund to make riskier or more speculative investments than would otherwise be the case. However, Marlin 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 Marlin 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, Marlin could have a conflict of interest in connection with approving transactions or setting such compensation. Marlin manages such conflicts by offsetting the Management Fee by all or a portion of such fees (except as discussed above) 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.

As described under "Fees and Compensation," above, the Funds, directly or through portfolio companies in which they invest, bear the cost of Operational Services provided by the Operations Group. Members of the Operations Group (including MOGI) may receive compensation from Fund portfolio companies or from a Fund (including through the reimbursement of fees or other compensation initially paid by the Management Company or applicable General Partner, which may be borne by a Fund through a reduction in the offset to the Management Fees for certain non-investment advisory fees received by the Management Company or its affiliates in connection with the Funds' investments and portfolio companies). Such compensation will not offset or reduce the Management Fee and, thus, will not be covered by the Management Fee.

The Management Company and/or the applicable General Partners generally have discretion over whether to charge fees to or require other compensation from (or seek reimbursement from) a portfolio company in connection with services provided by the Operations Group and, if so, the fee rate or amount. The receipt by members of the Operations Group of such fees or other compensation may give rise to conflicts of interest between the Funds, on the one hand, and the Management Company and/or its affiliates (including MOGI), on the other hand.

The Operations Group works with the Marlin Investment Team throughout the investment process and provides substantial domain expertise in various areas of operations, including, without limitation, turnarounds, complex carve-outs, integrations, finance, tax, accounting, internal audit, legal, human resources, risk management, technology, facilities, planning and reporting, sales and marketing and operational strategy across multiple vertical markets. The Operations Group is separate from the Investment Team, does not include employees of the Management Company and performs services that the Management Company believes would otherwise be performed by third-party providers. However, certain members of the Operations Group may, from time to time, participate in meetings of the Management Company's investment or other committees to, among other things, provide feedback and

operational insight regarding a particular industry or prospective portfolio company and help ensure coordination between the Operations Group and Investment Team in constructing an operating plan for a given portfolio company.

Although the Management Company selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, due to the relationship between the Management Company and the Operations Group (including MOGI), the Management Company may have an incentive to recommend the services of the Operations Group (including MOGI) to the Funds and their portfolio companies rather than engage third-party service providers, even though the services recommended may not necessarily be the lowest cost or most effective available to the Funds or the portfolio companies. In addition, the fees and other compensation received by the members of the Operations Group for services provided to the Funds and the portfolio companies will not be shared with the Funds or their investors, through an offset to or reduction in the Management Fee or otherwise. Nonetheless, the Operations Group is operated as a break-even enterprise and not as a profit-making endeavor for the Management Company or the owners of MOGI.

Although such arrangements may subject the Management Company and/or its affiliates to potential conflicts of interest, the Management Company attempts to address this conflict by seeking to agree upon fees that the Management Company believes are reasonable. Such potential conflicts also may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the Operations Group is lower than market rates for the services provided and/or if the quality of the services make a greater contribution to the success of the portfolio company. Although the Management Company seeks to retain the Operations Group (including MOGI) with a view to reducing costs to portfolio companies and, ultimately, the Funds, a number of factors may result in limited or no cost savings from such retention. The Management Company also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that the Management Company believes will align such persons' interests with those of the Funds' limited partners. Additionally, the Management Company believes that (i) the significant investment of Marlin and its principals in a Fund, (ii) Marlin's interest in the carried interest and (iii) the Operations Group being operated as a break-even enterprise with no profit potential for the Management Company or the owners of MOGI, further operate, in part, to mitigate such potential conflicts of interest by aligning, to some extent, the interest of Marlin with the interest of the limited partners of such Fund and creating an incentive for Marlin to minimize costs, including Operations Group fees and expenses, borne by the Funds and their portfolio companies.

DISCIPLINARY INFORMATION

Marlin 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 and the UK Office, 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 UK Office 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

Marlin has adopted a Marlin Code of Ethics and Securities Trading Policy (the “**Code**”), which sets forth standards of conduct that are expected of Marlin principals and employees and addresses certain conflicts that may arise from personal securities trading. The Code requires Marlin 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 nonpublic information.

A copy of the Code will be provided to any investor or prospective investor upon request to the Marlin Chief Compliance Officer at (310) 364-0100. Personal securities transactions by Marlin personnel are required to be conducted in a manner that prioritizes the client’s interests in client eligible investments.

Marlin and its affiliated persons may come into possession, from time to time, of material nonpublic 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, Marlin 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 Marlin.

Accordingly, should Marlin or any of its affiliated persons come into possession of material nonpublic or other confidential information with respect to any public company, Marlin would be prohibited from communicating such information to clients, and Marlin would 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 Marlin personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Funds.

Principals and employees of Marlin and its affiliates may directly or indirectly own an interest in the Funds, the Executive 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 the Executive Funds and other Funds advised by an affiliated adviser of Marlin in the manner set forth in the Limited Partnership Agreements. Marlin 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 Marlin investment allocation policy.

Marlin 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

Marlin primarily 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, Marlin 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 Marlin does not intend to regularly engage in public securities transactions, to the extent it does so, it follows the brokerage practices described below.

If Marlin sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Marlin. In such event, Marlin will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Marlin 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.

Marlin 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 Marlin 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 Marlin seeking to obtain best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although Marlin 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 Marlin's Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by Marlin, 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 Marlin 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.

Marlin does not anticipate engaging in significant public securities transactions; however, to the extent that Marlin 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, Marlin may also purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, Marlin 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, Marlin 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.

Marlin will generally provide to its limited partners (i) audited financial statements annually, (ii) unaudited financial statements for the first three quarters of each fiscal year and (iii) annual tax information necessary for each partner's U.S. tax returns.

CLIENT REFERRALS AND OTHER COMPENSATION

Marlin and/or its affiliates may provide certain business or consulting services to companies in a Fund's portfolio and may receive compensation from these companies in connection with such services. As described in the Governing Documents, this compensation

may, in certain circumstances, offset all or a portion of the Management Fees paid by a Fund. However, in other circumstances (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio company or amounts paid to MOGI), this compensation would be in addition to Management Fees. See “Fees and Compensation.” Marlin or certain of its affiliates may have the right to receive certain non-investment advisory fees in connection with the Funds’ investments and portfolio companies. For example, Marlin may be entitled to receive (i) certain professional services or related fees from a portfolio company in connection with certain transactions and (ii) certain monitoring or consulting fees from a portfolio company for services provided to the portfolio company. All or a portion of such fees may be offset against the Management Fee. See “Fees and Compensation.”

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

CUSTODY

As required by the Advisers Act, Marlin has established accounts with the following qualified custodians to hold funds and securities on behalf of the Funds:

- Credit Suisse Securities (USA), LLC, 2121 Avenue of the Stars, Suite 3300, Los Angeles, CA 90067
- Silicon Valley Bank, 3003 Tasman Drive, Santa Clara, CA 95054

INVESTMENT DISCRETION

Marlin has discretionary authority to manage investments on behalf of the Funds. As a general policy, Marlin does not allow clients to place limitations on this authority. Pursuant to the terms of the Limited Partnership Agreements, however, Marlin has entered into side letter arrangements with certain limited partners whereby the terms applicable to such limited partner’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. Marlin assumes this discretionary authority pursuant to the terms of the Governing Documents.

VOTING CLIENT SECURITIES

Marlin 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 Marlin votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Marlin 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 Marlin 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 Marlin's vote in a particular solicitation. Marlin does not consider service on portfolio company boards by Marlin personnel or Marlin'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 Marlin when voting proxies on behalf of a Fund. If you would like a copy of Marlin's complete Proxy Policy or information regarding how Marlin voted proxies for particular portfolio companies, please contact the Marlin Chief Compliance Officer at (310) 364-0100, and it will be provided to you at no charge.

FINANCIAL INFORMATION

Marlin 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.