

Part 2A of Form ADV: Satori Capital, LLC - Brochure

Item 1 - Cover Page

March 1, 2012

Satori Capital, LLC
3625 N. Hall Street, Suite 710
Dallas, Texas 75219
Phone - (888) 972-8674
www.satoricapital.com

This Brochure provides information about the qualifications and business practices of Satori Capital, LLC (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at (888) 972-8674. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Additional information about Satori Capital, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

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3625 N. Hall Street, Suite 710 • Dallas, TX • 75219
Phone: (888) 972-8674 • Fax: (877) 972-8674

Item 2 - Material Changes

Satori Capital, LLC is a new registrant. Therefore, this is its initial “Brochure” with the SEC. In the future, this Item will discuss only specific material changes that are made to the Brochure and provide a summary of such changes. We will also reference the date of our last annual update of our Brochure.

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

Currently, our Brochure may be requested by contacting Mr. Edmund Rugger Burke III, the Adviser’s Chief Compliance Officer at (214) 390-6274 or rugger@satoricapital.com.

Additional information about the Adviser is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with the Adviser who are registered, or are required to be registered, as investment adviser representatives of the Adviser.

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Item 4 - Advisory Business

- A. Satori Capital, LLC (the "Adviser" or "Satori") is a private equity firm located in Dallas, Texas. References herein to the "Adviser" or "Satori" include affiliated management companies of Satori Capital, LLC. The Adviser, either directly or through its affiliates, provides investment supervisory services on a discretionary and non-discretionary basis to private investment limited partnerships that pursue specialized investment strategies as described herein (each, a "Fund", and together, the "Funds").¹ In connection with sponsoring a Fund, the Adviser is responsible for evaluating and monitoring Fund investments and providing day-to-day managerial and administrative services to the Fund, as more fully described in the private placement memorandum of each Fund.

The Adviser's managing partners and principal owners, Randy Eisenman and Sunny Vanderbeck, have worked together for nearly a decade. Their relationship dates back to a 1999 strategic partnership between Handango, a company founded by Mr. Eisenman, and Data Return, a company co-founded by Mr. Vanderbeck. Since 2003, they have served together on the board of directors of Stagen, a management consulting firm focused on sustainably-run companies in the middle-market. Additionally, they have made multiple joint investments over the past several years. In 2004, Mr. Eisenman and Mr. Vanderbeck began developing the concepts that eventually led them to co-found Satori in 2008. Their years of close collaboration have resulted in a set of shared values and a commitment to becoming the "buyer of choice" for sustainable businesses.

Messrs. Eisenman and Vanderbeck and a core group of seasoned professionals make up the Adviser's investment team. The members of the investment team have long and successful track records as private equity investors, founders and CEOs of private and public companies, investment bankers, and in corporate law. Together, this group possesses the diverse skills, experiences, and networks to identify, evaluate, invest in, grow, and sell sustainable businesses.

Satori's investment team is supported by a talented group of strategic operating partners. Satori's Operating Partners are former senior executives of leading companies committed to sustainable business practices. Their proven operating skills, deep industry expertise, and vast networks provide tremendous value to Satori and its portfolio companies. These exceptional individuals are intimately involved in sourcing potential opportunities, assisting with due diligence, and advising portfolio companies on strategy and operations. Satori expects that Operating Partners may become actively engaged board members and/or executives of some of Satori's portfolio companies.

Satori also benefits from the contributions of its Advisory Board, a select group of leaders in private equity, commercial banking, academia, publishing, and the broader sustainable business community. The Advisory Board supports Satori in a variety of ways, including identifying potential portfolio companies, assisting in the evaluation of those companies, and helping to unlock value in those companies once Satori has made an investment in them.

¹ As an SEC-registered investment adviser, Satori owes a fiduciary duty to all of its clients. In 2006, the decision by the Court of Appeals for the D.C. Circuit in *Goldstein v. SEC*, 451 F.3d 873 (D.C. Cir. June 23, 2006), with respect to private funds, clarified that the "client" of an investment adviser to a private fund is the fund itself and not an investor in the fund. For purposes of this Brochure, the terms "Fund" or "Funds" refer to the advisory clients of the Adviser.

Item 4 – Advisory Business (continued)

- B. Satori’s advisory services include pursuing private equity mandates on behalf of the Funds as described more fully below. In addition, Satori Alpha GP, LLC (“Satori Alpha”), an affiliate of the Adviser which is subject to the operational and compliance control of the Adviser, pursues a fund-of-funds mandate on behalf of one Fund. For a more complete description of the Adviser’s strategies and related risks, please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.

Private Equity

Satori is the preferred capital partner for companies that are seeking to build significant long-term value through a sustainable approach. The Adviser, on behalf of the Funds, seeks to acquire positions in privately-held, profitable, sustainably-run companies operating in the emerging middle market. Satori believes that companies engaged in sustainable business practices offer excellent opportunities for growth with lower overall risk to investors. These businesses deliver strong returns by operating with a long-term perspective, committing to their mission or purpose, and focusing on creating value for each of their stakeholders. The benefits of such practices include increased employee engagement, higher customer loyalty, collaborative partnerships with vendors and suppliers, and strong community support. The resulting system of motivated and aligned stakeholders often results in higher quality products and services, increased demand for those products and services, and a more resilient business.

The Adviser intends to make the majority of its investments in companies headquartered in the Southwest U.S., including Texas, Oklahoma, and Colorado. Satori strongly prefers to acquire portfolio companies with talented core executive leadership already in place; Satori expects, however, that in many cases it will recruit other high-caliber leaders to complement a company’s existing executive team. Additionally, Satori favors investments in companies operating in industries where it has relevant operational expertise, namely: business services, consumer products, financial services, mature technology and telecom, e-commerce, and light manufacturing.

Fund of Funds

Satori Alpha, the general partner of the Fund, seeks to invest with professional money managers (“Managers”) who employ a variety of investment strategies through their own pooled investment funds or on a managed account basis. Unlike investment funds that pursue a single strategy, Satori Alpha takes a concentrated, multi-manager approach in asset allocations to attempt first to enhance returns and second to mitigate risk.

- C. While each of its Funds will follow the general strategies stated above, the Adviser may tailor the specific advisory services with respect to each Fund at the Adviser’s discretion and based on the individual investment strategy of each Fund. In addition, the Adviser may pursue the strategies mentioned above on both a discretionary and non-discretionary basis. For any Fund that is managed on a non-discretionary basis, the investors may elect, but are not obligated, to participate in specific investments of the Fund.
- D. The Adviser does not participate in wrap fee programs.

Item 4 – Advisory Business (continued)

- E. As of December 31, 2011, the Adviser manages \$52,743,000 in discretionary portfolios and \$105,892,000 in non-discretionary portfolios.

Item 5 - Fees and Compensation

A. Management Fees

As compensation for its advisory services, the Adviser or an affiliate may charge an annualized quarterly management fee (the “Management Fee”) up to 2.0% of committed capital during the commitment period, and thereafter on net funded committed capital (i.e., funded commitments less the cost of realized and fully written-off investments).

Performance Fees

The Adviser or an affiliate may also charge a performance-based fee, as described below:

Private Equity

For Funds that pursue a private equity strategy, the Adviser may charge a share of investment proceeds equal to 20% of the realized profits relating to realized investments of a Fund (the “Carried Interest”), after (i) a return of capital to the participating investors equal to their capital committed to fund the investment, (ii) a return of capital to the participating investors equal to their capital committed to pay for fund expenses (e.g. organizational expenses, operating expenses and management fees) relating to such realized investment, and (iii) a cumulative preferred return to participating investors. The Carried Interest of a Fund may be subject to an obligation to repay the Fund if, upon liquidation of the Fund, the cumulative Carried Interest distributions paid exceeds 20% (the “Clawback”).

Fund of Funds

At the end of each fiscal year, Satori Alpha shall be allocated an “Incentive Allocation” equal to 10% of the difference between each investor’s capital account as of that date and such investor’s “Maximum Capital Accounts” as of that date (the “New Profit”). Use of the Maximum Capital Accounts creates what is commonly known as a “high water mark” limitation. Thus, after the first fiscal year in which Incentive Allocation is earned, the Incentive Allocation for subsequent fiscal years only applies to the extent that an investor’s pro rata share of net profits measured on a cumulative basis, net of any losses, for all years since admission exceeds the highest level of such cumulative net profits achieved through the close of any prior fiscal year since admission. If an investor makes a withdrawal at a time when his or her capital account balances are below their historic “high water mark” level, the level is ratably reduced to reflect such withdrawal.

With respect to a Limited Partner who withdraws capital on a date other than the end of a fiscal year, Satori Alpha shall be allocated an Incentive Allocation as described above with respect to the withdrawal amount.

Item 5 – Fees and Compensation (continued)

The amount of any Incentive Allocation attributable to an investor shall be apportioned among the investments in which the investor participates, based upon the general partner's reasonable determination of the relative amounts of profit and loss taken into account in determining the New Profit attributable to such investments, and the amount so apportioned (and the corresponding portion of any Incentive Allocation) shall be taken into account in determining the investor's Investment Account for each such investment.

Other Compensation

In addition, with respect to any private equity Funds, the Adviser or an affiliate may be entitled to receive and retain financing fees, break-up fees and other transaction-related fees, directors' fees and other monitoring fees, and fees for management, financial consulting, investment banking, advisory, and other services paid to such persons by portfolio companies or other third parties. In certain circumstances, Management Fees may be reduced by a stated percentage of any such fees earned.

Fees are negotiated on a Client-by-Client basis.

- B. Management Fees are paid quarterly in advance out of current income and disposition proceeds of the Funds or from drawdowns of capital commitments. Performance fees are made as indicated in Item 5.A. above.
- C. In addition to the compensation described in A. above, the Funds may be subject to additional expenses as follows:

Private Equity

The Funds will be responsible for the organizational and offering expenses of the Fund and its general partner ("Organizational Expenses") up to a stated amount, above which the Adviser will be responsible for any excess Organizational Expenses. Each investor, including those admitted at subsequent closings, will bear its pro rata portion of Organizational Expenses.

Commissions of placement agents will not be considered Organizational Expenses, and such commissions will be the responsibility of the Adviser.

The Adviser will be responsible for all of the normal overhead expenses of managing the Funds, including wages, salaries, rent, utilities, bookkeeping, and other such expenses of the Adviser.

Item 5 – Fees and Compensation (continued)

The Funds will be responsible for all expenses of each Fund which are not reimbursed by portfolio companies or other sources, including Management Fees, travel expenses for the advisory committee members, third party legal, audit, consulting, financing, and accounting fees and expenses; third party expenses associated with the Fund's financial statements and tax returns; other third party expenses associated with the identification, valuation, acquisition, costs of holding, and disposition of the Fund's investments; expenses of annual investors' meetings (other than travel and lodging, which shall be borne by the respective Investors); expenses in connection with directors' and officers' liability and other insurance premiums purchased in connection with all investments in portfolio companies; any taxes, fees, or other government charges levied against the Fund; all costs related to the Fund's indemnification obligations; extraordinary expenses, including litigation costs; any expenses of liquidating the Fund and any other expenses, whether ordinary or extraordinary, determined by the advisory committee to relate to the affairs of the Fund.

For certain Funds, the Fund will be responsible for a stated percentage of any unreimbursed expenses associated with deals that are not consummated.

Fund of Funds

The Fund is responsible for its organizational and offering expenses (the "Organizational Expenses") not to exceed \$200,000.

The general partner of the Fund will provide and be responsible for paying all expenses relating to office space, equipment, supplies, telephone, salaries of in house personnel and other services that are part of the day to day operation and supervision of the Fund. The general partner may employ the use of soft dollars to pay for software, subscriptions and other resource tools and services, among other things.

The Fund shall directly bear all expenses and costs incurred by the general partner or the Fund in the conduct of the Fund's business, other than those specifically noted as general partner expenses above, including, without limitation the following (the "Partnership Expenses"): administration, accounting, legal and other professional services; governmental filing fees and similar charges that may be incurred; preparation of the Fund's financial statements, tax returns and related filings including investors' Schedule K-1s; fees and costs incurred in investing in Managers; costs related to the purchase, sale, trade, custody, transfer, or insurance of Fund assets; costs incurred in purchasing, selling, trading securities; the general partner's research and investment management expenses, which includes travel-related costs incurred in conducting initial and ongoing due diligence investigation of Managers as well as general investment and management operations outside of the general partner's business location (e.g., airfare, car rentals, taxi fares, meals, and lodging or accommodations at hotels); fees incurred in connection with the maintenance of bank or custodian accounts; costs associated with reporting and providing information to investors; costs incurred in computing the value of the Fund's assets; costs and expenses in the termination, dissolution and winding up of the Fund; and Organizational Expenses.

Item 5 – Fees and Compensation (continued)

The general partner may in its discretion allocate any Partnership Expenses to a particular investment to the extent the general partner determines that the Partnership Expenses relate solely to that investment. In that event, such Partnership Expenses shall be allocated pro rata among the investors participating in such investment based on their respective capital contributions allocated to that investment.

A portion of the commissions generated on the Fund's brokerage transactions may generate "soft dollar" credits that the general partner is authorized to use to pay for research and other non-research related services and products used by the general partner, including costs otherwise treated as general partner expenses.

Please refer to Item 12 – Brokerage Practices, for more information.

- D. As stated above, Management Fees are payable quarterly in advance. Distributions to partners are discussed in Item 5.A. above.
- E. Other than as described above, neither the Adviser nor any of its supervised persons receives any compensation from the sale of securities or other investment products.

Item 6 - Performance-Based Fees and Side-By-Side Management

As stated in Item 5 above, an affiliate of the Adviser may receive performance-based fees in connection with providing its advisory services. Such payments are subject to Section 205(a)(1) of the Investment Advisers Act of 1940 (the “Advisers Act”) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

Performance-based fees, in general, may create an incentive for an adviser or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee.

The Adviser or its affiliates may manage multiple Funds with similar investment strategies and/or different fee levels on a side-by side basis. As a result of the foregoing, the Adviser, its principal(s), and/or affiliate(s) may have conflicts of interest in: (i) allocating their time and activity among the multiple Funds; (ii) allocating investments among the multiple Funds; and (iii) effecting transactions among the multiple Funds, including ones in which the Adviser, its principal(s), and/or affiliate(s) may have a greater financial interest. These conflicts of interest may create an incentive for the Adviser to favor a Fund in which the Adviser, its principal(s), and/or affiliate(s) have a greater financial interest with respect to allocation of time and activity, limited investment opportunities, or investments that the Adviser regards as more attractive or better performing investments.

To address these conflicts of interest, the Adviser has implemented policies and procedures to ensure all funds receive equitable and fair treatment over time with respect to the allocation of investment opportunities, based on all relevant factors (e.g. available cash, investment appetite, strategy portfolio limitations, etc.).

Item 7 - Types of Clients

As mentioned in Item 4, the Adviser and its affiliates provide investment supervisory services on a discretionary and non-discretionary basis to pooled investment partnerships investing in private equity and fund of funds strategies.

Generally, the minimum commitment by a limited partner to a Fund will range from \$2-5 million, based on the particular Fund and type of investor. However, the Adviser reserves the right to accept commitments of lesser amounts.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

A. Introduction

Satori's advisory services include pursuing private equity mandates on behalf of the Funds as described more fully below. In addition, through an affiliate, the Adviser also pursues a fund-of-funds mandate on behalf of one Fund. The discussion below described the methods of analysis and investment strategies utilized by the Adviser for the Funds. With respect to each strategy, the Adviser may sponsor Funds that apply different or overlapping investment criteria within the strategies, as more fully described in each Fund's Private Placement Memorandum.

In addition, in certain circumstances, the Adviser may offer co-investment opportunities in individual private equity portfolio company investments to the extent that the Adviser determines the size of an investment opportunity exceeds either (1) a Fund's investment limitations or (2) the amount the Adviser believes to be appropriate for a Fund to invest. In such situations, the Adviser may attempt to identify a strategic investor that can provide value beyond its financial investment and/or offer the excess investment to all Fund investors pro-rata based on their capital commitments. Any such co-investment opportunities may be made through co-investment vehicles investing alongside the Funds.

Investing in securities (including private equity portfolio company investments) involves the risk of loss, which investors should be prepared to bear.

Private Equity

Satori is focused on opportunities in the emerging middle market, which it equates to businesses generating in the range of \$25 million to \$150 million in annual revenue. Satori believes that mid-sized, owner-operated companies are particularly well suited to scaling through a sustainable approach. In addition, the investment dynamics for businesses of this size benefit from the market inefficiencies created due to the relatively few institutional investors and intermediaries operating in this space. This leads to lower purchase price multiples for these businesses and the opportunity for significant multiple expansion through an exit or other liquidity event.

Based on the specific Fund mandate, Satori may acquire equity, equity-related, debt, hybrid, or other securities and investments in businesses that operate or intend to operate in a sustainable manner and have the potential to provide long-term capital appreciation and cash flow generation. Satori may acquire its securities through acquisitions, recapitalizations, loans, or restructurings. The Adviser may invest in C corporations, limited liability companies, and partnerships.

Geographically, Satori intends to make the majority of its investments in companies headquartered in the Southwest U.S., including Texas, Oklahoma, and Colorado. The Southwest is a region where the Satori team has decades of operating and investing experience, possesses a strong network of senior executives in a variety of industries, and maintains deep relationships with other capital market participants, including investment bankers, business brokers, and capital providers. In addition, Satori considers this area a healthy, diversified, and business-friendly region with favorable population demographics and tax structures.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Satori prefers to invest in businesses operating in industries where Satori team members have relevant experience and the potential to unlock significant value. These industries include, but are not necessarily limited to:

- * Business Services
- * Consumer Products
- * Financial Services
- * Mature Technology and Telecom
- * E-Commerce
- * Light Manufacturing and Value Added Distribution

The Adviser may also seek to opportunistically invest in situations where it believes attractive risk/return dynamics exist regardless of size, stage, geography, and ownership amounts. The Adviser intends to leverage its network of relationships and operating experience to be proactive when a strong executive or management team is seeking a long-term capital partner. Additionally, the Adviser may provide capital to other investment funds; these investments will most likely occur in general partnership, limited partnership, and limited liability company structures.

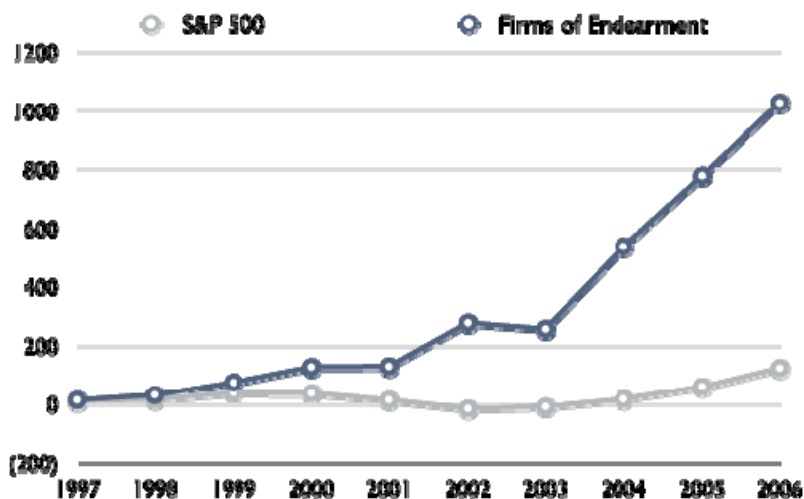
Conscious Capitalism and Sustainability

Satori strongly advocates and embodies the tenets of Conscious Capitalism as a method of creating superior and sustainable long-term value. At the core of Conscious Capitalism is an emphasis on a company's mission and purpose, a stakeholder-centric approach to business, and the concept of steward leadership, where leaders view their role as a fiduciary of the company's resources, responsible for the well-being of its stakeholders. These tenets are central to Satori's activities throughout all phases of the investment process; they inform the Adviser's actions during deal origination and due diligence, and they guide the Satori team as it works to unlock value in the Funds' portfolio companies.

The "Sustainability Model" depicts the virtuous cycle enjoyed by a business that adheres to the tenets of Conscious Capitalism. The cycle revolves around a strong sense of mission and purpose that is highly motivating and provides a reason for all of the company's stakeholders to care deeply about the success of the enterprise. Engaged employees are more productive and loyal, which leads to long-lasting and profitable relationships with customers, vendors, and suppliers, resulting in higher quality products and services and satisfied and enthusiastic customers. Deeply satisfied customers are more loyal and profitable. Profits enable the firm to provide active support to the community and the environment, which endears the business to its customers, neighbors, and regulators and builds a strong base of supporters that make the company more resilient in the face of adversity. The end result is that long-term investors reap tremendous financial rewards and the company's steward leaders are provided with the necessary capital to keep the cycle in motion, resulting in a compounding of the cycle's benefits with each turn.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

There is a great deal of support, both in theory and in practice, for the integration of sustainability factors into investment analysis and decision-making. In a recent study by Goldman Sachs, sustainability leaders outperformed the general stock market by 25% over a two year period and outperformed their same-sector peers by almost 75% during the same two year period. In addition, "Firms of Endearment," defined as those companies that explicitly take a stakeholder-centric approach, returned approximately 1,025 percent over a recent 10-year period, compared to approximately 122 percent for the S&P 500 during the same period.



“We believe that this [sustainability] approach will be applicable across most industries because it captures the full spectrum of a company’s interaction with the four key pillars of the economy: the industry in which it operates; society, from employees to partners, consumers, and counterparties; and the environment, in terms of resources consumed, emitted, and produced. We believe excellence is a habit and that companies with superior environmental and social management are likely to be more successful in operating projects in the new world.”

Goldman Sachs

Firms of Endearment: How World-Class Companies Profit from Passion and Purpose by David B. Wolfe et al.

Sustainability in Action

Satori deeply integrates the principles of sustainability into all of its activities and procedures. Its investment process combines comprehensive strategic, financial, and operational analyses with an equally rigorous sustainability analysis. Specifically, Satori looks closely at how a company relates to all of its stakeholders: employees, customers, partners, suppliers, shareholders, as well as the community and environment.

This additional layer of analysis, which many private equity investors often minimize or ignore, provides added insight regarding the quality of a company’s management and culture and brings into focus a prospective investment’s true risks and potential. Satori believes that sustainably-run businesses are better managed, more innovative, less risky, and better positioned to deliver superior performance over the long-term. The Adviser selects its investments based on this approach and strongly encourages its portfolio companies to operate accordingly. Satori is also committed to increasing awareness for the virtues of sustainable practices, both in practice and through the Satori Foundation, dedicated to supporting sustainability causes around the world.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Deal Sourcing

The objective of Satori's outreach efforts is to establish the Adviser as the preferred capital partner for companies building long-term value through a sustainable approach. Marketing and business development are core competencies of the Adviser, and Satori considers its efforts in these areas to be critical to the Funds' success. Accordingly, Satori devotes significant resources to identifying and capitalizing on its best sources of new investment opportunities. Satori's skills in this area, when combined with its team's diverse backgrounds and robust networks, should continue to supply considerable high-quality deal flow.

Through decades of operating and investing experience, the members of the Satori team have built strong networks of senior executives in a variety of industries. In addition, they have developed deep relationships with financial intermediaries, as well as debt, venture capital, and private equity funds. These networks should prove to be fruitful sources of investment opportunities.

The Adviser also employs an aggressive marketing program to reach out directly to companies that meet the Funds' investment criteria. In addition, members of the Satori team have held or currently hold leadership positions in organizations such as Young Presidents' Organization (YPO), Investors' Circle, and various non-profits and community groups; these organizations should continue to be excellent sources of deal flow for the Funds. Furthermore, members of the Satori team are frequently asked to speak at events and conferences organized by members of the sustainable business community. The exposure that results from these events is another fruitful source of investment opportunities for the Funds.

Additionally, Satori has established strategic partnerships and close relationships with leading organizations in the sustainable business community, including Conscious Capitalism, Inc., Social Venture Network, and Global Green. These partnerships encourage these well-respected organizations to actively promote Satori to their members. These partnerships with leading sustainable business organizations are unique to Satori, and should be a tremendous source of high-quality deal flow.

Satori plans to establish The Satori Foundation, a non-profit foundation overseen by Satori's Managing Partners that will support entities embodying the ethos and spirit of sustainability. The Adviser or its affiliates will make contributions to The Satori Foundation from its Carried Interest distributions, and The Satori Foundation will make grants and donations and provide other support to worthy organizations in the sustainable business community. Satori believes that the Funds will receive substantial incidental benefits from the Foundation's activities, including good public relations and enhanced reputation as a key player in the sustainable business community.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Deal Financing

Satori maintains an active database of national, regional, and state-specific senior lenders and subordinated lenders who may be contacted to secure financing. The principals of Satori have a long history and track record with both senior and mezzanine financing sources in the emerging middle market. These relationships trace back, in many instances, more than 10 years. Moreover, Satori's principals helped fund the founding of a regional bank committed to providing senior lending, providing Satori significant insight into the banking industry. At the same time, Satori's principals regularly meet one-on-one with senior lenders and subordinated lenders both to maintain relationships as well as to get feedback on trends in the debt market. Sourcing and maintaining these key relationships helps provide Satori a competitive advantage in challenging debt markets.

Business-Owner Mindset

Satori approaches its relationships with portfolio companies from the perspective of a business owner and not simply as a buyer and seller of businesses. With its business-owner mindset, Satori's objective is to build businesses of enduring value through organic and acquisition-led growth that is sustainable over the long-term. Satori's business-owner mindset is appealing to the leaders of many prospective portfolio companies due to an alignment with the values, principles, and practices that these leaders believe to be most conducive to creating enduring value for their businesses. These same business owners may resist other private equity firms that employ strategies based on short-term objectives and the excessive use of leverage. Because of its unique business-owner mindset, which clearly differentiates it from most private equity firms, Satori expects the best owner/operators to prefer Satori to other potential buyers.

Emphasis on Risk Management

Satori closely analyzes and monitors a company's relationship with each of its stakeholders at every step of the investment process, from the initial screening of opportunities to post-closing growth initiatives. The Adviser devotes considerable attention and resources to its efforts in this area and has developed proprietary tools and techniques for assessing and monitoring the long-term sustainability of a company's business model. Satori also collaborates with its management partners to create, implement, and monitor risk management systems in its portfolio companies and works to instill a strong sense of accountability and an intense focus on smart corporate governance and risk management throughout all of the businesses that it owns. The end result is that Satori is better able to identify threats to a business and opportunities to mitigate those threats.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Partnership Approach to Value Creation

Satori strives to build highly collaborative and tight-knit relationships with the management teams of its portfolio companies; these leaders are among the Adviser's most important partners and the Satori team strives to be their trusted advisors. Most of the members of the Satori team have started and/or operated mid-market, sustainably-run companies, so they empathize with the daily challenges and opportunities that come with leading a business. In addition, Satori team members have served as CEOs of successful public and private companies and have led businesses at all stages of development and through all stages of the business cycle. The Adviser draws on this extensive base of experience and its considerable resources to support its management partners with a full array of services and capabilities in their combined effort to build businesses of enduring value.

While the Adviser entrusts the day-to-day operations of its businesses to their executive management teams, Satori expects to play a significant and collaborative role in areas such as strategic planning, teambuilding, corporate governance, risk management, capital allocation, strategic relationships, and capital markets activities.

AREAS OF CLOSE COLLABORATION WITH PORTFOLIO COMPANIES

Strategic Planning	Teambuilding	Corporate Governance	Risk Management	Capital Allocation	Strategic Relationships	Capital Markets and M&A
Development of Industry Thesis	Recruitment of Senior Management	Recruitment of Board Members	Identifying and Mitigating Legal, Credit, Market, and Product Risks	Design of Optimal Capital Structure	Identifying, Structuring, and Closing Large Deals with Customers, Suppliers, and Partners	Identifying, Structuring, and Closing Mergers and Acquisitions
Development of Strategy Canvas	Leadership Development and Training Initiatives	Refinement of Organizational Structure	Development of and Monitoring Risk Management Systems	Development of Capital Budgets	Peer Interaction and Sharing of Best Practices	Post-closing Integration
Development of Strategic, Financial, and Operating Plans		Designing Compensation Systems Aligned with Long-Term Value Creation		Determining Best Use of Excess Cash		Managing Financings

Investment Structures

Satori takes a creative and flexible approach to structuring its investments and considers the capital requirements necessary to meet the company's growth plans and allow for an operating cushion to accommodate fluctuations in the overall economy and business. The investments may take a variety of forms including loans, leveraged buyouts, management-backed buyouts, recapitalizations, and corporate divestitures.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Satori intends to structure transactions to meet the specific financial and personal needs of each seller. Satori expects some of the sellers to retain meaningful minority equity positions and possibly management roles in the acquired companies. Further, Satori recognizes that a talented and motivated management team is crucial to the success of its investments. Accordingly, investments will typically be structured to provide management teams with significant incentives, including the opportunity to participate in equity ownership.

Investment Committee and Investment Approval Process

Satori's Investment Committee (the "Investment Committee") will assist the Adviser and its affiliates in investing and monitoring the assets of the Funds. The Investment Committee's responsibilities include establishing investment strategies, guidelines and processes, approving all investments proposed by the Funds, and monitoring the performance of the Funds' investments. The Funds will obtain errors and omissions liability insurance for the members of the Investment Committee.

The five (5) standing members of the Investment Committee are: Randy Eisenman, Sunny Vanderbeck, Tyler Tysdal, John Grafer, and Rugger Burke. The Funds may add other members to the Investment Committee. The Investment Committee is deeply involved in the evaluation and acquisition of each portfolio company. Additional members of the Satori team may participate in the Investment Committee's meetings when such members are deeply engaged with an investment opportunity. The affirmative vote of both Randy Eisenman and Sunny Vanderbeck (together, the "Managing Partners") is required to authorize each investment, including follow-on investments.

Investment Process

1. *Due Diligence*

Once an investment opportunity is identified, a deal team is assigned to conduct a rigorous strategic, financial, and operational due diligence process, often in consultation with outside advisors and industry experts. This process includes a thorough review of: (1) the industry dynamics surrounding the business; (2) the business itself, including its strategic focus, products and/or services, depth of management team, relationships with suppliers, and customer base; (3) the deal dynamics such as the price, terms, and structure; and (4) the potential value the Satori team can add to the business.

Satori's due diligence process combines comprehensive strategic, financial, and operational analyses with an equally rigorous sustainability analysis. Specifically, Satori looks closely at how a prospective portfolio company relates to all of its stakeholders: employees, customers, partners, suppliers, shareholders, and the community and environment. This additional layer of analysis provides added insight into the quality of a company's management and culture and helps bring into focus a prospective investment's true risks and potential.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

The results of this investment analysis are compiled in a comprehensive memorandum, which is utilized by Satori's Investment Committee for its review of the proposed investment. The Investment Committee may approve proposed investments by majority vote, but the affirmative vote of both of the Managing Partners will be required in each instance.

2. *Monitoring Investments*

While the Adviser entrusts the day-to-day operations of its portfolio companies to their executive management teams, Satori establishes a monitoring team to ensure alignment and accountability. A monitoring team includes at least one Managing Partner, and also often includes members from the deal team responsible for the initial evaluation of the Investment.

Satori strives to build highly collaborative and tight-knit relationships with the management teams of its portfolio companies; Satori believes these close relationships are conducive to the Funds' portfolio monitoring process. Working with a company's executive team, a monitoring team is better able to identify potential problems and opportunities as they emerge, and then work closely with the company to develop constructive strategies.

Each monitoring team tracks a portfolio company's performance against its strategic, operational, and financial objectives. Typically, the monitoring team receives a company's detailed financial and operational information on a monthly basis. Some of the members of a monitoring team, including a Managing Partner, will participate on the company's board of directors as either a member or observer. Further, a monitoring team routinely reports a portfolio company's progress to the Investment Committee.

3. *Realizations & Liquidity*

Achieving liquidity for the Funds' investors is a high priority for Satori throughout the investment process. However, the Adviser maintains a disciplined and long-term perspective when scaling its businesses and is mindful of the need to balance options for short-term liquidity with a desire to maximize the value of its portfolio businesses over the lifetime of a Fund. Because the Funds will invest in later-stage, profitable businesses capable of achieving significant portfolio cash flow, Satori intends to achieve regular returns for investors through several sources, including dividends and recapitalizations.

Satori will also continually analyze the macroeconomic environment, capital markets, industry trends, the competitive landscape, and other factors affecting the value of its portfolio companies. Data from these various sources will help inform Satori's decisions regarding liquidity events, including the potential sale of a portfolio company. Satori anticipates that in many cases the Funds will benefit from natural exit opportunities, which could include the emergence of a strategic buyer that, for any number of reasons, would be a better owner of a portfolio company than Satori. Such buyers are normally willing and able to pay a premium price to own the business when compared to strictly financial buyers.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

In addition, a sale to a strategic buyer may result in significant benefits for many of the portfolio company's other stakeholders, including, for example, a more robust product offering for customers or better career opportunities for employees. In any event, the Adviser will work closely with its management teams and intermediaries to ensure that, to the maximum extent possible, any sale of a portfolio company is structured and carried out in a manner that benefits all of the company's stakeholders.

Core Investments

With respect to certain Funds, one or more portfolio companies may have significant potential for long-term appreciation and cash flow generation that warrants holding them beyond the term of the Fund. A portfolio company with such qualities may be designated a "Core Investment." The Core Investment process will allow investors and the Adviser to continue to own a portfolio company beyond the term of the Fund. By participating in the Core Investment, investors have the opportunity to benefit from a portfolio company's further capital appreciation and cash flow generation. Alternatively, at the time when a portfolio company becomes a Core Investment, investors may gain additional liquidity by receiving cash for their proportionate interests in the portfolio company.

The Adviser will determine whether a portfolio company should be designated as a "Core Investment" within 36 months prior to the expiration of the Fund's initial term; however, not more than 30% of the Fund's investments may be designated as Core Investments. The Fund will transfer each Core Investment to a newly-formed, special purpose entity such as a limited liability company (a "Core Investment Company") in exchange for cash and equity interests in the Core Investment Company. The Adviser or an entity created and managed by the Adviser shall serve as the sole manager ("Core Investment Manager") for each Core Investment Company. In each case, the designation of a Core Investment, the transfer of the Core Investment to a Core Investment Company, the composition of the Core Investment Company's advisory board, the Core Investment Management Fee (described below), and the other terms of such transfer shall be subject to the prior approval of the Advisory Committee.

Once a Core Investment has been designated, the Adviser, with the approval of the Advisory Committee, will determine the value of the Carried Interest in each investment designated as a Core Investment. The Adviser or an affiliate may exchange all or a part of its Carried Interest in the investment, subject to any portion withheld to satisfy any required Clawback reserve, for equity interests in the Core Investment Company to which the investment is to be transferred.

The Adviser will disclose to the investors the amount of its Carried Interest with respect to each Core Investment that the Adviser will exchange for an interest in each such Core Investment Company. Each Investor will then have the right to opt in or opt out of such Core Investment according to the following guidelines:

1. Opt Out. Investors that opt out of any or all of the Core Investments will receive cash distributions with respect to each such investment, on the same basis as though it had been sold for cash to an unrelated third party at a price equal to the fair value.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

2. (Full) Opt In. Each investor that opts in to any or all of the Core Investments will receive equity interests in each applicable Core Investment Company equal in value to the cash distributions such investor would have received with respect to such Investment had it been sold for cash at the fair value.
3. (Partial) Opt In. Investors may choose to opt in to a Core Investment for an amount that is less than the total value such investor would receive in distribution with respect to the investment, with the effect that the investor receives a portion of its distributions with respect to such investment in cash and a portion of such distributions in the form of equity interests in the Core Investment Company.

Thereafter, the Core Investment Manager shall manage the Core Investment Company in return for a management fee (“Core Investment Management Fee”), not to exceed one and one-half percent (1.5%) of the fair market value of the assets under management in the Core Investment Company, but shall not otherwise receive any “carried interest” or other compensation for its management of the Core Investment Company.

Each Core Investment Company will have an initial term of three (3) years. The initial term and any renewal term may be extended by the Core Investment Company’s Manager for up to an additional three (3) years with the consent of the Core Investment Manager and two-thirds or more of the Core Investment Company’s advisory board. At the end of the initial term and each renewal term, each investor in a Core Investment Company will be offered the opportunity to liquidate up to 50% of the investor’s equity interests in the Core Investment Company, subject to a maximum aggregate liquidation of no more than 33% of all investors’ equity interests at any one time. An investor’s election to liquidate and the Core Investment Company’s obligation to pay (which may include installment payments over a period of up to thirty-six months following the date of the election) shall be subject to the availability of adequate cash or financing on commercially reasonable terms.

Each transfer of an investment in a portfolio company from the Fund to a Core Investment Company will be made on an arm’s length basis, for cash and equity interests equal to the fair value of the Fund’s investment in the Portfolio Company. Fair value will be determined by the Adviser, subject to the approval of the Advisory Committee, and will be confirmed by an appraisal or fairness opinion provided by an independent third party. If either the Adviser or the Advisory Committee disagrees with the valuation, the Adviser and the Advisory Committee may (a) use the valuation as the basis for further negotiations on the terms of converting the portfolio company investment to a Core Investment, or (b) terminate the Core Investment process with respect to such investment.

Fund of Funds

To achieve its primary investment objective of capital appreciation, Satori Alpha allocates assets among professional money managers (“Managers”). The Managers manage the Fund’s assets through their own private investment funds or in separate managed accounts. No assurance can be made that Satori Alpha will actually allocate resources in the manner anticipated or that Satori Alpha will be successful in selecting investments that yield consistent, or above average, risk adjusted returns.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

The Fund's investment strategy, decisions and portfolio management will be directed by an affiliate of Satori Alpha who may change, in its absolute discretion, the investment objectives and policies of the Fund and there can be no assurance that the affiliate will not exercise such power.

Investments with Managers

Satori Alpha is creating a diversified fund of investment managers based on the principals' experience of finding hedge fund managers that can achieve an asymmetric risk-return profile over the longer term. Managers are hired who have experience in a wide variety of asset classes and styles including undervalued assets, long/short equity, credit, volatility-driven strategies, high frequency trading, foreign exchange, distressed securities, mortgage and other asset-backed securities, equity volatility trading, and event-driven equity and debt, among others. The Fund expects to be active in emerging economies as well as developed markets, and intends, through the Managers, to invest across a range of financial instruments, including, but not limited to equities, debt instruments and currencies.

In allocating assets, Satori Alpha will seek to opportunistically allocate capital among its underlying portfolio investments. The Adviser intends to take an opportunistic approach where it will seek to reduce capital allocations to strategies it believes are overcapitalized, and seek out emerging strategies that may have greater opportunities for capital appreciation. Because market inefficiencies may have shorter durations given the competitive nature of private investment funds' capital allocation strategies, the Fund has not set specific diversification guidelines. Rather, Satori Alpha will continually assess optimal strategy and fund allocations.

Satori Alpha tends to favor investments with specialist Managers in a variety of strategies, and also favors investments in strategies that are designed to be non-directional with respect to traditional equity and fixed income markets. Managers are granted full discretion to trade according to their style, experience and expertise. Risk limits may be agreed to beforehand with Managers, however, there can be no guarantee that Managers will adhere to these risk limits or that problems will not arise as markets are inherently risky. Generally, the Fund expects to invest in opportunities that require a relatively longer investment period than those pursued by more liquid multi-manager funds. Satori Alpha believes that, notwithstanding the longer investment period, the Fund will provide greater risk adjusted returns.

Through Managers, the Fund may engage in short selling, margin trading, and the purchase and sale of options, which have inherent risks. Satori Alpha will select and monitor the Managers and oversee the administration of the Fund's business operations. Satori Alpha selects Managers based on the management team's integrity and experience, their track record, risk management, and back office capability. Should Satori Alpha determine that a Manager's style no longer meets the Fund's objectives, or for any reason in the best interests of the Fund, Satori Alpha may recommend to investors that they terminate the Fund's investment in part or in whole with the Manager. Assets will not necessarily be invested in any or all of the strategies mentioned and the Fund's holdings may consist of significant amounts of cash or cash-equivalents from time-to-time. Without prior approval of the investors, not more than 25% of the Fund's portfolio may be invested in one Manager at any particular time.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

Although absolute return is a primary goal of the Fund, effective risk management and capital preservation are also critical. Satori Alpha will review the prior performance of each Manager, where available, to look for evidence of effective risk management and capital preservation, particularly during periods of excess market volatility.

Direct Investments.

Satori Alpha has the discretion to invest Fund assets directly and, in that event, expects to do so in equities and equity-related securities (such as options, Exchange Traded Funds as well as over-the-counter derivatives including credit default swaps) traded on public markets.

- B. The investments and strategies pursued by the Adviser and the Funds involve a high degree of business and financial risk that can result in substantial losses, as described below.

Private Equity

Some of the risks involved in the Adviser's private equity strategy include, without limitation, the following: the Adviser may encounter competition with respect to identifying, completing and realizing Fund investments; the portfolio companies could experience rapid growth which could place considerable operational, managerial and financial strain on the business; follow-on investments in certain portfolio companies may be required and the ability of a Fund to make or not make such investments could have a negative impact on the company; the ability of the Fund to achieve successful and profitable exits of its investments may at times be impaired; a Fund may make an investment that may not be advantageously disposed of prior to the term of the Fund; Fund investments may often times be based on financial projections, and there is no assurance that such projected results will be obtained; portfolio companies may deteriorate due to adverse market conditions; a Fund may make investments that are junior in the capital structure and have no collateral; general financial and economic conditions may impair the Adviser's ability to successfully execute its investment strategies; Fund investments may be highly illiquid and may be very difficult to liquidate and value; and the Funds may utilize leverage, which involves a high degree of risk.

Fund of Funds

Some of the risks involved in the Satori Alpha's fund of funds strategy include, without limitation, the following: the success of the strategy will be highly dependent on Satori Alpha and the Managers; the Fund's investment will be subject to general market risk; the strategy of each Manager will have its own specific investment risks and there can be no assurance that each Manager will be able to achieve its stated strategy objectives; the Manager allocation itself may create specific investment risks based on the underlying Manager strategies; the Fund's portfolio may be highly concentrated; the Manager fund interests in which the Fund invests are highly illiquid; the Fund's aggregate expenses may be high; there are multiple layers of fees that Fund investors will bear; and Fund and Manager investments may be difficult to value.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss (continued)

In addition, an investment generally in any Fund may involve, among others, the following risks: there can be no assurance that an investment return will be achieved; the Fund may be newly formed and have a limited operating history; the Fund will be highly reliant on its general partner and certain key individuals of Satori Alpha; Fund investors will have no operational control of a Fund; certain investors in a Fund may fail to meet their capital commitments; the Fund may have insufficient investment opportunities; the Fund's investments may be highly concentrated; interests in a Fund will be highly illiquid and non-transferable; conflicts of interest may exist between the Fund, its investors and Satori Alpha and its other Funds and affiliates; and there may be limited regulatory oversight of the Fund or its operations.

For a more complete description of the risks associated with investing in a Fund, investors should refer to the relevant Private Placement Memorandum for each Fund.

C. See Item 8.B. above.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the adviser or the integrity of adviser's management.

There are no legal or disciplinary events that are material to an evaluation of the Adviser's advisory services or the integrity of management.

Item 10 - Other Financial Industry Activities and Affiliations

- A. The Adviser is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Currently, no employees of the Adviser are registered representatives of a broker-dealer.
- B. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.
- C. The Adviser has no relationships or arrangements with any related person listed in the instructions to Item 10.C. that are material to its advisory business or to the Funds.
- D. The Adviser does not receive any compensation from third-party advisers that it or any affiliate recommends or selects for the Funds. Other than in connection with a Fund's investment strategy, the Adviser has no other business relationship that creates a material conflict of interest with any third-party advisers that it or any affiliate recommends or selects for the Funds.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

- A. The Adviser has adopted a written Code of Ethics designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Advisers Act (the “Code”). The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Adviser's employees. The Code contains policies and procedures that ensure that all personal securities trading by employees of the Adviser is conducted in such a manner as to avoid actual or potential conflicts of interest or any abuse of an individual's position of trust and responsibility. The Adviser prohibits personal trading of certain securities or instruments; requires pre-clearance of personal trades in certain circumstances, including purchases of an IPO or a new private placement; requires periodic reporting of employees' personal securities transactions and holdings; and requires prompt internal reporting of Code violations.

While the Adviser very rarely has access to non-public information relating to public companies, as part of its Code, the Adviser has established procedures to prevent the abuse of material, non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. Because the structure of the Adviser would make information barriers impractical, the firm has not imposed information barriers to restrict the internal flow of possible material, non-public information. Thus, all professionals are deemed to be in receipt of material, non-public information in all instances where any professional of the Adviser has received material, non- public information and therefore may not trade on the basis of that information.

The Adviser will provide a copy of the Code to any partner or prospective partner upon request.

- B. Affiliates of the Adviser serve as the General Partners to the Funds, which issue partnership interests to third party investors. Other than with respect to these structures, neither the Adviser nor any of its related persons recommend to the Funds, or buy or sell for Funds, investments in which the Adviser or any related persons have a material financial interest.
- C. Certain principals of the Adviser are allowed to invest in the same or related securities that the Adviser recommends to the Funds. In addition, certain Funds and third-party investors may co-invest in the same portfolio investments with other Funds managed by the Adviser, as described in Item 8 hereof. In such situations, the Adviser has adopted policies and procedures to deter conflicts of interest among the Adviser, its related persons and the Funds.
- D. See item 11.C. above.

Item 12 - Brokerage Practices

A. Private Equity

The Adviser's private equity investment strategies involve making negotiated investments in privately held companies. As a result, the Adviser does not select or recommend broker-dealers for and does not use "soft" dollars in connection with Fund transactions.

Fund of Funds

In the limited number of circumstances where the Fund directly purchases securities other than interests in pooled investment vehicles, Satori Alpha will select brokers or dealers, as the case may be, in the manner described below.

The Fund will make investments in securities that may involve brokerage commissions. Satori Alpha will have sole discretion in deciding what brokers and dealers are used and in negotiating rates of brokerage compensation for trades on behalf of the Fund. In addition to using brokers as "agents" and paying commissions, the Fund may buy or sell securities directly from or to dealers acting as principal at prices that include markups or markdowns.

In choosing brokers and dealers, Satori Alpha will not be required to consider any particular criteria. For the most part, Satori Alpha will seek the best combination of brokerage expenses and execution quality but, as discussed below, is not required to select the broker-dealer that charges the lowest transaction cost, even if that broker-dealer provides execution quality comparable to other brokers or dealers. In evaluating "execution quality," historical net prices (after mark-ups, markdowns or other transaction-related compensation) on other transactions will be a principal factor, but other factors will also be relevant, including the following: the execution, clearance, and settlement and error correction capabilities of the broker-dealer generally and in connection with securities of the type and in the amounts to be bought or sold; the willingness of the broker-dealer to commit capital; reliability and financial stability; the size of the transaction; availability of securities to borrow for short sales; and the market for the security.

1. Research and Other Soft Dollar Benefits.

Satori Alpha may enter into soft dollar arrangements on behalf of the Fund and is protected from breach of fiduciary duty claims by its advisory clients—even if the brokerage commissions paid are higher than the lowest available—if such arrangements meet the 'safe harbor' requirements of §28(e) of the Securities Exchange Act of 1934, as interpreted by the SEC (most recently in an SEC Interpretive Release effective on July 24, 2006) (the "Soft Dollar Safe Harbor"). If the brokerage and research services and products are provided by a broker-dealer who effects transactions for the Fund, Satori Alpha, in good faith, after determining the product or service meets the eligibility criteria of Soft Dollar Safe Harbor and provides lawful and appropriate assistance in the performance of relevant responsibilities of Satori Alpha, may conclude that the commissions paid are reasonable in relation to the value of the research and brokerage products and services provided by the broker-dealer.

Item 12 – Brokerage Practices (continued)

While Satori Alpha generally will select the broker-dealer Satori Alpha believes can provide the Fund with “best execution,” Satori Alpha may select that broker from whom the Fund and Satori Alpha will receive brokerage services or research eligible for the Soft Dollar Safe Harbor that has substantive content, beyond transaction execution. The amount of compensation the Fund pays such a broker-dealer may be higher than what another, equally capable broker dealer might charge. Because many of those services or products could benefit Satori Alpha (as a result of Satori Alpha not having to pay itself for such research, products or services), Satori Alpha may have a conflict of interest in allocating Fund brokerage business, including (i) an incentive to cause the Fund to effect more transactions than it might otherwise do in order to obtain those benefits, as well as (ii) an incentive to select a broker dealer based on Satori Alpha’s interest in receiving the research, product or service rather than on the Fund’s interest in receiving most favorable execution. The extent of that conflict depends in large part on the nature and uses of the services and products acquired with soft dollars.

Under the Soft Dollar Safe Harbor, eligible “research” services and products means services or products used to provide lawful and appropriate assistance to Satori Alpha in making investment decisions for its clients. And eligible “brokerage” services and products means services or products used to execute trades. To qualify for the Soft Dollar Safe Harbor, Satori Alpha must, among other things, determine that commissions paid are reasonable in light of the value of both the “brokerage” and “research” services and products acquired. The Soft Dollar Safe Harbor protects the use of Fund soft dollars even when the research acquired is used in making investment decisions for clients other than the Fund. Satori Alpha does not seek to allocate soft dollar benefits to Clients proportionately to the soft dollar credits that each Client generates.

The types of research and brokerage services and products Satori Alpha may acquire include: traditional research reports analyzing a particular company’s performance or securities; market and economic data and data services; specialized, trade and technical publications; portfolio analysis software; financial database software and services; certain order entry services; analytical software; quotation equipment and other computer hardware for use in running software used in investment decision making and securities trading transactions; and other products or services that may enhance Satori Alpha’s investment decision making and trading transactions.

During the last fiscal year, Satori Alpha did not acquire any products or services with Client brokerage commissions.

2. Brokerage for Client Referrals

Satori Alpha does not compensate brokers for Client referrals through order flow or any other means.

3. Directed Brokerage

Satori Alpha does not have any directed brokerage arrangements with Satori Alpha’s Clients.

- B. Other than in connection with any co-investments described in Item 8, Satori Alpha does not aggregate the purchase and sale of securities for its Clients. To the extent that Satori Alpha identifies an investment opportunity that satisfies the investment mandate for more than one Fund and each Fund has capacity to make the investment, Satori Alpha shall allocate such investment opportunity in a manner that treats each Fund fairly.

Item 13 - Review of Accounts

- A. The Adviser maintains comprehensive review procedures for the ongoing monitoring of portfolio investments. In connection therewith, the Adviser conducts regular reviews of all portfolio company investments held in each Fund portfolio. See “Monitoring Investments” in Item 8.B.
- B. See Item 13.A. above.
- C. Private Equity

The Adviser will present to each Fund investor (1) a quarterly report on the affairs of the Fund within 45 days of the end of the relevant reporting period, (2) an annual report on the affairs of the Fund, including a review of each investment, within 90 days after the end of each fiscal year, and (3) an annual audit by an independent accounting firm, within 90 days of the end of the relevant reporting period.

To the extent not prohibited by confidentiality requirements, the Adviser will also provide investors with portfolio companies’ financial statements upon request.

Fund of Funds

Annually, the Fund will furnish all investors with (i) audited financial statements prepared in accordance with generally accepted accounting principles, accompanied by the report of its independent certified public accountants, and (ii) tax information necessary for the completion of tax returns. In addition, on a quarterly basis, each investor will be furnished with unaudited financial statements of the Fund.

Item 14 - Client Referrals and Other Compensation

- A. No persons other than the Funds provide an economic benefit to the Adviser for providing investment advice or other advisory services to the Funds.
- B. The Adviser currently does not compensate third-party placement agents or solicitors to sell Fund interests or refer Clients, although it may do so in the future. Any such engagements will be undertaken pursuant to a written agreement and in accordance with all applicable laws and regulations, including Rule 206(4)-3 of the Advisers Act. Any compensation paid to third-party placement agents or solicitors will be negotiated on a case-by-case basis.

Item 15 - Custody

Affiliates of the Adviser serve as the general partner of each Fund and are therefore deemed to have custody of the Fund's assets. The Adviser does not provide account statements to the Funds directly.

A qualified custodian provides monthly or quarterly statements directly to the Funds relating to Fund assets for which the Adviser has deemed custody.

Please refer to Item 13.C. for a description of reports that are provided to investors in the Funds.

Item 16 - Investment Discretion

Pursuant to an agreement of limited partnership, the general partner is granted broad authority to determine the type and amount of securities to be bought and sold, as well as the timing of such purchases and sales for the Funds. In connection with this discretionary authority, the general partner and the Adviser select portfolio company investments on behalf of the Funds.

Item 17 - Voting Client Securities

In connection with its investment supervisory services, the Adviser does not invest in public equity securities and therefore does not receive proxies on behalf of the Funds.

Item 18 - Financial Information

- A. The Adviser charges Management Fees in advance on a quarterly basis. Because the Adviser does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance, there is no requirement to provide a balance sheet for the most recent fiscal year.
- B. Registered investment advisers are required in this Item to provide certain financial information or disclosures about the adviser's financial condition. The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to the Funds, and has not been the subject of a bankruptcy proceeding.
- C. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.