

FORM ADV Uniform Application for Investment Adviser Registration
Part 2A: Investment Adviser Brochure and Brochure Supplements
Item 1: Cover Page

BHC Fund Management LLC

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Issue Date: January 4, 2013

This brochure provides information about the qualifications and business practices of BHC Fund Management LLC ("BHC"). If you have any questions about the contents of this brochure, please contact us at the phone number listed above.

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. Please note, where this brochure may use the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training.

Additional information about BHC is also available on the SEC's website at www.adviserinfo.sec.gov

Item 2: Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which requires the disclosure of certain information by investment advisers. This Brochure dated January 4, 2013 is a new document prepared according to the SEC’s requirements and rules and hence there are no material changes. In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with 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.

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

Currently, our Brochure may be requested by contacting Gerald Houghton at 212-753-7730.

Additional information about BHC Fund Management LLC 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 BHC who are registered, or are required to be registered, as investment adviser representatives.

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Item 4: Investment Advisory Business

Since its establishment on November 21, 2012, BHC Fund Management LLC (“BHC”) has provided advice to BHC Funds regarding bridge and interim capital financing to U.S. middle-market companies that require funding to facilitate an acquisition or recapitalization, finance growth or expansion, augment working capital or senior debt, and capitalize on time-sensitive opportunities.

After extensive research and investigation by BHC, investment recommendations are communicated to the general partner of the applicable Fund (the “General Partner”), who are affiliates of BHC. The advice provided by BHC and its affiliates to each Fund is tailored to meet the individual investment objectives and restrictions of each Fund. Notwithstanding the foregoing, the General Partner of each Fund is ultimately responsible for all final investment decisions

The principal owners of BHC are GHH Holdings, LLC, DMD Holdings, LLC and DJD Financial Holdings, LLC.

As of December 1, 2012, BHC Funds has a total of approximately \$148,000,000 of assets under management.

Item 5: Fees and Compensation

Management Fee: In accordance with the Limited Partnership Agreement for the applicable Fund, BHC receives an annual management fee equal to 1.5% of the aggregate loan portfolio for BHC Interim Funding II, LP and 1.5% of the aggregate committed amount for BHC Interim Funding III, LP and BHC Interim Funding IV, LP. Capital commitments are the amount contractually committed to a Fund by the limited partners of the Fund (the “Limited Partners”) and the general partner. The management fee is payable quarterly in advance subject to certain deductions. Such deductions include, among other things, fees paid to BHC by portfolio companies of the Fund.

All fees assessed to the Funds, including the performance fee noted in Item 6, are fully disclosed to investors in the respective Fund’s Private Placement Memorandum, Limited Partnership Agreement and in Investor Subscription documents.

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

The General Partner of each fund assesses a performance based compensation of 20% of the earned income above a hurdle rate above 8% per annum.

Item 7: Types of Clients

BHC provides investment management services exclusively to Funds. Each Fund is a limited partnership, formed under U.S. and operated pursuant to one or more exemptions from registration under the Investment Company Act.

The Funds have minimum commitment requirement of \$1,000,000 to invest in the Fund, although the General Partner of the Fund has discretion to waive such requirements.

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

BHC targets middle-market privately owned and mid-sized public corporations with sales ranging from \$10 million to \$300 million seeking to borrow \$5 million to \$15 million in senior or subordinated debt.

Investment in the Funds involves risk of loss, and investors in the Funds should have the ability to sustain the loss of their entire investment. There is no assurance that the performance of BHC or the Funds will equal or exceed any past performance. While prospective investors should review the risk disclosures set forth in full in the applicable Fund's offering materials, the following are certain material risks with respect to investments in the Funds. These risks are qualified in their entirety for a particular Fund by the risks set forth in such Fund's Private Placement Memorandum, other offering materials or governing documents.

- **Long-Term Investment.** Investments in the Funds are not intended to be short-term investments.
- **Reliance on Portfolio Company Management.** While it is the intent of the General Partners of the Funds to invest in companies with proven operating management in place, there can be no assurance that such management will continue to operate successfully. While it is the intent of the General Partners to augment the existing management team in certain circumstances by bringing in new management, there can be no assurance that such management will operate successfully. Although BHC monitors the performance of each investment, the Funds rely upon management to operate the portfolio companies on a day-to-day basis.
- **Illiquidity.** Restrictions on the transfer of interests in the Funds may result in illiquid investments that should only be acquired by investors able to commit capital for an indefinite period of time. Investors may not transfer their interests in the Funds without the written consent of the General Partner (which may be withheld in its sole discretion) and the satisfaction of certain other conditions, including compliance with applicable securities laws.

- **Risk of Inadequate Return.** The returns on a particular Fund's investments, if any, may not be commensurate with the degree of risk of an investment in such Fund. Investors should have the ability to sustain the loss of their entire investment.
- **Capital Calls.** Each partner of a Fund will be required to meet capital calls of the Fund over an extended period of time. Failure by an investor to meet any capital call by such Fund could have adverse consequences for the defaulting investor, the Fund and its other investors.
- **Funds Not Registered.** The Funds are not registered under the Investment Company Act or any other U.S. federal or state securities laws or the laws of any other jurisdiction. The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, which will not be applicable to the Funds.
- **Potential Conflicts of Interest.** Due to the other activities in which members and affiliates of the General Partner, BHC, the Operating Executive Board and their respective officers, directors, employees and agents (the "BHC Parties") may engage, certain conflicts of interest could arise. While the applicable Fund's Limited Partnership Agreement contains certain protections for Limited Partners against conflicts of interest, it does not purport to address all potential conflicts. Investors should consider the following discussion of potential conflicts of interest when deciding whether to invest in the Funds.

In the ordinary course of their businesses, certain BHC Parties may engage in activities in which their interests or the interests of their clients may conflict with or be adverse to the interests of the Funds. In addition, customary fees and expenses are paid but not shared with the Funds or the Limited Partners.

Certain BHC Parties have long term relationships with a significant number of portfolio companies and their respective senior management. Certain BHC Parties also have relationships with numerous investors, including institutional investors and their senior management. The existence and development of these relationships may influence whether or not the General Partner undertakes a particular investment on behalf of the Funds and, if so, the form and level of such investment.

Subject to the limitations set forth in the Limited Partnership Agreements, BHC may establish one or more additional investment funds with investment objectives substantially similar to, or different from, those of the Funds.

Questions regarding these risks and/or increased costs may be directed to BHC and its management.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or an investor's evaluation of BHC.

Item 10: Other Financial Industry Activities and Affiliations

Employees of BHC serve as the managing members for the General Partners of the Funds (GHH Holdings, LLC, DMD Holdings, LLC and DJD Financial Holdings, LLC). Employees of BHC also serve as registered representatives of an affiliated broker-dealer, Brooks, Houghton Securities Inc.

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

As required by Rule 204A-1 of the Investment Company Act, BHC has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers and employees of BHC. The Code of Ethics describes BHC's fiduciary duties and obligations to the Funds, and sets forth BHC's practice of supervising the personal securities transactions of employees who maintain access to non-public information in connection with the business of the Funds.

BHC collects and maintains records of securities holdings and transactions made by employees. BHC reviews the personal trading practices of its employees to identify and resolve any potential or realized conflicts of interest and to protect against the misuse of material, non-public information.

As discussed in Item 6 above, the General Partner or BHC will consult with the advisory committee of a Fund with respect to any matter as to which the General Partner determines in good faith that a conflict of interest exists.

A copy of BHC's Code of Ethics is available upon request from any investor of BHC.

Item 12: Brokerage Practices

Given the nature of investing, BHC does not utilize any brokerage platform or trade on any security exchanges. Portfolio investments are made through a formal legal closing process.

Item 13: Review of Accounts

Each fund's portfolio is continuously monitored to ensure that it is performing consistent with the investment objectives established when the interim funding is made. The senior management of BHC is involved in the review of the portfolio companies and their performance.

Item 14: Client Referrals and Other Compensation

None.

Item 15: Custody

BHC is deemed to have custody of the Funds' securities and cash. Each Fund is subject to an annual audit in accordance with U.S. generally accepted accounting principles. The audited financial statements are provided to the Fund's investors.

Item 16: Investment Discretion

BHC maintains discretionary authority over the selection and amount of interim funding investments in the Funds without obtaining prior consent or approval of its investors, subject to specified investment guidelines and limitations set forth in each respective Fund's Limited Partnership Agreements.

Item 17: Voting Client Securities

BHC does not vote proxies.

Item 18: Financial Information

As of the date of this filing, BHC does not have any financial hardships or other conditions that might impair its ability to meet its contractual obligations to the Funds.

<p>FORM ADV Uniform Application for Investment Adviser Registration Part 2B: Brochure Supplements Investment Adviser Representatives and/or Supervised Persons: Supplemental information Item 1: Cover Page</p>

David J DiPaolo
Deane M. Driscoll
Gerald Houghton

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Issue Date: January 4, 2013

This brochure supplement provides information about the qualifications and business practices of the above-named supervised persons of BHC Fund Management LLC. This information is provided as a supplement to the Form ADV Part 2A which has been provided for your review. Should you have any questions about this supplement, or if you have not received the Form ADV Part 2A please contact BHC immediately at the mailing address or phone number provided above.

The information in this brochure supplement has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Please note, where this brochure supplement may use the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training.

Additional information about BHC and its representatives is also available on the SEC's website at www.adviserinfo.sec.gov

Item 2: Education and Background and Business Experience

Individual Full Name and Title: David J. DiPaolo, Managing Director

Year Born: 1970

Education:

- University of Maryland, BS in Business Management
- Columbia Business School, MBA in Finance

Business Background

- 2001 to Present, Managing Director, BHC Fund Management LLC
- 1999 to 2001, Assistant Vice President, Janney Montgomery Scott LLC

Item 3: Disciplinary Information

Mr. DiPaolo does not have any legal, civil, criminal, regulatory or disciplinary history to report at this time.

Item 4: Other Business Activities

None

Item 5: Additional Compensation

Mr. DiPaolo is eligible to receive compensation for work undertaken for other BHC entities.

Item 6: Supervision

The General Partners are jointly responsible for the supervision of Mr. DiPaolo. This supervision extends to reviewing and monitoring business practices. Further, BHC's Chief Compliance Officer supervises all compliance related matters including, but not limited to, registration and reporting obligations.

Item 2: Education and Background and Business Experience

Individual Full Name and Title: Deane M. Driscoll, Managing Director

Year Born: 1960

Education:

- Villanova University, BA in Economics

Business Background

- 2004 to present, BHC Fund Management LLC, Managing Director
- 2001 to 2004, Hilco Capital LP, Senior Vice President
- 1998 GE Capital
- 1992 BankBoston Business Credit
- 1987 The CIT Group/Business Credit
- 1985 Fleet Bank

Item 3: Disciplinary Information

Mr. Driscoll does not have any legal, civil, criminal, regulatory or disciplinary history to report at this time.

Item 4: Other Business Activities

Item 5: Additional Compensation

No person (other than the Fund or described on Item 4) provides any economic benefit to Mr. Driscoll for providing advisory services.

Item 6: Supervision

The General Partners are jointly responsible for the supervision of Mr. Driscoll. This supervision extends to reviewing and monitoring business practices. Further, BHC's Chief Compliance Officer supervises all compliance related matters including, but not limited to, registration and reporting obligations.

Item 2: Education and Background and Business Experience

Individual Full Name, Title or Designation: Gerald H. Houghton, Founding Partner of Brooks, Houghton & Company

Year Born: 1939

Education:

- South Africa, 1962 Christian Brother College, South Africa, Damalin School of Management, South Africa
- United Kingdom, 1967 – Cranfield School of Management, UK
- Executive Program, Harvard Business School, 1976

Business Background:

- 1989 to present, Founding Partner, Brooks, Houghton & Company
- 1989 Managing Partner of BHC Interim Funding II L.P.
- 1989 BHC Winton Fund L.P.
- 1989 Registered Principal of Brooks Houghton Securities, Inc.
- 1982-89 Executive Director with Merrill Lynch & Company-Private Capital Partners
- 1962-82 Barclays Bank International, Senior Vice President and Executive in charge of the Bank's New York-based Corporate Banking Division
- 1979 Barclays' Financial Institution Group, Director,
- 1981 Barclays Group, North American Chief Credit Officer

Item 3: Disciplinary Information

Mr. Houghton does not have any legal, civil, criminal, regulatory or disciplinary history to report at this time.

Item 4: Other Business Activities

Engaged in other BHC entities - Brooks, Houghton & Company, Inc. and, Brooks Houghton Securities, Inc.

Item 5: Additional Compensation

Mr. Houghton is entitled to receive compensation for work undertaken for other BHC entities.

Item 6: Supervision

Gerald Houghton is responsible for the supervision of employees of BHC. This supervision extends to reviewing their business practices. Further, as BHC's Chief Compliance Officer supervises all compliance related matters including, but not limited to, registration and reporting obligations.