

FORM ADV PART 2A

aPriori Capital Partners L.P.
aPriori Capital Partners US Advisor LLC
c/o Weil Gotshal & Manges
767 Fifth Avenue
New York, NY 10153

February 25, 2014

This brochure provides information about the qualifications and business practices of aPriori Capital Partners L.P. and aPriori Capital Partners US Advisor LLC. If you have any questions about the contents of this brochure, please contact us at 917-865-9959. 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.

Additional information about aPriori Capital Partners L.P. and aPriori Capital Partners US Advisor LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

We refer to ourselves as a “registered investment adviser.” Registration does not imply a certain level of skill or training.

ITEM 2. MATERIAL CHANGES

This is our initial brochure and it will be updated as necessary and at least annually. Investors in our funds (defined below) and other interested parties are encouraged to read the entire brochure carefully. We will deliver to investors in our funds a summary of any material changes to this (and any subsequent) brochure within 120 calendar days of the close of our fiscal year. We may also provide investors in our funds with other interim disclosures about material changes to the information in this brochure as necessary.

ITEM 3. TABLE OF CONTENTS

COVER PAGE.....	1
MATERIAL CHANGES	2
TABLE OF CONTENTS.....	3
ADVISORY BUSINESS	4
FEES AND COMPENSATION	5
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT.....	6
TYPES OF CLIENTS	7
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	7
DISCIPLINARY INFORMATION.....	12
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	12
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	12
BROKERAGE PRACTICES.....	14
REVIEW OF ACCOUNTS	15
CLIENT REFERRALS AND OTHER COMPENSATION	15
CUSTODY.....	15
INVESTMENT DISCRETION	15
VOTING CLIENT SECURITIES	15
FINANCIAL INFORMATION	16
REQUIREMENT FOR STATE-REGISTERED ADVISERS	16

ITEM 4. ADVISORY BUSINESS

Our History – We are the successor entity to DLJ Merchant Banking Partners, which from 2000 to March 2014 was a business unit within the asset management division of Credit Suisse Group AG (“Credit Suisse”). Colin A. Taylor and Susan C. Schnabel formed aPriori Capital Partners L.P. and aPriori Capital Partners US Advisor LLC (collectively, “ACP” “us,” “we,” and “our”) in 2014. aPriori Capital Partners US Advisor LLC is a wholly-owned subsidiary of aPriori Capital Partners L.P. and is a “relying adviser” which has filed together with aPriori Capital Partners L.P. a single Form ADV in reliance on the position expressed in the letter issued to the American Bar Association, Business Law Section by the Office of Investment Adviser Regulation, Division of Investment Management of the U.S. Securities and Exchange Commission on January 18, 2012.

For the past 14 and 17 years, respectively, Mr. Taylor and Ms. Schnabel were part of the management team at Credit Suisse that managed DLJ Merchant Banking Partners III, L.P. (together with its parallel vehicles, “Fund III”) and DLJ Merchant Banking Partners IV, L.P. (together with its parallel vehicles, “Fund IV”) (Fund III and Fund IV are referred to collectively as “our funds” and individually as a “fund”). On February 24, 2014, Mr. Taylor and Ms. Schnabel entered into a transaction agreement with Credit Suisse whereby Credit Suisse transferred management and advisory responsibility for Fund III and Fund IV to ACP and ACP assumed such responsibilities.

Mr. Taylor and Ms. Schnabel control ACP and are the principal owners of ACP.

We will provide discretionary investment advice solely to private investment funds that seek to generate significant capital appreciation primarily through private equity investments in portfolio companies. We will invest primarily in leveraged and growth capital investments and selected co-investment opportunities in private companies across a wide range of industries primarily in the United States and Western Europe. In particular, we will serve as investment manager to Fund III and Fund IV.

The investment management services that we will provide to our funds primarily will consist of investigating, structuring and negotiating investments and dispositions, monitoring the performance of investments and performing certain administrative services. These services will be provided pursuant to investment management agreements with our funds and as a result of a delegation of authority by the general partner of each fund (an affiliate of ours). We will provide tailored advice to each fund that takes into account its investment objectives and the investment restrictions contained in its limited partnership agreement.

Additional information regarding our advisory business is available to investors in our funds in the specific fund offering memorandum, and certain risks of our funds are described below in Item 8.

Wrap Fee Programs

We do not participate in wrap fee programs.

Assets Under Management

We currently do not manage any client assets, but anticipate managing approximately \$2 billion of assets in Funds III and IV on a discretionary basis. In the future, we may manage additional private funds on a discretionary basis and may manage other assets on a discretionary or non-discretionary basis.

ITEM 5. FEES AND COMPENSATION

Management Fees

ACP offers advisory services for a percentage of assets under management, a fixed fee or fees based on performance as described below in Item 6.

The management fees that our funds will pay us are provided for in their limited partnership agreements, subscription agreements, assignment and assumption agreements and/or the investment advisory agreements that the funds execute with us. In some cases, ACP does not receive a management fee in connection with the investment advisory services provided to certain investment vehicles. When ACP is entitled to a management fee, it will be paid partially in advance and partially in arrears on or before March 31 and September 30. During the investment period of our funds (as provided in each fund's offering memorandum), the management fee will generally equal 1.5% of the limited partners' capital commitments. After the investment period of our funds, the management fees are reduced to 1.0% of invested capital for the remainder of our funds' life. Both Fund III and Fund IV are currently post-investment period and are each paying management fees of 1.0% of invested capital. The specific management fees payable by a fund are negotiated at the time the fund is formed and may be higher or lower than the fees indicated above for future funds. If an investment advisory agreement with a fund is terminated prior to the end of a billing period, we will refund the appropriate *pro rata* portion of the management fee to the fund.

Other Fees

We may also receive monitoring, directors and other transaction fees in connection with the activities of our funds ("Other Fees"). In addition, we may be paid additional advisory fees and be reimbursed by our funds' portfolio companies for expenses we incur in connection with our performance of the services that give rise to Other Fees. Both monitoring fees and additional advisory fees are agreed to with the applicable portfolio companies at the closing of the funds' investments in such portfolio companies. In general, the aggregate management fee that a fund pays us is reduced by a portion of any Other Fees received by us in connection with the activities of the fund.

We deduct management fees from the account of each fund.

Neither we nor any of our "supervised persons" accepts compensation for the sale of securities or other investment products.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The general partner of each fund (in each case our affiliate) is generally entitled to a performance fee of 20% of the fund's profits in accordance with the provisions of the fund's limited partnership agreement. The performance fee for Fund III is (1) based on a compensation formula which takes into account the realized losses on portfolio securities (and unrealized losses on securities distributed in kind), and (2) based on gains less the losses of the limited partner over the life of Fund III. Accordingly, distributions to the general partner in respect of its 20% allocation will be made only to the extent that a limited partner's cumulative realized income and gains (and unrealized gain on securities in kind) exceed its cumulative realized losses (and unrealized losses on securities distributed in kind), and a preferred return of 8%. In the event that the general partner receives distributions in excess of its allocation of 20% of the cumulative net profits of a limited partner's share of a Fund III investment, the general partner will repay such excess net of taxes to Fund III for distribution to such limited partner upon termination of Fund III. The performance fee for Fund IV is (1) based on a compensation formula which takes into account recovery of certain expenses, realized losses on portfolio securities (and unrealized losses on securities distributed in kind) and (2) based on gains less the losses of the limited partner over the life of Fund IV. Accordingly, distributions to the general partner in respect of its 20% allocation will be made only to the extent that a limited partner's cumulative realized income and gains (and unrealized gain on securities distributed in kind) exceed its cumulative realized losses (and unrealized losses on securities distributed in kind), expenses and a preferred return of 8%. In the event that the general partner receives distributions in excess of its allocation of 20% of the cumulative net profits of the limited partner's share of a Fund IV investment, the general partner will repay such excess net of taxes to Fund IV for distribution to such limited partner upon termination of Fund IV. The "carried interest" received by the general partner of the funds is negotiated at the time such fund is formed and may be higher or lower than that indicated above for future funds.

The general partner (or ACP in its capacity as the investment adviser), on behalf of a fund or other investment vehicle, may enter into side letters or other similar agreements with an investor that would have the effect of establishing rights under, or altering or supplementing the terms of, an investment vehicle's governing documents in a manner more favorable to that investor than those applicable to other investors. Such rights or terms in any such side letter or other similar agreement are not subject to approval by the other investors and may include (i) different notice periods, minimum investment amounts or management fees (including performance-based fees), (ii) excuse rights applicable to particular investments (which may increase the percentage interest of other investors in, and contribution of obligations of other investors with respect to, such investments), (iii) the agreement of the general partner to extend certain information rights or additional diligence, valuation or reporting rights to such investor, including, for example, to accommodate special regulatory or other circumstances of such investor, (iv) additional obligations and restrictions on the general partner and/or ACP and the investment vehicle with respect to the structuring of investments in light of the legal, tax and regulatory considerations of such investor, (v) different levels of preferred return and/or different claw back arrangements or (vi) other rights or terms in light of particular legal, regulatory, public policy or other characteristics of such investor. Investors who have side letters or similar arrangements may make independent investment decisions based on the information obtained pursuant to those arrangements. The terms of any such side letter or

agreement will not be disclosed to other investors unless the general partner, in its sole discretion, determines or has agreed otherwise. Any rights or terms so established in a side letter or other similar agreement with an investor will govern solely with respect to such investor.

Certain investment vehicles (e.g., employee plans) managed through a fund do not pay performance fees.

ITEM 7. TYPES OF CLIENTS

We provide discretionary investment advice solely to private investment funds. We do not have any requirements for opening or maintaining an account.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategies and Methods of Analysis

ACP employs a flexible approach to investing, coupled with the broad-based expertise of ACP's professionals, to capitalize on shifting industry dynamics, economic conditions, regulations and/or technology by deploying capital in industries and geographic regions that ACP has perceived to have the greatest return potential. ACP seeks to make common equity investments in established companies with strong management teams in connection with traditional leveraged transactions, build-ups and expansion financings. The key elements of ACP's investment program can be broadly categorized as follows:

- *Broad Diversification.* ACP seeks to capitalize on its flexible investment mandate to create a portfolio that is diversified by transaction type, industry and geography in an effort to reduce aggregate portfolio risk without compromising the potential for exceptional returns.
- *Value-Added Operating Orientation.* Given its investment experience over multiple economic cycles, ACP recognizes that value cannot be created over the long-term simply through "financial engineering." ACP therefore devotes meaningful resources during the due diligence phase of an investment to evaluate a company's operating structure and growth strategies and works closely with senior management post-investment to develop and drive strategic plans in an effort to create incremental value.
- *Targeted Industry Initiatives.* ACP augments its opportunistic investment approach by proactively targeting a core group of industry sectors selected based on their size, growth prospects, deal flow and return potential. ACP is currently targeting the healthcare, retail/consumer products, energy and financial services sectors, and expects to add new specialty groups over time.
- *Focus on Returning Capital.* ACP will seek to focus on returning capital to investors and opportunistically exiting investments to protect built-up gains.

ACP selects and approves investments based on a rigorous and dynamic decision-making process, with input from all members of the investment team. Following the closing of an

investment, ACP provides significant value-added advice and assistance to portfolio company senior management teams through the proactive involvement of the ACP team, whose unique skills and experience help ensure that focused, relevant resources are applied, as needed, in a timely and efficient manner.

Investment Life Cycle

Transaction Sourcing

ACP professionals have developed their own significant external deal flow network. ACP professionals use their industry knowledge and contacts with investment bankers, commercial bankers, lawyers, business brokers, consultants, accountants and other private equity investors to proactively source transactions. In addition, ACP's expanding network of relationships with current and former managers and board members of portfolio companies has been an increasing source of deal flow.

Investment Review

Senior members of the ACP deal team will undertake an initial review of each investment opportunity to determine whether it meets ACP investment criteria. An opportunity that survives this initial screen will be discussed with the fund's investment committee to facilitate a meaningful early discussion of the transaction's merits and risks.

The investment committee meets regularly throughout the investment evaluation process to review due diligence findings, credit considerations, financial projections, corporate governance issues, pricing and transaction terms, strategies and tactics, and any other matters deemed relevant to the investment decision, and will actively assist in developing the analytical framework that the investment team will apply for each investment. All key decisions are made by the investment committee utilizing a consensus approach.

Transactions are staffed with ACP investment and operating professionals who generally have significant experience within the relevant industry. Drawing upon this multi-disciplined, talented group of professionals enables ACP to focus a broad array of expertise to evaluate potential investment opportunities and develop a thorough understanding of the company's financial performance and operating structure, management's capabilities and commitment, business prospects, industry and market dynamics, and key customer and supplier relationships. The information gathered during due diligence serves as the basis for a series of detailed financial projections that are prepared by the investment team, which reflect a wide range of operating assumptions with a conservative bias. This process is designed to provide comfort that invested capital should be preserved even in downside scenarios and that the investment meets ACP risk/return objectives.

Post-Investment Oversight

ACP takes an active role in assembling strong management teams and working with portfolio companies post-investment. The team maintains an open dialogue with its managers, fostering a relationship built on confidence and mutual respect. The team also keeps current on a company's performance by reviewing detailed monthly operating data. ACP professionals have

implemented supplemental management reporting at many portfolio companies, which focuses on each company's key operating metrics as leading indicators of both positive and negative trends that are likely to have a significant impact on future financial results. As a result of this reporting, ACP and company management are highly attuned to operating, market and other factors that drive a company's performance, leading to the rapid deployment of resources that enable a portfolio company to capitalize on significant growth or other initiatives, or to respond to and resolve minor issues before they adversely affect the company's operations.

Exit Strategies

ACP expects to hold investments for three to five years, but may seek an earlier exit if opportunities for continued value creation are modest, if it receives a price that meets its targeted returns or if it determines that there are unfavorable market conditions or other risks that make an earlier exit desirable. ACP will review likely exit strategies before making an investment and will typically structure investments with a view toward maximizing the ease and speed of recouping the fund's invested capital.

ACP decision to exit an investment is based on several factors, including the company's historical and prospective operating performance, the timing of economic cycles and market conditions. Potential opportunities for exit will be monitored throughout ACP's ownership in order to complete opportunistic realizations and protect built-up gains.

Risk Factors

An investment in the funds involves a significant degree of risk. There can be no assurance that the fund's target rate of return will be achieved or that there will be any return of capital. Therefore, an investor should invest in the funds only if the investor can withstand a total loss of its investment. Please see the confidential offering memoranda of our funds for a more detailed discussion of risks.

Availability of Investment Opportunities

The business of identifying and structuring private equity investments is highly competitive and involves a high degree of uncertainty. It is possible that the funds will never be fully invested if enough sufficiently attractive investments are not identified during the commitment period. In addition, if the funds make only a limited number of investments, the aggregate returns realized by the limited partners could be adversely affected in a material manner by the unfavorable performance of even one such investment.

Financial and Business Risk

The funds' investments will generally involve a significant degree of financial and/or business risk. Portfolio companies may be highly leveraged and therefore may be more sensitive to adverse business or financial developments or economic factors. Portfolio companies may face intense competition, changing business or economic conditions or other developments that may adversely affect their performance. Business risks may be more significant in smaller companies or those that are embarking on a build-up or operating turnaround strategy. If for any of these reasons a portfolio company is unable to generate sufficient cash flow to meet principal or

interest payments on its indebtedness or make regular dividend payments, the value of a fund's investment in such portfolio company could be significantly reduced or even eliminated.

Long-Term Investments

The funds' investments will typically not be liquidated for a number of years after the initial investment. While it is the intention to achieve targeted returns over a three- to five-year time horizon, other factors such as overall economic conditions, the competitive environment and the availability of potential acquirers may shorten or lengthen a fund's holding period. It is unlikely that a fund will realize substantial capital gains during its early years.

Risk of Realization of Investments

The funds' investments will generally be in private illiquid securities, which are typically subject to restrictions on resale. In some cases, the fund may be prohibited from selling such securities for a period of time or otherwise be restricted from disposing of such securities. Furthermore, the types of investments made may require a substantial length of time to liquidate. As a result, there is a significant risk that the funds may be unable to realize their investment objectives by sale or other disposition at attractive prices or will otherwise be unable to complete any exit strategy.

Reliance on the Principals of ACP

The success of the funds will depend in large part upon the skill and expertise of the officers and employees of ACP. Although ACP believes the success of the funds is not dependent upon any individual, there can be no assurance that any of such officers or employees will continue to be associated with ACP and the funds. Limited partners will have no right or power to participate in the management or control of the business of the funds and thus must depend solely upon the ability of ACP with respect thereto and with respect to the making and disposition of the funds' investments.

Restrictions on Transfer or Withdrawal

Limited partners will not be permitted to transfer their interests in the funds without the consent of the applicable general partner, which generally may be granted or withheld in its sole discretion. Such general partner will not grant its consent to any transfer that it believes could cause the funds to be treated as a "publicly traded partnership" for United States federal income tax purposes. Furthermore, the transferability of the interests will be subject to certain restrictions contained in the subscription agreements and the limited partnership agreements for the funds and may be affected by restrictions on resales imposed under federal and state securities laws. A public market does not currently exist for limited partner interests in the funds and one is not expected to develop.

Tax Risks

The tax consequences to limited partners of an investment in the funds are complex. Potential limited partners are strongly urged to consult their professional advisors in this regard.

No Registration of Fund or Interests

The funds are not registered as investment companies under the Investment Company Act of 1940, as amended (the “Investment Company Act”), in reliance upon an exemption available to privately offered investment companies and, accordingly, the provisions of the Investment Company Act are not applicable to the funds. In addition, the limited partner interests in the funds have not been and will not be registered under the laws of any jurisdiction (including the Securities Act of 1933, as amended, the laws of any state of the United States, or the laws of any non-U.S. jurisdiction), and are being offered in reliance upon an exemption from such laws. These limited partner interests have not been recommended by any U.S. federal or state, or any non-U.S., securities commission or regulatory authority.

Control Person Liability

The funds are expected to have controlling interests in some of their portfolio companies. The exercise of control over a company may impose additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations (including securities laws) or other types of liability in which the limited liability generally characteristic of business ownership may be ignored. If these liabilities were to arise, the funds might suffer a significant loss.

Non-Controlling Investments

The funds may hold a non-controlling interest in certain portfolio companies where they may have limited influence. Such portfolio companies may have economic or business interests or goals that are inconsistent with those of the funds, and a fund may not be in a position to limit or otherwise protect its position in such portfolio companies. The funds’ control over the investment policies of such portfolio companies may also be limited. This could result in the funds’ investments being frozen in minority positions that incur substantial loss. Therefore, there can be no assurance that the funds will be able to realize the value of their investments and distribute proceeds in a timely manner.

Foreign Investments

The funds expect to make foreign investments, which may include investments in emerging market countries. Such investments involve a number of additional risks, including: (i) the risk of adverse political developments such as nationalization, confiscation without fair compensation or war; (ii) the risk of fluctuations in currency exchange rates; (iii) the risk of restrictions on capital movements, which would make it difficult or impossible to exchange or repatriate foreign currency; and (iv) the risk of regulations which might prevent the implementation of cost cutting or other operational improvements. In addition, laws and regulations of foreign countries may impose restrictions or approvals that would not exist in the United States and may require financing and structuring alternatives that differ significantly from those customarily used in the United States. Foreign countries may also impose taxes on the funds or the partners.

Recourse to the Funds’ Assets

The funds' assets, including any investments made by the funds and any capital held by the funds, are available to satisfy all liabilities and other obligations of the funds. If a fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the fund's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.

ITEM 9. DISCIPLINARY INFORMATION

None

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither we nor any of our management persons are registered, nor do we or they have any application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither we nor any of our management persons are registered, nor do we or they have any application pending to register, as a futures commission merchant, commodity trading advisor, or commodity pool operator.

See *Conflicts of Interest* in Item 11 below.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics. Our code of ethics is documented in our Compliance Manual and Code of Ethics ("Manual"), a copy of which (and any amendments) is provided to each employee. Each employee must certify that he or she has read, understands and agrees to comply with our Manual. Furthermore, each employee must certify annually that he or she has complied with the Manual. We also hold annual compliance training sessions and attendance at such sessions is mandatory for all employees.

Our Manual requires all of our employees to conduct themselves with integrity and dignity and act in a professional and ethical manner in all dealings on our behalf; act with competence and strive to maintain and improve their competence; use proper care and exercise independent professional judgment in the execution of their duties; avoid actions or relationships that might conflict, or appear to conflict with, job responsibilities or the interests of ACP and our clients; and comply with all applicable federal securities laws.

Subject to certain legally permitted exceptions, our Manual also requires all of our employees ("Access Persons") to notify us of all of their securities holdings and accounts and submit to us within 30 days after the end of each calendar quarter securities transaction reports identifying all securities purchased and sold. At least quarterly, we review the employee securities transaction reports as well as brokerage and adviser statements to determine compliance with our reporting procedures. Furthermore, we require that each Access Person re-affirm the accuracy of his or her list of accounts on record with us at least annually.

Our Manual also requires that employees obtain our approval before investing in any initial public offering of securities or in any private placement of securities.

A copy of our Code of Ethics will be provided to any client, prospective client or investor upon request.

Conflicts of Interests.

Participation or Interest in Client Transactions. As described in Items 5 and 6 above, we are generally entitled to receive management fees and a carried interest from our funds. The general partners of our funds also make capital commitments to such funds. Furthermore, we and our members and employees may receive fees from our funds' portfolio companies for performing consulting and other services for, or serving as directors (or similar positions) of, such companies. Each of the foregoing may represent a material financial interest in the securities that we recommend to our client accounts.

As described in Item 5 above, the management fees that we receive from our funds after the termination of their commitment periods are based on their "invested capital". To the extent that an investment is written down to below cost, for purposes of calculating our management fee, the invested capital in such investment would be reduced by the amount that the investment has been written down and would result in us receiving a reduced management fee. The foregoing, which could incentivize us to refrain from writing down investments, is mitigated by the fact that, annually, our valuations are reviewed by our funds' independent public auditors and are reviewed by our funds' limited partner advisory committees.

Our entitlement to performance fees from our funds may incentivize us to cause our funds to make more speculative investments than would be the case in the absence of such performance fee arrangement. However, the significant capital commitments made by the principals of ACP and other ACP investment professionals through the general partner of each fund (which capital commitments are invested pro rata with the commitments of each fund's limited partners), as well as each such general partner's "clawback obligation" (as described in Item 6), may mitigate the effects of such conflict of interest.

Our ability to receive fees (and related expense reimbursements) from our funds' portfolio companies for performing consulting and other services for, or serving as directors (or similar positions) of, such companies represents a potential conflict of interest since we sometimes have substantial control or influence over such companies. This potential conflict of interest is mitigated by the fact that the amount of such fees are typically negotiated with the applicable portfolio company's management team or the Board of Directors of the portfolio company and/or any roll-over equity holders, as well as the fact that all such fees are disclosed to our funds' investors and a portion of such fees generally offset management fees otherwise payable by our funds (as described in Item 5 above).

Allocation of Investment Opportunities. In general, due to the sequential nature in which our funds are formed, we are actively pursuing new investment opportunities for a single fund at any one time. As such, we do not generally allocate investment opportunities among our funds, though it has occurred on certain occasions. Our funds' limited partnership agreements set forth terms with respect to the allocation of investment opportunities and generally provide that, from

the date of closing of a fund until the expiration of its commitment period, all prospective investment opportunities (other than follow-on investments related to a predecessor fund) that we identify, are within the scope of the fund's investment objectives and are in excess of a threshold amount specified in the fund's limited partnership agreement, will be made available to that fund before being offered to any other person. Notwithstanding the foregoing, in the event of a closing of a successor fund prior to the expiration of an existing fund's commitment period, we will allocate such investment opportunity among such funds on a basis that we believe is fair and equitable and with the approval of the applicable funds' limited partner advisory committees. Notwithstanding the foregoing, subject to a negotiated cap, we reserve the right to make investment opportunities available to certain individuals (including certain employees) who provide services to, or have a relationship with, our funds or who, in our judgment, can add value to our funds' activities by virtue of their association with our funds, as described below.

Allocation of Co-Investment Opportunities. We may offer co-investment opportunities in our sole discretion to investors in the funds, our employees and other associated persons permitted to invest in our funds and to other third parties, including third parties whom we believe will be of strategic benefit to our funds or who may provide us broader capital raising opportunities. We do not expect to offer co-investment opportunities with respect to all investments and may allocate any such opportunities in our sole discretion. The allocation of co-investment opportunities may involve a benefit to us including, without limitation, fees or carried interest from the co-investment opportunity and capital commitments to our funds. We only offer co-investment opportunities if there is excess capacity in a particular investment after allocating the investment to our Funds.

Principal Transactions. In the event that we or any of our affiliates engage in a principal transaction, we will seek the approval of the applicable fund's limited partner advisory committee in accordance with the terms of such fund's limited partnership agreement and such transaction will be undertaken only in compliance with Section 206(3) of the Investment Advisers Act of 1940, as amended.

Cross Transactions. As neither we nor any of our affiliates is registered as a broker-dealer, we do not engage in agency cross transactions. In the event that we cause funds to enter into any cross transaction, we will seek any required consent in accordance with the terms of such funds' limited partnership agreements.

ITEM 12. BROKERAGE PRACTICES

We do not make regular use of brokers for the purposes of purchasing or selling securities on behalf of the funds because the securities that we typically purchase or sell on behalf of our funds are acquired and/or disposed of in privately negotiated purchase and sale transactions. If we determine to engage a broker, we will select the broker considering the range and quality of its brokerage services, its execution capability, commission rate, financial responsibility and responsiveness to us, and the value to us of research provided, if any. We will negotiate the commission rates and other transaction costs relating to broker services.

We do not receive soft dollar benefits or client referrals from broker-dealers in connection with client transactions.

If we dispose of any investment in securities that is owned by more than one fund, we may sell the securities in an aggregated order, in which case the aggregated order will be allocated among the funds on a pro rata basis, unless in our good faith judgment a different allocation method is more appropriate under the circumstances. Such a pro rata allocation will be adjusted for, and take into account to the extent applicable, specific guidelines, objectives and restrictions of each fund's account. A pro rata allocation should result in each client receiving the average price.

ITEM 13. REVIEW OF ACCOUNTS

The chief financial officer will review all client accounts on a current basis and a formal review of a client's account will be undertaken as necessary. Each fund is audited on a yearly basis by a firm of independent public accountants, who will conduct the audit in accordance with Generally Accepted Accounting Principles ("GAAP"). We generally provide our funds' investors with (i) audited annual financial reports, (ii) unaudited quarterly financial reports, (iii) semi-annual descriptive information for each of the applicable fund's portfolio companies, and (iv) annual tax information for the completion of tax returns.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

We sponsor the formation of each fund and we generally do not engage or compensate third party referral agents to solicit new clients for us. Any cash payments to solicitors of clients will be made in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended. We will bear any compensation paid to such solicitors.

ITEM 15. CUSTODY

We will engage a third party bank to serve as qualified custodian for our funds. Each fund (within 120 days of the end of its fiscal year) provides to its limited partners audited annual financial reports prepared in accordance with GAAP.

ITEM 16. INVESTMENT DISCRETION

We enter into an investment management agreement with each fund. Each such agreement, together with the management authority granted to each fund's general partner pursuant to the funds' limited partnership agreements, provides us with full discretion to determine investments to be purchased and sold on behalf of the fund and the terms of the related transactions. Limitations on our investment discretion are set forth in the investment management agreements with, and the limited partnership agreements of, our funds.

ITEM 17. VOTING CLIENT SECURITIES

While the securities evidencing the private equity investments made by our funds will not typically be the subject of proxies, there could be certain circumstances where we, having discretionary authority over the accounts of our funds, may be asked to vote the securities of such funds on restructuring or other corporate matters (e.g., an IPO of a portfolio company). We will ensure that a record of each securities position held by each fund is maintained and, where any such vote is to occur, we will ensure that we receive all relevant information, disclosure materials and such proxies or consents as are necessary for us to be able to cast votes in a timely

manner. If we determine that, due to a conflict of interest, we are not capable of making an independent determination as to the voting decision, then the voting decision will be made by a special securities voting committee.

Our funds will not direct our vote in a particular solicitation. Each fund is controlled by its general partner (our affiliate) and, as such, each fund is aware of how we voted with respect to its securities.

A copy of our proxy voting policies and procedures will be provided to any client, prospective client or investor upon request.

ITEM 18. FINANCIAL INFORMATION

Not applicable.

ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.