

ITEM 1 – Cover Page

FS OneEquity SLP, L.P.

201 Rouse Boulevard
Philadelphia, Pennsylvania 19112

Telephone: (215) 220-6267
www.fsoneequity.com

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This Part 2A of Form ADV (the “**Brochure**”) as required by the Investment Advisers Act of 1940 (the “**Advisers Act**”), provides important information about the qualifications and business practices of FS OneEquity SLP, L.P. (“**Adviser**”).

If you have any questions about the contents of this Brochure, please contact Jim Volk, Chief Compliance Officer, at (215) 220-6267 or jim.volk@franklinsquare.com. The information contained in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

FS OneEquity SLP, L.P. is an investment adviser registered with the SEC. Please note use of the term “registered investment adviser” and the description of FS OneEquity SLP, L.P. and/or our associates as “registered” does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firms’ associates who advise you for more information on the qualifications of our firm and its employees.

Additional information about FS OneEquity SLP, L.P. is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 – Material Changes

There is no material change incorporated herein since the Adviser's last posting of this document on October 5, 2015 on the SEC's public disclosure website (www.adviserinfo.sec.gov). The most notable updates are the expanded discussions at Item 4 (Advisory Business), Item 5 (Fees and Compensation), Item 6 (Performance-Based Fees and Side-by-Side Management), Item 8 (Methods of Analysis, Investment Strategies and Risk of Loss), and Item 11 (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading), which were developed to better reflect our business practices upon our commencement of operations.

We may, at any time, update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (email) or in hard copy form).

Pursuant to SEC rules, we will ensure that clients receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of the Adviser's fiscal year end. FS OneEquity SLP, L.P. may further provide other ongoing disclosure information about material changes, as necessary. This information will be provided at no charge.

If you would like another copy of this Brochure, please download it from the SEC website as indicated above or you may contact Jim Volk, Chief Compliance Officer, at (215) 220-6267 or jim.volk@franklinsquare.com.

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ITEM 4 – Advisory Business

FS OneEquity SLP, L.P. (the “**Adviser**”) serves as investment adviser to private institutional companies. The Adviser is a special purpose entity whose only functions are to (a) act as a limited partner of its clients, (b) to exercise a right to consent to acquisitions and divestitures of assets for its clients in accordance with its clients’ governing documents and (c) take any actions reasonably incidental thereto or otherwise granted to the Adviser pursuant to its clients’ governing documents. The Adviser generally focuses on the acquisition of controlling stakes in private middle market companies (“**Subsidiary Companies**”) in the U.S. and Europe. The Adviser tailors its advisory services to the individual needs of its clients, and clients may impose restrictions on investing in certain securities or types of securities.

The Adviser was organized on September 16, 2015. As of March 29, 2016, the Adviser has \$51 million in assets under management. The Adviser will manage client assets on a non-discretionary basis.

The general partner of the Adviser is FS OneEquity SLP GP, LLC, the principal owners of which are Franklin Square Holdings, L.P. (collectively, with its subsidiaries, “**Franklin Square**”) and OEP Capital Advisors, L.P. (“**OEP**” and, together with Franklin Square, the “**Sponsors**”). With respect to the Adviser and its Sponsors, any entity or person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or in under common control with, such other entity or person and any employee of such other entity or person is hereafter referred to as an “**Affiliate**”.

ITEM 5 – Fees and Compensation

Management Fees:

All of the Adviser's clients are required to be qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940 ("**Investment Company Act**") ("**Qualified Purchasers**").

The Adviser is only entitled to performance-based fees which are described in Item 6.

The management fee payable to an Affiliate of the Adviser, FS OneEquity Manager GP, LLC, which is also a registered adviser (the "**Related Adviser**") will equal an annual fixed rate of up to 1.75% of the aggregate value of Operating Company or, if the Operating Company is listed on a stock exchange, an annual fixed rate of up to 1.75% of its average market capitalization. For purposes of this calculation, "aggregate value" means the excess of the fair market value of the Operating Company's assets (determined by the Operating Company in accordance with the FASB Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures, or any successor provision ("**FASB 820**")) over the liabilities of the Operating Company as determined by generally accepted accounting principles ("**GAAP**").

The Operating Company will bear fees, costs and expenses related to the purchase, holding, operation and sale of assets (including fees, costs and expenses related to transactions not completed and third-party costs incurred in sourcing, developing, evaluating, negotiating, structuring, financing and re-financing transactions); costs and expenses related to the maintenance of tax, legal or administrative structures; expenses incurred by the Adviser, the Sponsors or their respective Affiliates in performing administrative services for the Operating Company (including general ledger accounting, legal and compliance services, investor relations and other related services, as well as the allocable costs of administrative personnel of the Sponsors providing such services on behalf of the Adviser); any out-of-pocket expenses incurred in connection with the Operating Company's legal and regulatory compliance; costs of preparing and filing reports or other documents required by governmental bodies; and costs of any reports, proxy statements or other notices to the partners of the Operating Company, including printer and mailing costs; fees, costs and expenses of any administrators, custodians, transfer agents, counsel, accountants and other professionals, including the audit and certification fees and the costs of printing and distributing reports to the Operating Company's partners; any insurance, indemnity or litigation expenses; the out-of-pocket expenses and legal and other advisory expenses of the Operating Company's board of directors, independent directors' fees and expenses; interest payable on debt incurred to finance the Operating Company's operations; taxes and any fees or other governmental charges levied against the Operating Company; research and software expenses and other expenses incurred in connection with data services providing price feeds, news feeds, securities and company information and company fundamental data; all expenses incurred in connection with any tax audit, investigation, settlement or review; rent expense relating to the Operating Company's principal place of business; costs, fees and expenses of winding up and dissolution of the Operating Company and its administrative structures; legal, accounting, printing, filing and other organization and offering expenses (other than placement fees) incurred in the formation of the Operating Company and its Affiliates, including the costs and expenses of preparation and negotiation of the governing documentation of the Adviser; and the offering of any securities of the Operating Company (other than any placement fees), including costs associated with technology integration between the Operating Company's systems and those of its sales intermediaries, due diligence expenses, marketing expenses and salaries and direct expenses (including reasonable travel expenses) of personnel of the Sponsors and their respective

Affiliates while engaged in marketing any securities of the Operating Company, which includes the development of marketing materials and presentations, training and educational meetings and other marketing-related expenses incurred on behalf of the Operating Company.

See Item 6 – Performance-Based Fees and Side-by-Side Management.

Other Fees and Expenses:

The following is a summary of fees and/or expenses that clients may pay to the Adviser or third parties. An investor in the Client should consult the relevant governing and organizational documents, operating agreements, private placement memoranda and subscription documents (“**Client Constituent Documents**”) for further detail relating to fees and expenses.

The Related Adviser or its Affiliates, are entitled to payments, subject to a cap, for amounts initially provided by the Related Adviser or its Affiliates to fund its client's start-up costs, as well as for ongoing legal, accounting, printing and other expenses incurred, including regulatory filing fees, including preparation fees, costs associated with technology integration between the client's systems and those of its selected broker-dealers, due diligence expenses reimbursable pursuant to applicable rules of the Financial Industry Regulatory Authority, Inc. (“**FINRA**”), marketing and travel expenses, salaries and direct expenses of the Sponsors' personnel. In addition, these expenses may include expenses related to marketing materials and presentations, training and educational meetings, legal and compliance, salaries of legal and compliance personnel and other marketing-related expenses incurred on behalf of the Operating Company.

In addition to compensating the Related Adviser or its Affiliates in connection with the provision of advisory services, the client may become subject to additional expenses payable directly to third-parties or reimbursable to the Related Adviser or its Affiliates for certain third-party costs incurred in connection with negotiating and structuring transactions for clients, including, but not limited to, appraisal, consulting, custodial, legal, regulatory, financing, accounting and other similar costs, fees and expenses. For a discussion of additional potential brokerage fees, please also see Item 12 – Brokerage Practices.

The Related Adviser may also be eligible to receive earnings incentive distributions in an amount equal to a stated percentage of any increase in a client's trailing earnings. See Item 6 – Performance-Based Fees and Side-by-Side Management for further detail.

Compensation for Sale of Securities:

Our supervised persons may receive compensation for the sale of securities or investment products, which creates a potential conflict of interest. However, such securities and investment products will not be sold to our advisory clients.

ITEM 6 – Performance-Based Fees and Side-by-Side Management

The Adviser and the Related Adviser expect to receive certain performance-based compensation from the Operating Company.

Each quarter, the Related Adviser will receive a distribution from the Operating Company equal to the product of up to 20% and the quarterly increase in earnings (calculated before the deduction of interest, tax, depreciation, amortization and other expenses) (“**EBITDA**”) of the Operating Company (the “**Incentive Distribution Amount**”), provided that such distribution shall not exceed a certain percentage of the value of certain classes of the equity securities of the Operating Company (or the market capitalization of the Operating Company’s shares that are subject to such 20% allocation if the Operating Company is listed) (the “**Distribution Cap**”), subject to certain exclusions and adjustments. To the extent the Incentive Distribution Amount exceeds the Distribution Cap during any fiscal quarter, such excess amount shall be carried forward for the four following fiscal quarters.

In the event of an increase in the fair market value of the Operating Company’s assets in a given quarter, the Adviser may be entitled to issuance and allocation of a portion of the Operating Company’s securities (the “**Special Incentive Allocation**”). In such case, a special class of the Operating Company’s equity securities will be allocated quarterly to the capital account of the Adviser in an amount generally equal to the product of up to 20% and the increase in fair market value of certain classes of the Operating Company’s equity securities during such quarter. For purposes of the calculation of the Special Incentive Allocation, the increase in fair market value generally will equal the difference between (a) the aggregate value of the Operating Company’s assets or (if the Operating Company is listed on a stock exchange) its market capitalization and (b) the highest aggregate value of the Operating Company’s assets that occurred in the sixty months prior to the date of such calculation or (if the Operating Company is listed on a stock exchange) the highest amount of the Operating Company’s market capitalization that occurred in the sixty months prior to the date of such calculation.

The Adviser and the Related Adviser do not manage accounts that are charged performance-based compensation side-by-side with accounts that are charged another type of fee. However, certain supervised persons of the Adviser or the Related Adviser may also serve as supervised persons of one of the Sponsors, who may manage accounts that are charged performance-based fees or compensation and accounts that are charged another type of fee side-by-side. The existence of differing performance-based compensations for such clients may create a conflict of interest on the part of such supervised persons with respect to the allocation of investment opportunities. The Adviser has an allocation policy (see Item 12 – Brokerage Practices) and a Code of Ethics (see Item 11) that are designed to address these potential conflicts of interest. See also, Item 10 (Other Financial Industry Activities and Affiliations) below for additional information regarding certain potential conflicts of interest and how such potential conflicts are mitigated.

The existence of performance-based compensation may create an incentive for the Adviser or the Related Adviser to make more speculative investments or recommendations than it would otherwise make in an absence of such performance-based compensation. In addition, the Adviser receives and it or its Affiliates may receive such performance-based compensation as an allocation or as a distribution of in-kind of securities for which market quotations are not readily available. The valuation of such securities for such purposes will generally be determined by Affiliates of the Adviser or otherwise by a client of the Adviser in accordance with FASB 820.

Note that the asset-based management fees paid to the Related Adviser and performance-based compensation paid to the Adviser are not inclusive of all fees. Please see Item 5 – Fees and Compensation (Additional Fees and Expenses).

ITEM 7 – Types of Clients

The Adviser may provide investment advice to private companies or other persons or entities that are Qualified Purchasers. Our minimum account size per client is \$50 million. At the current time, the Adviser has only one client, the Operating Company, and is expected to only have one client for the foreseeable future.

ITEM 8 – Methods of Analysis, Investment Strategies and Risk of Loss

The Related Adviser is responsible for sourcing, developing, negotiating, structuring and evaluating the acquisition and disposition of assets for the client. The Adviser's sole function will be to exercise a right to consent to acquisitions and divestitures of assets for its clients in accordance with its clients' governing documents. The Related Adviser will review such assets and their appropriateness with each client, as requested by client. The Related Adviser, or its designee, has the discretion, subject to any limitations or criteria imposed by clients, to determine the broker-dealer used in effecting any transaction, as necessary, and the commissions to be paid. The Related Adviser also has the discretion, subject to any limitations or criteria imposed by clients, to employ such third parties as may be needed to evaluate potential transactions. While brokerage commissions will not generally be payable by clients, in determining the appropriate level of commissions, the Related Adviser may consider the level of products, research and services to be obtained.

The Related Adviser continually monitors and services any assets acquired. Relying on financial newspapers, magazines and trade journals, inspections of corporate activities, research material, annual reports and other filings with the SEC, company press releases and detailed management interviews, corporate rating services and other third-party data collection and due diligence activities, the Related Adviser principally offers advice related to the acquisition, ownership and development of private middle market companies. However, the Related Adviser may also offer advice to clients on a broad range of securities including fixed income.

Risk of Loss:

Acquisitions of private middle market companies, like any investment in securities of private companies, involve a risk of loss that the client and its investors must be prepared to bear. In addition, the client and its investors must be aware of other risks associated with the Operating Company and investment in its securities including but not limited to the risks summarized below:

- changes in general economic conditions;
- availability of debt financing for transactions;
- highly competitive market for acquisitions;
- reliance on the expertise of investment professionals of the Adviser and its Affiliates (including the Sponsors);
- potential conflicts of interest among clients or between clients on the one hand and the Adviser, and its Affiliates and investment professionals on the other hand;
- exposure to Subsidiary Company and related party claims;
- potential liabilities in connection with sale of Subsidiary Companies;
- reliance on Subsidiary Company management;
- defined benefit pension liabilities of Subsidiary Companies;
- certain additional economic, political, regulatory and other risks relating to non-U.S. acquisitions, including the volatility of the equity markets and the securities markets generally;
- additional or unforeseen taxation in jurisdictions in which Subsidiary Companies operate;
- a Subsidiary Company's lack of liquidity, including the possibility of little or no near-term cash flow;
- lack of diversification;
- acquisitions of Subsidiary Companies that may have little or no operating history or that may have high levels of debt.

These risks are generally applicable to the investment strategies of the Operating Company for which the Related Adviser also serves as the external management company.

Borrowing:

Assets of the type that the Related Adviser recommends are subject to a variety of financial market risks. The Related Adviser may recommend that the Operating Company borrow funds to make acquisitions. As a result, such clients would be exposed to the risks of borrowing, also known as leverage.

Geopolitical Risks:

Depending upon the particular business and industry of each middle market company which may be evaluated for acquisition, a wide variety of market and economic factors may impact a potential targeted or acquired middle market company. Due to the global nature of potential middle market company acquisitions, geopolitical risks and events may impact client assets.

Conflicts of Interest Risk:

The members of the senior management and operations teams of each of the Sponsors serve or may serve as officers, directors or principals of entities that operate in the same or a related line of business as our client, or of funds or other operating companies managed by the same personnel. For example, the officers, managers and other personnel of the Related Adviser may serve in similar capacities for the investment advisers to Franklin Square's affiliated funds or for OEP's affiliated funds or other clients (or any Affiliates thereof). In serving in these multiple and other capacities, they may have obligations to other clients or investors in those entities, the fulfillment of which may not be in the best interests of the Operating Company or its investors. Our client's business plan may overlap with the investment objectives of such funds, accounts, operating companies or other vehicles. For example, our client may rely on the Related Adviser to manage its day-to-day activities and to implement its acquisition strategy. In such situation, the Sponsors will provide all of the officers and employees for the Related Adviser.

The Sponsors and certain of their Affiliates are presently, and plan in the future to continue to be, involved with activities that are unrelated to our client. As a result of these activities, the Related Adviser, its employees and certain of its Affiliates will have conflicts of interest in allocating their time between our client and other activities in which they are or may become involved, including the management of other entities affiliated with the Sponsors. The Related Adviser and its employees will devote only as much of its or their time to the business of our client as the Related Adviser and its employees, in their judgment, determine is reasonably required, which may be substantially less than their full time.

Joint Venture Risk:

The Adviser, the Related Adviser and the Operating Company is a joint venture between the Sponsors. Although the Sponsors are not directly involved in the Adviser's and the Operating Company's day-to-day activities, they share major decision-making powers with respect to the Operating Company's operations. Each Sponsor may have economic or other business interests or goals in connection with a client's operations that are inconsistent with those of the other Sponsor. This may result in delays in decision making, because neither Sponsor has full control over the joint venture, or disputes between the Sponsors, which in turn could adversely affect a client's business, financial condition and results of operations.

Risk of Illiquidity:

There can be no assurance that our client will list its shares on a nationally recognized exchange, or any other exchange; therefore, the discussion herein is qualified accordingly. The U.S. capital markets have experienced extreme volatility and disruption in recent years. Disruptions in the capital markets have increased the spread between the yields realized on

risk-free and higher risk securities, resulting in extended periods of illiquidity in parts of the capital markets, particularly initial public offerings of equity securities. These conditions may continue for a prolonged period of time or worsen in the future. A prolonged period of market illiquidity and any, even if temporary, buy-side or sell-side disruptions coinciding with the proposed timing for any listing of the Operating Company's shares on a national securities exchange may have an adverse effect on our client's ability to launch or complete a listing on favorable terms. Further, the Related Adviser may determine not to proceed with a listing of the Operating Company's shares on a national securities exchange, and there can be no assurance that market conditions will permit a listing to be consummated on favorable terms. If a listing is not successfully consummated, the liquidity of the Operating Company's shares will remain limited.

Please refer to the relevant Client Constituent Documents for a more detailed discussion of risk factors.

ITEM 9 – Disciplinary Information

As of the date of this Brochure, the Adviser does not have any legal, financial or other “disciplinary” items to report. The Adviser is obligated to disclose any disciplinary event that would be material when evaluating a client / adviser relationship.

On occasion, in the ordinary course of its business, the Adviser or its Affiliates may be named as a defendant in a lawsuit or arbitration. As of the date of this Brochure, to the Adviser's best knowledge, the Adviser and its employees are not currently the subject of litigation.

ITEM 10 – Other Financial Industry Activities and Affiliations

The Adviser's general partner is the Related Adviser (FS OneEquity SLP GP, LLC), which is jointly managed by FSOE Manager, LLC and OEP Capital Advisors, LLC and employees of Franklin Square and OEP. The Adviser, as a joint venture, allows each of the Sponsors to capitalize on the strengths of their respective businesses.

As a result of the ownership structure of the Adviser, the Adviser is affiliated with the following Franklin Square SEC-registered investment advisers:

- FB Income Advisor, LLC
- FSIC II Advisor, LLC
- FSIC III Advisor, LLC
- FS Investment Advisor, LLC
- FSEP II Advisor, LLC
- FS Global Advisor, LLC
- FSIC IV Advisor, LLC
- FS Energy Advisor, LLC
- FS OneEquity Manager GP, LLC (which is the Related Adviser)

In addition, the Adviser is affiliated with Franklin Square's broker-dealer, FS² Capital Partners, LLC, as well as the Franklin Square business development companies and closed-end funds. FS² Capital Partners, LLC is compensated for serving as the dealer manager ("**Affiliated Dealer Manager**") for our client, and in that role provides certain sales, promotional and marketing services in connection with the distribution of our client's shares offered pursuant to private placement memoranda.

The Adviser is also affiliated with OEP Capital Advisors, L.P., an investment adviser registered with the SEC and affiliated with OEP.

Certain actual or potential conflicts of interest related to these relationships include the following:

- The directors, officers and other personnel of the Adviser will allocate their time between advising the Operating Company and managing other investment activities and business activities in which they may be involved including, in particular, the investment advisory and other activities of Franklin Square and OEP;
- Regardless of the quality of the assets acquired, the services provided to the Operating Company or whether the Operating Company makes distributions to their investors, the Related Adviser receives certain fees described in Item 5, and the Adviser may receive certain incentive compensation also described in Item 5; and
- The Operating Company may compete with certain other clients of the Adviser or its Affiliates for acquisitions, subjecting the Adviser and its Affiliates to certain conflicts of interest in evaluating the suitability of opportunities and making or recommending acquisitions.
- The Sponsors, the Adviser, the Related Adviser and certain of their respective Affiliates may experience conflicts of interest in connection with the management of the business

affairs of our client, including, but not limited to, the following:

- The managers, partners, members, officers and other personnel of the Adviser and the Related Adviser allocate their time between servicing our client and managing other business activities in which they may be involved. There is no minimum time devotion requirement from any of the Adviser, the Related Adviser or the Sponsors.
- Our client may in the future compete with certain future clients of the Adviser, the Related Adviser, the Sponsors or their respective Affiliates for acquisitions, subjecting the Adviser, the Related Adviser and their respective Affiliates to certain conflicts of interest in evaluating the suitability of opportunities and making or recommending acquisitions, divestitures or other transactions on behalf of our client. In the event such conflicts occur, the Adviser and the Related Adviser and their respective Affiliates may give advice, recommend acquisitions, divestitures or other transactions or make operational decisions with respect to Subsidiary Companies to or on behalf of the Adviser's other future clients, which may differ from advice, recommendations for acquisitions, divestitures or other transactions or operational decisions made for our client even though their objectives may be similar to the objectives of our client.
- From time-to-time, our client may acquire an interest at different levels of an entity's capital structure or otherwise in different classes of an issuer's securities than other future clients for which the Adviser, the Related Adviser or one or more of the Sponsors or their respective Affiliates provide management services or that may otherwise own securities in such entity. These acquisitions may give rise to inherent conflicts of interest or perceived conflicts of interest between or among the various classes of securities that may be held by our client and such other future clients and in certain cases may be prohibited.
- The Sponsors, the Adviser, the Related Adviser and their respective Affiliates may have existing business relationships or access to material, non-public information that would prevent the Adviser and the Related Adviser from recommending acquisitions of certain target companies that would otherwise fit within our client's acquisition objectives or appropriate divestments.
- In the event such competitive activities arise, in unusual circumstances, the Related Adviser may determine it is appropriate for the Operating Company or the Subsidiary Companies, respectively, to participate in the same acquisition opportunity that one of its Affiliates determines is appropriate for another account managed by the Related Adviser. Any of these acquisition opportunities may give rise to conflicts of interest or perceived conflicts of interest among our client and the other participating accounts. To mitigate these conflicts, any such transactions will be subject to approval by our client's independent directors. Conversely, the Related Adviser might in unusual circumstances be prepared to permit such an account to participate in an acquisition by our client.
- Our client's Subsidiary Companies may be counterparties or participants in agreements, transactions or other arrangements with subsidiaries or Affiliates of other future clients managed by the Related Adviser or Affiliates of the Sponsors that, although the Related Adviser or Affiliates of the Sponsor determine to be consistent with the requirements of such other clients' governing agreements, may not have otherwise been entered into but for the affiliation with Related Adviser or Affiliates of the Sponsors, and which may involve fees and/or servicing payments to the Related Adviser or its affiliated entities, subject to applicable law. For example, the Related Adviser or Affiliates of the Sponsors may offer

subsidiaries of their other clients and our client's Subsidiary Companies the opportunity to enter into agreements regarding group procurement (such as a group purchasing organization), benefits management, purchase of insurance policies (which may be pooled across Subsidiary Companies and subsidiaries of such other clients and discounted due to scale) and other operational, administrative or management-related matters from a third party or an Affiliate of the Related Adviser or a Sponsor, and other similar operational initiatives that, subject to applicable law, may result in commissions or similar payments, including related to a portion of the savings achieved by the Subsidiary Companies.

- Employees of the Sponsors may serve as directors or advisory board members of Subsidiary Companies or other entities. In connection with such services and subject to applicable law, the Sponsors may receive directors' fees or other similar compensation.
- The Affiliated Dealer Manager's due diligence obligations under the federal securities laws may be conflicted. Although the Affiliated Dealer Manager will examine the information in private placement memoranda for accuracy and completeness, because of its affiliation with the Adviser, no independent review of clients will be made in connection with the distribution of client shares as part of their private offering of shares.

To mitigate these conflicts, the Adviser employs policies and procedures that it believes are reasonably designed to identify, document and resolve such conflicts of interest. See also Item 11 below for additional information on the investment allocation policies of OEP and Franklin Square.

Further, as discussed above, the Adviser, its personnel and certain Affiliates may experience conflicts of interest in allocating management time, services and functions among clients and any other business ventures in which they or any of their key personnel are or may become involved. This could result in actions that are more favorable to other entities than to clients. However, the Adviser believes that it and its Affiliates have sufficient personnel to discharge fully their responsibilities to all activities in which they are involved.

ITEM 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics:

The Adviser has adopted a code of ethics pursuant to Rule 204A-1 of the Advisers Act that establishes procedures governing the conduct and securities transactions of each of the Adviser's officers, employees and supervised persons. The Code of Ethics (the "**Code**") is designed to prevent violations of the fiduciary responsibilities owed by the Adviser to its clients. It contains provisions relating to the confidentiality of firm information, a prohibition on insider trading, a discussion of media relations, a policy on gifts and personal securities trading procedures, among other things. All supervised persons of the Adviser are required to acknowledge the terms of the Code annually.

The Code is designed to ensure that the personal securities transactions, activities and interests of the officers, employees and supervised persons of the Adviser will not interfere with (i) making decisions in the best interests of its advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, transactions involving certain classes of securities have been designated as exempt transactions, based upon a determination that trading in these securities would not materially interfere with the best interests of the Adviser's clients. In addition, the Code requires pre-clearance of certain transactions. Employee trading is monitored under the Code to reasonably prevent conflicts of interest between the Adviser and its clients.

The Adviser's clients or prospective clients may request a copy of the Code by contacting the Chief Compliance Officer, FS OneEquity SLP, L.P., 201 Rouse Boulevard, Philadelphia, Pennsylvania 19112.

Allocation of Acquisition and Sale Opportunities:

The Adviser currently has only one client, so the allocation of acquisition and sale opportunities among the Adviser's clients is currently not an area of potential conflict.

In addition to its role as one of the Sponsors of the Adviser, Franklin Square and its Affiliates manage over \$17 billion in invested and committed capital for various credit-based income funds structured as business development companies and other closed end funds ("**Franklin-Square Sponsored Funds**"). Although it is not precluded from doing so, generally, our client will not make equity investments in any company in which a Franklin Square-Sponsored Fund holds a debt or equity interest and will not allocate any such new equity interest to any Franklin Square-Sponsored Fund due to affiliated transaction limitations under Section 17 of the Investment Company Act to which the Franklin Square-Sponsored Funds must comply. As a result, co-investments among our client and any Franklin-Square Sponsored Fund are not expected to occur in the ordinary course.

In addition to its role as one of the Sponsors of the Adviser, OEP manages over \$4.2 billion in invested and committed capital for various other entities (the "**OEP Accounts**"). OEP, intends to allocate acquisition opportunities to our client or one or more OEP Accounts in good faith and on a basis that it reasonably believes is fair and equitable, taking into account such considerations as it believes are appropriate under the circumstances, including:

- the objectives of our client and such OEP Account(s),
- the available capital of our client and of such OEP Account(s),
- the size, nature and type of investment or acquisition opportunity,

- the nature of the prospective Subsidiary Company and the target return profile of such OEP Account(s) (bearing in mind that actual returns from such investment may not be consistent with such targets),
- the investment guidelines and limitations governing our client and such OEP Account(s),
- the sourcing of the transaction,
- principles of portfolio diversification,
- proximity of such OEP Account(s) to the end of its investment or acquisition period and/or specified term,
- asset and risk weighting within the portfolio,
- whether the investment opportunity is a follow-on investment,
- the projected holding period of the investment or acquisition opportunity and the target holding period of such OEP Account(s) (bearing in mind that the actual holding period of such investment or acquisition may not be consistent with such projection), and
- such other considerations reasonably deemed relevant by OEP, in each case, at the date of such potential investment or acquisition.

Conflicts of Interest:

Conflicts of interest may arise from time-to-time as a result of the Adviser's relationships with its respective Affiliates. For more information on the conflicts that may arise and how they will be addressed, see Item 10.

Please refer to the relevant Client Constituent Documents for a more detailed discussion of risk factors.

ITEM 12 – Brokerage Practices

The assets acquired or divested following the exercise of the Adviser's consent right in accordance with its clients' governing documents will generally be acquired and disposed of in privately-negotiated transactions without the engagement of registered broker-dealers. As a result, the Adviser has not entered and does not anticipate entering into any soft dollar arrangements.

When appropriate and as needed, the Related Adviser is primarily responsible for the execution of the publicly-traded securities portion of a client's transactions and the allocation of brokerage commissions. The Related Adviser does not generally execute transactions through any particular broker or dealer, but seeks to obtain the best net results for clients, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of order, difficulty of execution and operational facilities of the firm and the firm's risk and skill in positioning blocks of securities. While the Related Adviser will generally seek reasonably competitive trading execution costs, clients will not necessarily pay the lowest spread or commission available.

The Adviser does not use brokerage relationships for client referrals.

The Adviser does not engage in principal trading (*i.e.*, trading for the Adviser's proprietary accounts).

The Adviser does not engage in any agency cross transactions. Agency cross transactions may be deemed to occur in certain instances where an investment adviser, or any person or entity controlling, controlled by, or under common control with such investment adviser, acts as broker for both an advisory client and for another person or entity on the other side of the transaction. If they were to occur, agency cross transactions will be subject to the approval of the Adviser's General Counsel or Chief Compliance Officer.

Conflicts may arise where the Adviser's clients wish to make the same investment or acquisition as the Sponsors' clients and there is limited capacity. In such cases, the Adviser and the Sponsors will endeavor to make allocations in a fair and equitable manner in accordance with their respective allocation policies.

Please refer to the relevant Client Constituent Documents for a more detailed discussion of risk factors.

ITEM 13 – Review of Accounts

The Related Adviser's investment professionals review client accounts on an ongoing basis and at least quarterly. This analysis includes, but is not limited to, a review of:

- Compliance with a client's directions and policies
- Potential and actual conflicts of interest
- Market conditions
- Performance of client assets

These reviews are conducted by the members of the Related Adviser's Operating Committee ("**Operating Committee**"). A variety of internal and external resources may be reviewed during the course of the Operating Committee meetings. In addition to these formal meetings, the Related Adviser's investment professionals meet and discuss the above-referenced issues on a frequent and regular basis. The Operating Committee regularly reviews a variety of metrics relating to client assets.

The Related Adviser provides periodic and at least quarterly performance reports to clients. These reports are typically expected to be in the form of written and/or oral presentations to a client's board of directors (or comparable body) at regular quarterly meetings of such client's board of directors (or comparable body) for which minutes are recorded.

ITEM 14 – Client Referrals and Other Compensation

The Adviser does not retain consultants or other parties to solicit clients on its behalf.

ITEM 15 - Custody

The Related Adviser, as the general partner of any clients, is generally presumed to have custody of assets. Rule 206(4)-2 of the Advisers Act defines custody as holding client securities or assets or having any authority to obtain possession of them, including the authority to withdraw funds or securities from a client's account or ownership of or access to client funds or securities.

Where applicable, the Related Adviser maintains assets with qualified custodians, such as U.S. banks, U.S. registered broker-dealers and certain foreign financial institutions that customarily hold customer assets and that segregate customer assets from its own assets.

To comply with Rule 206(4)-2 of the Investment Advisers Act, the Operating Company will be audited at least annually and will distribute its audited financial statements prepared in accordance with GAAP to all investors in the Operating Company within 120 days of the end of the Operating Company's fiscal year.

ITEM 16 – Investment Discretion

The Adviser generally will not have discretionary authority to execute transactions on behalf of clients. The Adviser may only consent to transactions that have been recommended by the Related Adviser, and the execution of such transactions by the Related Adviser may also require specific authority granted by the client for particular transactions or classes of transactions.

Please refer to the relevant Client Constituent Documents for a more detailed discussion of acquisition guidelines and types of acquisitions.

ITEM 17 – Voting Client Securities (i.e., Proxy Voting)

Voting decisions with respect to client securities will be determined by the Related Adviser and the Adviser will have no discretion or authority to vote client securities. The Related Adviser has adopted proxy voting policies and procedures and recognizes that it must vote client securities in a timely manner free of conflicts of interest and in the best interests of its clients.

Under the Related Adviser's proxy voting policies and procedures, the Related Adviser will vote proxies related to client securities in the best interests of client's investors. The Related Adviser will review, on a case-by-case basis, each proposal submitted for a shareholder vote to determine its impact on the securities held by clients. Although the Related Adviser will generally vote against those proposals that would have a negative impact on client's securities, the Related Adviser may vote for such a proposal if there exists compelling reasons to do so.

The Related Adviser's proxy voting decisions will be made by the senior officers who are responsible for monitoring each of the assets held by clients. To ensure that its vote is not a product of a conflict of interest, the Related Adviser requires that: (i) anyone involved in the decision-making process disclose to the Related Adviser's Chief Compliance Officer any potential conflict that he or she is aware of and any contact that he or she has had with any interested party regarding a proxy vote; and (ii) employees involved in the decision-making process or vote administration are prohibited from revealing how the Related Adviser intends to vote on a proposal in order to reduce any attempted influence from interested parties.

Additional information about how the Related Adviser votes any proxies can be obtained by making a written request for proxy voting information to: Chief Compliance Officer, FS OneEquity SLP, L.P., 201 Rouse Boulevard, Philadelphia, Pennsylvania 19112.

ITEM 18 – Financial Information

The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients, and has not been the subject of a bankruptcy proceeding.

ITEM 19 – Requirements for State-Registered Advisers

Not applicable.