

**Form ADV Part II - A
Brochure Cover Page**



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This brochure provides information about the qualifications and business practices of Russia Partners Management, LLC. If you have any questions about the contents of this brochure, please contact us at compliance@sigulerguff.com. 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 Russia Partners Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

This brochure is the annual update to amend the prior brochure from March 2019. There have been no material changes from the last annual update to the brochure. Item Four, Advisory Business, Firm regulatory assets under management was updated. Departed employees were removed and minor changes to existing biographies were made to the Supplement.

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Item 4 – Advisory Business

Russia Partners Management, LLC (“RPM” or the “Firm”) is an investment adviser that provides investment advisory services to private equity investors. RPM is a wholly-owned subsidiary of Siguler Guff Global, LP which, together with its affiliates (collectively, “Siguler Guff”), operates as a global multi-strategy private equity investment firm. Founded in 1991 by Messrs. George Siguler, Drew Guff and Donald Spencer as the Private Equity Group of PaineWebber, Siguler Guff began business as an independent adviser in 1995, with RPM registering as an investment adviser in 2012.

Siguler Guff is privately-owned. Two of the founders, George Siguler and Drew Guff, together with entities established for the benefit of their immediate families, each own over 25% of Siguler Guff’s securities, in equal amounts. An affiliate of The Bank of New York Mellon Corporation owns a non-voting 20% interest in Siguler Guff.

OOO “Russia Partners Advisers” (“RPA”) is a Russian legal entity, and Ukraine Partners Management, LLC (“UPM”) is a Delaware limited liability company, each of which is controlled by Siguler Guff. RPA is headquartered in the Russian Federation, and UPM maintains a “representative office” in the Ukraine, and each provides investment advisory and management services to RPM. RPM, RPA and UPM are referred to collectively as the “Firm.” RPA and UPM are not registered investment advisers, but their officers and employees who provide advice to RPM’s clients are considered associated persons of RPM.

The Firm is a dedicated private equity investment adviser, and all of its services to clients relate to managing private equity and associated investments. The Firm provides discretionary investment management services to private equity investors through pooled investment vehicles (“Managed Funds”) that invest the majority of their assets in direct equity and equity-related investments in companies operating in the Russian Federation and other countries of the former Soviet Union.

This brochure discusses the Firm’s business generally. Investors in Managed Funds are urged to carefully review the private placement memorandum (“PPM”) and organizational documents of any Managed Fund for information specific to the investor’s particular Managed Fund and the Firm’s management of such Fund.

Services for Managed Funds include screening and investigating prospective investments, negotiating the terms and conditions of participation in those investments, ongoing monitoring of investments and communicating with those investments’ management teams, and managing the disposition of investments.

In addition, the Firm may occasionally accept discrete assignments from clients to analyze or manage specific investments. The Firm does not participate in wrap fee programs.

The Firm tailors its advisory services to meet the individual needs and investment restrictions of groups of investors. Because Managed Funds are pooled investment vehicles, in general, each investor participates in each Managed Fund on the same terms and conditions, as set forth in the organizational documents.

The Firm may also tailor its services by entering into “side letter” arrangements with investors in cases where investors are subject to additional needs or restrictions not met with a parallel fund. Side letters might supplement the existing organizational documents, and address issues such as

reporting or confidentiality, regulatory or tax considerations applicable to an investor, and clarification of the application of specified sections of the Managed Fund's organizational documents. Typically, each investor in a Managed Fund has the right to elect to receive the benefit of side letter provisions extended to similarly situated investors.

As of September 30, 2019, Regulatory Assets Under Management ("RAUM") are:

Discretionary RAUM: \$537,550,185

Non-Discretionary RAUM: None

These amounts reflect RAUM as disclosed in Part 1 of the Firm's Form ADV and include all securities accounts for which the Firm provides continuous and regular supervisory or management services.

Item 5 - Fees and Compensation

All investors and prospective investors should carefully review the governing and organizational documents of each Managed Fund in conjunction with this brochure for complete information on the fees and compensation payable with respect to a particular Managed Fund. Fees for a Managed Fund are typically calculated based on a percentage of the capital that investors have committed to such Managed Fund. The percentage fee rate generally declines following a specified investment period. The Firm generally does not negotiate Managed Fund management fees with individual investors, although it has negotiated reduced management fees with "lead investors" – i.e., an investor that makes an investment commitment at a Managed Fund's first closing that is significantly greater than commitments by other investors. The Firm also may waive or reduce Managed Fund management fees for investments by its employees and other affiliates. The PPM or similar document for each Managed Fund provides detailed disclosure of management fees and other expenses. In addition to management fees, each Managed Fund also has Carried Interest arrangements with the Firm or its affiliates, as described below under "Performance-Based Fees and Side by Side Management."

Managed Funds pay management fees to the Firm on a quarterly basis, generally in arrears on the last day of each fiscal quarter. The Managed Fund's custodian typically causes the Managed Fund to pay these fees to the Firm.

Each Managed Fund bears its reasonable and properly incurred operating costs and extraordinary expenses as set out in the offering documents, organizational documents and/or investment management agreement of the Managed Fund. Operating costs and expenses may include, but are not limited to:

- (i) all out-of-pocket costs and expenses (including legal, regulatory, accounting, tax, consulting and other professional fees and expenses and reasonable travel or lodging, meal and entertainment expenses) incurred by the Firm in connection with organization and syndication expenses (generally up to a specified limit);
- (ii) all transaction costs and expenses directly related to the purchase, holding or sale of investments (including reasonable travel expenses and costs and expenses relating to investigating and pursuing prospective investments that ultimately are not acquired by a Managed Fund (generally up to a specified limit);

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- (iii) auditing and tax return preparation fees;
- (iv) bank and custody charges;
- (v) valuation, legal and accounting fees and expenses;
- (vi) costs and expenses of third party consultants except for any third party consultant to which the Firm delegates some or all of its duties;
- (vii) costs of providing reports and other communications with Managed Fund investors (including printing, photocopying, courier and postage expenses);
- (viii) premiums for insurance expenses, including, but not limited to, key persons insurance, directors and officers liability insurance, errors and omissions insurance and other policies, if any;
- (ix) securities registration fees and expenses and brokerage commissions;
- (x) attendance fees and retainers of the Managed Fund advisory board members (including non-investor advisory board members), if applicable;
- (xi) expenses of annual meeting of Managed Fund limited partners and of meetings of Managed Fund advisory boards (both investor and non-investors) and reasonable out-of-pocket expenses of the Managed Fund advisory board members (including both investor and non-investor) relating to attendance at meetings of such boards;
- (xii) taxes payable by the Managed Fund;
- (xiii) expenses related to the redemption or issuance of Managed Fund interests;
- (xiv) fees of any independent third-party appraiser appointed to review the valuation of the Managed Fund investments;
- (xv) systems and technology expenses (including outsourced administrative services) associated with the Managed Account's recordkeeping, financial statements, tax returns, reports to investors, portfolio management and research;
- (xvi) non-recurring and extraordinary expenses (where applicable) including expenses of indemnification and litigation (whether actual or prospective), judgments and settlements

Managed Funds will reimburse the Firm (including the general partner) for any expense paid by the Firm that are expenses to be properly borne by the Managed Funds.

Because certain expenses may be shared by more than one Managed Fund, the Firm has adopted policies and procedures for the allocation of such expenses among the Managed Funds. Investment-related expenses shared by more than one Managed Fund will generally be allocated pro rata based on the Firm's reasonable assessment of the amount available for investment with respect to such investment by each Managed Fund. Non-investment-related expenses shared by more than one Managed Fund will be allocated in a manner that the Firm considers to be fair and reasonable, taking into account the actual or estimated relative benefits to each Managed Fund derived by such expense.

In addition, expenses may at times be shared among one or more Managed Funds and the Firm or its affiliates. If an affiliate of the Firm co-invests in a transaction alongside a Managed Fund, the affiliate will pay its allocable share of transaction expenses and, if the affiliate is entitled or required to co-invest in all transactions, the affiliate would pay its allocable share of expenses for deals that are pursued but not consummated. The Firm or its affiliates also may share expenses not attributable to a specific transaction or Managed Fund, such as insurance premiums, and research or information services.

The Firm does not collect management fees in advance. However, affiliates of the Firm are in some cases entitled to receive a Carried Interest payment (as described below under “Performance-Based Fees and Side-By-Side Management”) based on realized profits, and might be required to return all or a portion of that Carried Interest because of later-realized losses. This potential refund, commonly referred to as a general partner “clawback,” generally would be paid at the termination of the Managed Fund, in accordance with detailed provisions included in the Managed Fund organizational documents.

Neither the Firm nor its supervised persons receive any sales compensation from Managed Fund investors or third parties in connection with the distribution of its investment products. However, the Firm markets its products through an affiliated broker-dealer, Siguler Guff Global Markets, LLC (“SGGM”). SGGM operates as a FINRA-registered broker-dealer for the limited purpose of offering interests in Managed Funds advised by the Firm and Siguler Guff. A portion of the compensation for marketing employees who are also registered representatives of SGGM is based indirectly on the amount of capital raised. The compensation of such persons is paid entirely by the Firm.

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

An affiliate of the Firm serves as general partner (or in a comparable capacity) of each Managed Fund organized as a partnership or similar entity. The general partner is typically entitled to receive a performance-based percentage of profits (“Carried Interest”) from each Managed Fund. Typically, the general partner is entitled to receive its Carried Interest after specified performance hurdles have been met, such as return of invested capital and achievement of a specified return on invested capital. As is the case for management fees, the Firm has negotiated reduced Carried Interest percentages with respect to the investments by “lead investors” (as defined in Item 5) in Managed Funds, and employees of the Firm and its affiliates will often pay reduced or no Carried Interest on their investments in Managed Funds. The Firm believes that its profit-sharing arrangements can serve to better align the interests of the Firm with those of its investors. However, the potential to receive Carried Interest or another performance-based compensation might create a motive for the Firm to make riskier investments on behalf of its clients than would otherwise be the case, because the Firm shares in gains but not in losses (except through the loss of the potential to receive a Carried Interest). Paradoxically, the potential to receive a Carried Interest could create a motive for the Firm to limit risks to avoid losing an accrued Carried Interest – for example, by selling an appreciated investment even though the Firm believes there remains potential for further appreciation. Other Siguler Guff entities advise Managed Funds and accounts which will sometimes seek to invest in the same or similar opportunities as the Firm’s Managed Funds. In such a case, the Firm and Siguler Guff will be faced with conflicts similar to those described below.

Once a Managed Fund has allocated a certain percentage of its investable assets, the Firm is typically permitted to organize successor funds, which often pay higher fees because fees on private equity accounts tend to decrease over time. This provides an incentive to invest a Managed Fund's assets more quickly than might otherwise be the case, and also increases the competition for investment opportunities. In addition, some accounts may be contractually promised priority for certain limited investment opportunities.

These differences could provide an incentive for the Firm to allocate investments to Managed Funds with the potential for higher compensation to the Firm. Similar conflicts might arise with respect to allocation of investment disposition opportunities. A number of factors mitigate these potential conflicts of interest, including:

- the Firm and/or its principals or their affiliates generally invest their own capital alongside the Managed Funds, so that the Firm or its principals would suffer losses from imprudent or ill-chosen investments alongside the Firm's clients;
- the Firm's ability to continue to raise capital from investors is dependent on its delivering strong investment results in its existing Managed Funds; and
- the Firm has in place an allocation policy that provides an additional layer of independent review of allocations among Managed Funds by an Allocation Committee comprised of the Head of Finance, Tax, and Operations, the Chief Financial Officer, and Chief Compliance Officer.

As noted above, the Firm and/or its principals or their affiliates will co-invest alongside the Managed Funds. Although such co-investments serve to reduce certain conflict of interests (because of the resulting alignment of interests) they may create additional conflicts. For example, the investment objectives or time horizons of the Firm or its principals might differ from those of the Managed Funds, which could lead to conflicts in connection with the disposition of investments.

Item 7 - Types of Clients

The Firm provides investment advice to Managed Funds. Managed Fund investors include corporate and public employee benefit plans, endowments, foundations, sovereign wealth funds, international financial institutions, family offices and high net worth individuals, from both within and outside the United States.

The minimum commitment for an investor in a Managed Fund varies, but is generally in the range of \$3 million to \$5 million. The Firm is permitted to waive these minimums at its discretion, and has done so under appropriate circumstances.

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

Each Managed Fund addresses a specific investment opportunity or group of opportunities. In general, Managed Funds pursue investments in companies operating in Russia and other states of the former Soviet Union. Investors in Managed Funds receive a PPM or similar document, which

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describes the Managed Fund's investment strategy, methods of analysis and risks of loss in detail. As of March 31, 2020, none of the Managed Funds have any undeployed capital, and therefore are not making new investments.

The Firm has developed a two-tier investment approval structure comprised of the senior members of the investment team for a Managed Fund (the “Management Board”) and the Investment Committee for such Managed Fund, comprised primarily of senior management of the Firm. When a deal is first sourced, the Managed Fund’s Management Board will:

- determine whether the project fits the Managed Fund’s mandate, policies, and strategies, and set conditions to its approval to enhance the fit and improve project quality;
- designate a project team to perform due diligence, negotiate transaction terms and conditions (acting together with the Firm’s legal and compliance groups), and provide investment management and monitoring after a transaction; and
- if the Management Board decides to go forward, submit a formal recommendation to the Investment Committee.

The Investment Committee of each Managed Fund makes the ultimate decision whether to proceed with an investment that has been recommended by the Management Board, based on the Management Board’s detailed recommendation and supporting information. The submission to the Investment Committee generally includes, among other things:

- Detailed description of the target company
- Historic financial information, and financial models and projections
- Analysis of the target company’s market
- Competitive analysis
- Biographies and background of senior management
- “SWOT” (strengths, weaknesses, opportunities, threats) analysis
- Discussion of specific risks and mitigators
- Environmental, Social, and Governance (“ESG”) considerations
- Summary of terms
- Exit expectations

In general, Investment Committee approval is also required for a sale or other disposition of a Managed Fund’s portfolio investment. The Management Board, or the Firm’s legal team, might refer other significant portfolio company matters to the Investment Committee for review and approval, such as a refinancing, management changes or material litigation.

All investments involve a risk of loss that clients and investors should be prepared to bear. A fundamental premise of private equity investing is the acceptance of illiquidity and a higher degree of risk in expectation of higher returns. Certain significant risks are discussed briefly below, and in more depth in the PPM for each Managed Fund:

- *Illiquidity and Long Holding Period:* Investors in the Firm's Managed Funds have no redemption rights, and their ability to sell their partnership interests to third parties might be limited. Managed Funds typically have terms of ten years or more. Managed Fund investors therefore should be financially able to hold their investments for the long term.
- *Lack of Diversification:* The portfolios of Managed Funds typically hold fewer discrete investments than managed public securities portfolios such as mutual funds. Furthermore, the Managed Funds have focused investment objectives and, accordingly, have concentrated exposure to particular sectors or geographic areas.
- *Lack of Ability to Participate; Key Personnel:* Investors in Managed Funds have no right or power to participate in the management or control of the business of the Managed Fund and thus must depend solely upon the ability of the Firm to make investments and otherwise manage the enterprise. Investors in Managed Funds may invest in reliance on the abilities and background of key Firm personnel, who might not remain available to the Firm for the life of the investment.
- *Changing Market Conditions:* Many of the Firm's investment strategies are premised in part upon an imbalance between supply and demand of investment capital, or other market inefficiencies. These inefficiencies, even if correctly identified by the Firm, might abate or disappear before a Managed Fund has deployed all of its capital.
- *Management Fees and Expenses:* Managed Funds bear management fees and expenses directly, and indirectly share in the expenses of direct investments in which their portfolios invest. The investment return on the direct investments therefore must be sufficient before Managed Fund investors will earn a positive investment return. In addition, to the extent a management fee is based on committed rather than invested capital, investors pay management fees on both called and uncalled capital, resulting in high effective fee rates (i.e., fees on invested capital) at the beginning of a Managed Account investment when little capital has been called and invested. Because of the extensive due diligence and ongoing management activity required for many private equity investments, expenses aside from management fees are generally higher than for portfolios invested in public markets.
- *Certain Conflicts of Interest:* The other activities of the Firm may give rise to conflicts of interest. The Firm and its affiliates are engaged in the management of a number of private equity investment funds and accounts. Conflicts of interest may arise in allocating management time, services or functions among the Managed Funds. The foundation documents for Managed Funds permit the Firm, under certain circumstances, to form additional Managed Funds in the future, and the investment objectives of previously-existing or later-formed Managed Funds could overlap with those of existing Managed Funds. To the extent other clients or funds are appropriate investors for some of the same opportunities as an existing Managed Fund, the Firm will allocate opportunities to all clients and funds for which the investment is suitable in a fair and equitable manner in accordance with its then existing allocation policies. This allocation of opportunities may result in a Managed Fund participating in an investment to a lesser extent than would otherwise have been the case. Because some of the factors used in making allocation decisions are subjective or not readily verifiable, investors are reliant on the Firm to make

fair and suitable allocation decisions. Please see additional information on allocation in Item 6.

- *Dependence on Energy Prices.* Because energy exports account for a significant share of Russia's gross domestic product, and an even larger share of Russia's government revenues, the health of the Russian economy is highly sensitive to changes in the price of oil and natural gas. Significant drops in energy prices could cause stress to the Russian economy.
- *Social and Political Risks:* While Russia has achieved relatively stable political and social structures, it is possible that conditions could materially change. Emerging markets such as Russia and other countries of the former Soviet Union are subject to greater risks than more developed markets. As Russia seeks to transform itself into a democracy with a market economy, it becomes subject to current and future changes in government, major policy shifts, and other governmental instabilities. Protest movements seeking political and other changes have arisen in Russia and other countries of the former Soviet Union, which might lead to internal conflict and discord.

In addition, the region is subject to regional conflicts erupting from the ethnic, religious, socioeconomic, historical, and other divisions that may cause disruptions to domestic commerce and exports. Crime, social unrest, and corruption in the region are higher than in developed markets. Lastly, military and economic conflicts between Russia and other countries may lead to the deterioration of relations with other members of the international community.

Political upheaval and civil war in the Ukraine has reduced political and economic stability within Ukraine, and to a lesser extent in Russia. The United States, the European Union and their allies have imposed economic sanctions on the Russian government and certain individuals and business enterprises thought to be closely associated with the Putin administration or its policies. These sanctions can have an adverse effect on the Russian economy in general and indirectly on the Managed Funds' portfolio companies in particular. None of the Managed Funds' portfolio companies are currently on any sanctions list.

Risks associated with further deterioration of relations between Russia, on the one hand, and the United States and other nations, on the other hand, include: additional or stricter sanctions imposed on Russia; retaliatory sanctions by Russia that could affect foreign investment in Russia; and some level of military or cybersecurity confrontation (direct or through proxies) between Russia and other nations, including the United States.

- *Legal and Regulatory Risks:* Russia continues to develop the legal framework required to support a market economy, and weaknesses relating to the Russian legal system create uncertainties with respect to the legal and business decisions that the Managed Funds make, many of which do not exist in countries with more developed market economies. Such weaknesses may include:
 - inconsistencies between and among the Constitution, federal and regional laws, presidential decrees and governmental, ministerial and local orders, decisions, resolutions and other acts;

- conflicting local, regional and federal rules and regulations;
 - the lack of judicial and administrative guidance on interpreting legislation;
 - lack of independent judiciary;
 - a high degree of discretion on the part of governmental authorities, which could result in arbitrary actions such as suspension or termination or expropriation of assets.
 - problems or delays in the practical enforcement of both Russian and non-Russian judicial orders and international arbitration awards; and
 - poorly developed bankruptcy procedures that are subject to abuse.
- *Risks Relating to Taxation:* Russian tax legislation remains relatively underdeveloped. The Russian Government is constantly reforming the tax system by redrafting parts of the Tax Code of the Russian Federation. A significant number of changes were introduced to various chapters of the Russian Tax Code between 1999 and 2018. Although the quality of tax legislation has generally been improving and despite the Russian Government's taking steps to reduce the overall tax burden in recent years, there is a risk that Russia may impose onerous or confiscatory taxes, penalties or procedures in the future.
 - *Inflation:* Russia and other countries in the region at times have experienced inflation at an annual rate that exceeds those typically found in developed countries. High levels of inflation or price volatility could adversely affect the financial performance of portfolio companies and the ability of a Managed Fund to realize on its investments successfully.

Coronavirus (“COVID-19”) and Public Health Emergency Risk Factor: As of the date of this Form ADV, there is an outbreak of a novel and highly contagious form of coronavirus (“COVID-19”), which the World Health Organization has declared to constitute a “Public Health Emergency of International Concern.” The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak is rapidly evolving, and many governments have reacted by instituting states of emergency, quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Firm, its Managed Funds and their portfolio investments and could adversely affect the Managed Funds’ ability to fulfill their investment objectives. The spread of COVID-19 creates a variety of potential risks. The magnitude and duration of these risks cannot be predicted at this time.

The extent of the impact of any public health emergency on the Managed Funds' and their portfolio investments' operational and investment performance will depend on many factors, the impacts of which cannot be predicted with any degree of certainty, including:

- the duration and scope of such public health emergency;
- the extent of any related travel advisories and restrictions implemented;
- the impact of such public health emergency on overall supply and demand (consumer and industrial), goods and services, investor liquidity, consumer confidence and levels of economic activity;
- disruptions to shipping and other transportation; and
- the extent of its disruption to important global, regional and local supply chains and economic markets.

The effects of a public health emergency may materially and adversely impact the value and performance of the Managed Funds' portfolio investments, potentially causing financial distress (particularly for highly leveraged portfolio investments or portfolio investments with low cash reserves), impairing the Managed Funds' ability to source, manage and divest investments and ability to achieve their investment objectives, all of which could result in losses to the Managed Funds. In addition, the operations of the Managed Funds, their portfolio investments, the Firm and the Investment Manager may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including operational disruptions and its potential adverse impact on the health of any such entity's personnel and reduced efficiency due to illness of a portion of the workforce or the need to work remotely. The Firm's key vendors and service providers, such as providers of outsourced accounting services, consultants and external counsel, are also subject to these risks.

See "*Performance-Based Fees and Side-By-Side Management*" above for a discussion of potential conflicts arising from performance fees and other compensation arrangements.

Item 9 - Disciplinary Information

None.

Item 10 - Other Financial Industry Activities and Affiliations

The Firm serves as the investment adviser to its Managed Funds, and affiliates of the Firm serve as the general partner, or in a similar capacity, of Managed Funds organized as limited partnerships or similar structures. In addition, employees of the Firm often serve as the officers/directors of portfolio companies in which Managed Funds have invested and of various holding companies and "feeder" entities associated with Managed Funds. In addition, the Firm markets Managed Funds through an affiliated broker-dealer, Siguler Guff Global Markets, LLC ("SGGM"), and marketing employees of the Firm are registered representatives of SGGM.

Once a Managed Fund has allocated a certain percentage of its investable assets, the Firm is typically permitted to organize successor funds, which often pay higher fees because fees on

private equity accounts tend to decrease over time. This provides an incentive to invest a Managed Fund's assets more quickly than might otherwise be the case, and also increases the competition for investment opportunities. In addition, some Managed Funds may be contractually promised priority for certain limited investment opportunities.

Siguler Guff Advisers, LLC, an investment adviser registered with the United States Securities and Exchange Commission, is an affiliate of the Firm that is an investment adviser to a number of Managed Funds and separate accounts of individual clients.

George Siguler and Drew Guff sit on the Investment Committees of Managed Funds managed by the Firm and by these affiliated advisers, and various legal, compliance, accounting and operations personnel provide services to all such Managed Funds.

SGGM, a FINRA registered broker-dealer, for the limited purposes of placing interests in private equity funds of affiliates, is an affiliate of the Firm, and is expected to distribute the Firm's investment products.

These relationships can result in conflicts with respect to the allocation of investment opportunities (including disposition opportunities). See "Performance-Based Fees and Side by Side Management" above for a discussion of how the Firm seeks to address these conflicts. In addition, the management of multiple Managed Funds may lead to conflicts over the allocation of resources devoted to the management of certain accounts or strategies. The Firm seeks to handle this conflict by devoting what it considers sufficient resources to the management of client accounts. A Managed Fund's organizational documents typically provide the Firm (or the Managed Fund's general partner) with wide latitude to resolve conflicts.

SGGM is affiliated with the Firm and operates as a broker-dealer for the limited purpose of placing interests in Managed Funds advised by the Firm and Siguler Guff. A portion of the compensation paid to marketing employees who are also registered representatives of SGGM is based indirectly on the amount of capital raised and on the management fees received by the Firm from investors in Managed Funds.

The compensation arrangement with SGGM and the Firm's marketing employees could encourage these employees to focus on selling interests in Managed Funds with higher fees. The management fee is higher for Managed Funds advised by the Firm than for Siguler Guff and employees, therefore, have an incentive to recommend the Firm's Managed Funds over Siguler Guff's Managed Funds.

The compensation of marketing employees is paid entirely by the Firm.

The foregoing is a discussion of some of the conflicts that arise in the Firm's management of Managed Funds, but is not a complete list of conflicts. Investors should review a Managed Fund's organizational and disclosure documents for additional information about possible conflicts. Although the Firm will seek to resolve conflicts in a manner that is fair and reasonable under the circumstances, investors should be aware that conflicts will not always be resolved in their favor and, in fact, the resolution of conflicts may be disadvantageous to one or more investors.

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

The Firm's Code of Ethics establishes standards of conduct for its employees, outlines procedures to identify and prevent breaches of fiduciary duty, and addresses actual or potential conflicts of interest. The Code of Ethics provides detailed policies and procedures for review and (in some cases) prior approval of securities transactions by the Firm's employees, consistent with the Firm's fiduciary duty to its clients and with its obligation to place its clients' interests first. The Firm will provide a copy of the Code of Ethics to any client or potential client upon request.

Managed Funds managed by Siguler Guff that are "funds-of-funds" on occasion invest in other Managed Funds, and certain Managed Funds are "feeder funds" formed to invest solely in other Managed Funds. In such cases, the fund-of-funds or feeder fund would not pay management fees or Carried Interest with respect to its assets invested in a Managed Fund, thus avoiding duplication of fees or Carried Interest.

The organizational documents for Managed Funds generally require the Firm and/or its affiliates to invest side-by-side with the Managed Fund, to promote a greater alignment of interest. In some cases the Firm or its affiliates will invest directly in the Managed Fund, on the same terms as other investors except that management fees and profit participations are waived. The Firm or its affiliates also might co-invest by investing in the same transactions alongside the Managed Fund, on generally the same terms as the Managed Fund, other than differences resulting from tax, regulatory or investment considerations. Absent special circumstances, the Firm or its affiliates would dispose of the investment at the same time, and on the same terms, as the Managed Account.

Aside from the contractually mandated co-investment described above, the Firm or its affiliates are permitted to invest in the same securities as a Managed Fund (other than certain public securities) only with the prior approval of the Firm's Compliance Group. In reviewing such a request, the Compliance Group would consider whether the proposed co-investment could adversely affect the price or quantity of the investment available to the Managed Fund.

Item 12 - Brokerage Practices

Most transactions are made without the participation of brokers or dealers retained on behalf of the Managed Funds. When brokers or dealers are used in the purchase or sale of securities for Managed Funds, the Firm will seek to obtain the best execution of portfolio transactions. To do so, the Firm may consider the quality and reliability of brokerage services, as well as the research and investment information and other services provided by brokers or dealers. Factors considered include:

- price;
- the broker or dealer's facilities;
- reliability and financial responsibility;
- the ability of a broker or dealer to effect securities transactions, particularly with regard to such matters as timing, order size and execution of orders; and
- the research and other services provided by that broker or dealer to the Firm that are expected to enhance the Firm's general investment management capabilities,

notwithstanding that a client may not be the direct or exclusive beneficiary of such services.

Before approving a dealer for transactions with a client involving significant counterparty risk, such as derivative transactions, the Firm performs a more extensive creditworthiness evaluation.

Commission rates and dealer mark-ups, being a component of price, are one factor considered together with other factors. Accordingly, the Firm may cause a client to pay a commission or mark-up for effecting a transaction in excess of the amount another broker or dealer would have charged for effecting that transaction, when the Firm has determined in good faith that the commission or mark-up is reasonable in relation to the value of brokerage and/or research services rendered to the Firm.

The Firm may receive research services and information from brokers or dealers with whom it effects transactions for Managed Funds including: information on the economy, industries, groups of securities and individual companies; statistical information; market data, pricing and appraisal services; credit analysis; risk measurement analysis; performance analysis; and other information that may affect the economy or securities prices. Research services may be received in the form of written reports, personal contacts with investment professionals, or access to on-line data services (including the use of computer hardware necessary to access such services). In some cases, research services that are generated by third parties may be provided by or through the firm to which commissions are paid. Because the volume of business generated by Managed Funds with brokers and dealers is relatively small, the Firm at this time does not have formal "soft dollar" arrangements with brokers and dealers.

Item 13 - Review of Accounts

The Firm's investment personnel monitor all investments in each Managed Fund on an ongoing basis. More formally, a senior investment professional reviews the composition and performance of all client accounts on a regular basis, but never less than quarterly.

Before making a new investment for any Managed Fund, its investment policies and restrictions are reviewed to ensure that the potential investment is consistent with such policies. In addition, Siguler Guff's Operations Committee reviews the status of investments with valuation declines exceeding certain triggers, as part of the risk control process.

The Firm provides periodic (generally quarterly) written reports to its Managed Account investors that generally include unaudited financial statements, a letter from management describing significant developments, a listing and valuation of the securities held in the account, performance information, a narrative description of significant developments affecting the value of the account and other statistical information. On an annual basis, investors receive audited financial statements.

Item 14 - Client Referrals and Other Compensation

From time to time, the Firm or its affiliate enters into agreements with third party firms to solicit investors to invest in a Managed Fund. A solicitor firm generally is entitled to a success fee to the

extent it secures clients, calculated based on the management fees paid by the clients the solicitor firm secures. These fees are borne by the Firm and not by the relevant Managed Fund, unless investors are informed otherwise.

In addition, SGGM is affiliated with the Firm and operates as a broker-dealer for the limited purpose of placing interests in Managed Funds advised by the Firm and Siguler Guff. A portion of the compensation paid to marketing employees who are also registered persons of SGGM is based indirectly on the amount of capital raised and on the management fees received by the Firm from investors in Managed Funds.

Item 15 - Custody

Under Rule 206(4)-2 under the Investment Advisers Act of 1940 (the “Custody Rule”) an investment adviser is deemed to have custody or possession of client funds or securities if the adviser directly or indirectly holds client funds or securities or has authority to obtain possession of them. Advisers are required to maintain client funds and securities (except for securities that meet the privately offered securities exemption in the Custody Rule) over which they have custody with a qualified custodian. Qualified custodians include banks, brokers, futures commission merchants and certain foreign financial institutions.

The Firm generally has the right to deduct management fees directly from Managed Funds, has broader access to funds and securities in Managed Funds and acts as investment manager or has affiliates that act as the general partner to its Managed Funds, therefore, it has custody of its client assets. The Custody Rule imposes requirements concerning reports to such clients and surprise examinations relating to such clients’ funds and securities. However, an adviser need not comply with such requirements with respect to pooled investment vehicles if each pooled investment vehicle (i) is audited at least annually by an independent public accountant and (ii) distributes its audited financial statements prepared in accordance with generally accepted accounting principles to their investors within 120 days (180 days in the applicable case of a fund-of-fund adviser) of its fiscal year-end. The Firm relies upon this audit exception with respect to the Managed Funds.

Item 16 - Investment Discretion

The Firm has the authority as a general proposition to determine the securities to be bought or sold. This authority is typically granted in the Managed Fund’s organizational documents and generally is subject to various investment limitations.

Item 17 - Voting Client Securities

The Managed Funds generally invest in private companies, and the Firm exercises such Managed Funds’ voting rights, and other contractual governance rights such as rights to appoint officers or veto certain types of transactions, with a view to maximizing the value of the investment and protecting the rights of the relevant Managed Funds.

To the extent that a Managed Fund owns publicly traded securities, the Firm's Proxy Voting Policy would apply. The Firm's Proxy Voting Policy is designed to reasonably ensure that all proxies and consents are voted in the best interests of its clients. The portfolio manager of each Managed Account is primarily responsible for making the decision on how, or whether, to vote and to recognize and resolve any material conflicts of interest that may arise in the course of such voting. In general, the Firm will vote in favor of existing management and directors, unless information gained through research, news, and other sources suggest a company's management and directors are not performing up to what the Firm believes are acceptable standards.

Investors in a Managed Fund cannot direct the Firm's vote in a particular solicitation. All investors may obtain information on how the Firm voted with respect to the applicable account's securities and obtain a copy of the Firm's Proxy Voting Policy by submitting a written request to compliance@sigulerguff.com.

Item 18 - Financial Information

The Firm does not require or solicit prepayment of any fees six months or more in advance, does not have any financial condition that would impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19 - Requirements for State-Registered Advisers

Not applicable.