



MASON WELLS BUYOUT PARTNERS IV, LLC

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FORM ADV | PART 2A BROCHURE

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This brochure provides information about the qualifications and business practices of Mason Wells Buyout Partners IV, LLC. If you have any questions about the contents of this brochure, please contact us at 414-727-6400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. An investment adviser's registration with the SEC does not imply a certain level of skill or training.

Additional information about Mason Wells Buyout Partners IV, LLC, including a copy of its Form ADV Part 1, is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 - MATERIAL CHANGES

There have been no material changes to this brochure since the date of Mason Wells Partners IV's last brochure, dated March 22, 2019.

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ITEM 4 - ADVISORY BUSINESS

Mason Wells Buyout Partners IV, LLC (referred to herein as either “Mason Wells Partners IV” or the “General Partner”) is a Wisconsin limited liability company in existence since July 2015. It is the General Partner of Mason Wells Buyout Fund IV, LP (“Fund IV”), to which it provides investment advisory services. The General Partner is owned by various individuals, none of whom owns more than a 25% voting interest.

Fund IV is a private equity fund with the objective of completing buyout transactions of middle market companies generally operating within four targeted industry sectors, and generally located in the Midwestern United States. Investment limitations are further incorporated in Fund IV’s governing agreement. Mason Wells Partners IV applies these parameters as it provides investment advisory services to Fund IV and limits its services as provided in Fund IV’s governing agreement. In particular, investment advisory services provided include identifying investment opportunities for Fund IV and participating in the acquisition, management, monitoring and disposition of investments of Fund IV. Mason Wells Partners IV tailors its investment advisory services to the specific needs and objectives of Fund IV, which is its primary client.

In addition, Fund IV is structured with a companion, or side-by-side, fund which generally invests in all portfolio investments of Fund IV, on a pro rata basis, based on the total amount of capital committed by Fund IV and the companion fund. The companion fund to Fund IV is MW Buyout Executive Fund IV, LLC (“Executive Fund IV”). Executive Fund IV is intended to facilitate investment by certain principals, executive operating partners, and advisors to the General Partner. The managing members of Executive Fund IV are affiliates of the General Partner and, in light of its investment program, Executive Fund IV may be deemed to be a client of Mason Wells Partners IV.

Mason Wells Partners IV has no clients other than Fund IV and Executive Fund IV. As of December 31, 2019, Mason Wells Partners IV managed assets totaling approximately \$641,211,460, all of which were managed on a discretionary basis. This figure includes uncalled capital commitments by investors in Fund IV and Executive Fund IV.

See Item 10 for information regarding the sponsor of Mason Wells Partners IV, Mason Wells, Inc.

ITEM 5 - FEES AND COMPENSATION

For providing its management services, Mason Wells Partners IV is entitled to receive from Fund IV both management and growth-based fees, as described in this Item and Item 6 below. Fees are established by the terms of Fund IV’s Partnership Agreement, and are deducted from Fund IV’s assets as they become due (in the case of the Management Fees, quarterly in advance). The managing members of Executive Fund IV, who are affiliated with Mason Wells Partners IV, receive certain Management Fees from Executive Fund IV in accordance with its Operating Agreement.

Management Fees - Management Fees are paid by Fund IV to Mason Wells Partners IV quarterly in advance, and are currently 2% of the aggregate Capital Contribution Obligation. “Capital Contribution Obligation” means the obligation of each limited partner in Fund IV to contribute cash to Fund IV, not including interest or adjustments. The Management Fee percentage may vary as follows:

- From and after the earlier of: (a) the Final Call Date; or (b) the creation and funding of a Successor Fund and until the earlier of (i) the dissolution or termination of Fund IV; (iii)

the creation and funding of a Successor Fund (if after the Final Call Date) or (iv) the Final Call Date (if after the creation and funding of a Successor Fund), the Management Fee shall be 2% of the Net Invested Capital.

- From and after both the Final Call Date and the creation and funding of a Successor Fund and until the earlier of the dissolution or termination of Fund IV, the Management Fee shall be 1% of the Net Invested Capital.
- If Fund IV's term continues after the eleventh anniversary of the Commencement Date, then the Management Fees will be reduced to 0.25% of Net Invested Capital, unless the Fund IV limited partners approve the continuation of a higher fee.

As used above, "Final Call Date" generally means the sixth anniversary of the date as of which Mason Wells Partners IV informed the Fund IV limited partners that its members had commenced identifying, investigating, and negotiating investment opportunities for Fund IV that were expected to lead to its initial investment in a portfolio company (the "Commencement Date"), but it may occur on an earlier date in certain limited circumstances described in Fund IV's Partnership Agreement. "Net Invested Capital" means the aggregate amount of money invested by Fund IV in portfolio companies (less dividends which constitute a return of capital) which are still owned by Fund IV as of the date of determination, excluding any portfolio company investments which have been completely written off the financial books and records of Fund IV and with respect to which the General Partner is no longer devoting any time and attention. "Successor Fund" means any new investment partnership managed by Mason Wells Partners IV or its affiliates and having the same or similar private equity investment strategies as Fund IV; provided that in no event shall Executive Fund IV or any co-investment vehicles relating to the co-investment of capital in a Fund IV portfolio company as permitted by the Partnership Agreement be deemed to be Successor Funds.

Executive Fund IV currently pays a management fee to the managing members of Executive Fund IV, who are affiliates of Mason Wells Partners IV, at the rate of 1% of the capital contribution obligations of investors in Executive Fund IV; however, the managing members of Executive Fund IV may unilaterally increase or decrease the amount of the management fee (but not above 2% of the capital contribution obligations of investors in Executive Fund IV).

In accordance with common industry practice, Mason Wells Partners IV has entered and may in the future enter into letter agreements with certain investors pursuant to which it grants the investors specific rights, benefits or privileges that are not made available to investors generally, which typically include rights, benefits or privileges that are more favorable than those given to other investors.

Transaction Fees - Mason Wells Partners IV (and its officers, members, and affiliates, and Mason Wells and its employees) may, and expects to, receive transaction fees from portfolio companies. These fees include any directors fees, monitoring or management fees (not including the Fund IV Management Fee), investment, placement, closing, consulting or advisory fees, or other fees or compensation (but not including reimbursements of out-of-pocket expenses). All such fees received in any quarter will be credited against the Management Fee otherwise payable by Fund IV to Mason Wells Partners IV for the following quarter.

Break-up Fees - In addition, Mason Wells Partners IV (and its officers, members, and affiliates, and Mason Wells and its employees) may, and expects from time to time to, receive commitment fees, breakup fees and net litigation proceeds resulting from the fact that one or more transactions were not consummated by Fund IV. All such fees (net of expenses) will be 100% credited against the Management Fee.

Except as described above, Mason Wells Partners IV does not receive any other form of compensation from Fund IV or Executive Fund IV other than the growth participation described in Item 6. However, Fund IV is responsible for reimbursing Mason Wells Partners IV for expenses incurred on behalf of Fund IV. Further, Fund IV absorbs all of its own operating expenses, such as those for accounting, administrative, advisory board, legal, valuation, insurance, investment study, and management expenses, expenses of third-party advisors, consultants, executive operating partners, business brokers, finders, and similar persons to provide advice, guidance, consulting, valuation, investment and industry studies, investment or deal sourcing, and similar services to Mason Wells Partners IV, Fund IV, and Fund IV portfolio companies (allocable among the Fund and the relevant portfolio companies in the reasonable discretion of Mason Wells Partners IV as it deems to be equitable or appropriate under the circumstances), and all state and federal regulatory and legal compliance costs associated with the operation of Fund IV and Mason Wells Partners IV (such costs paid by Fund IV not to exceed \$75,000 in any calendar year without approval of the Fund IV advisory board), including such costs incurred by Mason Wells Partners IV, its members, and Mason Wells, Inc. (as such costs relate to the Fund IV and/or Mason Wells Partners IV).

Similarly, Executive Fund IV absorbs all of its own operating expenses, such as all of its accounting, administrative, legal, valuation, insurance, investment study, and management fees and expenses as well as all fees and expenses incurred to third parties in conjunction with its operation and private placement, including such out-of-pocket costs incurred in connection with the investigation of potential investments by Executive Fund IV, including without limitation, all accounting, audit, administrative, consulting, valuation, business broker, finder, compliance (of the Company and its Affiliates), legal, insurance, tax and transaction fees and expenses and management fees. In addition, as described in Item 11, amounts received by executive operating partners of the Fund do not offset the Management Fee.

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

As indicated above, Mason Wells Partners IV receives from Fund IV a carried interest or performance fee from investors in Fund IV equal to 20% of all realized profits (as described more fully in Fund IV's Partnership Agreement). These fees are conditioned on the Fund IV limited partners realizing a preferred return (described in Fund IV's Partnership Agreement) and receiving sufficient distributions annually to pay any state and federal income taxes due on their shares of Fund IV's income from all prior years. Because the General Partner's carried interest is based on a percentage of profits, an incentive may be created for the General Partner to cause Fund IV to make riskier or more speculative investments than otherwise might be the case. This risk is intended to be minimized by the significant investment in Fund IV and Executive Fund IV by members of the investment advisory team of Mason Wells Partners IV, which should tend to align the interests of these individuals with the interests of the investors to some extent.

Executive Fund IV does not pay a carried interest or other performance-based fee to Mason Wells Partners IV.

ITEM 7 - TYPES OF CLIENTS/MINIMUM ACCOUNT SIZE

The only clients of Mason Wells Partners IV are Fund IV and Executive Fund IV, both of which are closed to new investors. The minimum stated commitment amount for investors in Fund IV was \$5 million, and the minimum stated commitment amount for investors in Executive Fund IV was \$100,000; however, Mason Wells Partners IV exercised its discretion to accept a smaller commitment amount from some investors.

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

Mason Wells Partners IV employs an investment strategy on behalf of Fund IV which causes Fund IV's portfolio to consist primarily of control equity positions in securities issued by privately held companies. These securities are also invested in by Executive Fund IV on a side-by-side, pro rata basis. Mason Wells Partners IV believes the following key elements of this investment strategy will enable Fund IV to generate above-market rates of return:

Middle Market - Mason Wells Partners IV focuses its strategy on middle market buyout transactions involving the purchase and sale of control interests of firms which meet Fund IV's investment objectives. Mason Wells Partners IV believes this market segment is less competitive than other market segments, resulting in attractive purchase price multiples that have the potential to yield higher selling multiples upon exit.

Geographic Focus - Mason Wells Partners IV generally originates buyout transactions of companies located in the Midwestern United States, a geographic region that Mason Wells Partners IV believes is under-served by the private equity industry.

Industry Focus - Mason Wells Partners IV generally targets investments within four industry sectors (packaging materials and converting, consumer packaged goods, engineered products and services, and outsourced business services) in which Mason Wells Partners IV possesses an in-depth understanding and has extensive industry contacts.

Management - Mason Wells Partners IV strives to purchase control equity positions in "undermanaged" companies that have the potential for significant shareholder value creation through the implementation of the operational improvements and profitable growth initiatives of the Mason Wells Value Creation System. Further, Mason Wells Partners IV believes it may increase returns and reduce risks by working actively with the management teams of Fund IV's portfolio companies to improve fundamental business practices.

Certain risk factors arise under Mason Wells Partners IV's investment strategy, which are more exhaustively described in the offering memorandum provided to investors. Accordingly, the summary below is qualified in its entirety by the more extensive set of risks set forth in the offering memorandum and must be read in conjunction with and as a supplement to the information about risks contained in the offering memorandum. Investing in securities of any type, including the types held in Fund IV's portfolio, involves risk of loss, and an investor in Fund IV should be prepared for the possibility of such a loss. Other pertinent risk factors include:

Business Risks and Illiquidity - Fund IV's investment portfolio consists primarily of securities issued by privately held companies, and operating results in any particular period may be difficult to predict. Further, investments may be relatively illiquid compared to other more readily available investments. Because of the nature of Fund IV's portfolio, significant degrees of business and financial risk exist which can cause substantial losses.

No Guarantee of Results - The performance of prior investments made by principals of Mason Wells Partners IV is not necessarily indicative of Fund IV's future results, and Mason Wells Partners IV does not guarantee the results of its investment methods.

Investment in Junior Securities - The securities in which Fund IV invests typically are among the most junior securities in the capital structure of a portfolio company, and as such may be subject to a greater risk of loss than more senior securities. Generally, investments in these types of junior securities are not secured by collateral.

Concentration of Investments - Fund IV participates and will participate in a limited number of investments, including potentially concentrating multiple investments in a single industry

or industry segment. As a result, Fund IV's portfolio may be highly concentrated, and subject to the attendant risks of a relatively non-diversified portfolio, including being subject to industry-specific business risks.

ITEM 9 - DISCIPLINARY INFORMATION

None of Fund IV, Executive Fund IV, Mason Wells Partners IV, nor any of its principals has been subject to any disciplinary action.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Fund IV and Executive Fund IV are sponsored by Mason Wells, Inc. ("Mason Wells"). Mason Wells also employs the individual members of Mason Wells Partners IV, as well as the employees providing support services to Mason Wells Partners IV. Mason Wells also sponsors other private funds that use the services of the same Mason Wells employees. Mason Wells is a registered investment adviser and may be deemed to provide investment advisory services to Fund IV and Executive Fund IV. See the Form ADV filed for Mason Wells with the Securities and Exchange Commission for more information.

As described in Item 11 below, certain investors of Executive Fund IV, which co-invests in all of the Fund IV portfolio companies, are partners in or affiliates or members of Mason Wells Partners IV and/or Mason Wells. Similar to investments made by such individuals in Fund IV directly, Mason Wells Partners IV believes such investments should have the effect of aligning such individuals' interests with those of Fund IV. However, Mason Wells Partners IV, its members, Mason Wells, and their affiliates have a financial interest in Fund IV through a carried interest and/or a direct investment interest and in Executive Fund IV through a direct investment interest. As such, Mason Wells Partners IV could be considered to have recommended to investors that they buy or sell securities or investments in which Mason Wells Partners IV or a related person has some financial interest.

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

Mason Wells Partners IV has developed a Code of Ethics in connection with its business as the general partner of Fund IV. A copy of the Code of Ethics is available to investors in Fund IV upon request.

Mason Wells Partners IV is subject to a number of conflicts of interest. These conflicts of interest are more exhaustively described in the offering memorandum provided to investors. Accordingly, the summary below is qualified in its entirety by the more extensive set of conflicts set forth in the offering memorandum and must be read in conjunction with and as a supplement to the information about conflicts contained in the offering memorandum:

Subject to limited exceptions described in the Fund IV Partnership Agreement, Mason Wells Partners IV does not invest in, and does not permit any of its officers or affiliates (other than Fund IV and Executive Fund IV) to invest in, (a) companies in which Fund IV is actively considering making an investment, or (b) companies in which Fund IV has an investment. However, some members and officers of Mason Wells Partners IV have invested in Fund IV and/or Executive Fund IV. Members and officers of Mason Wells Partners IV may have a conflict of interest in providing investment advice to Fund IV because such investment advice will have an effect on their personal investments in Fund IV and/or Executive Fund IV.

Executive Operating Partners

Mason Wells Partners IV and its affiliates utilize “executive operating partners” to assist with portfolio company investments, whose compensation does not offset the Management Fee payable to Mason Wells Partners IV. This compensation may be made by Fund IV, Executive Fund IV, Mason Wells, and/or portfolio companies through one or more of the following: portfolio company director fees and stock options, cash, opportunities to participate in co-investments with one or more investment funds sponsored by Mason Wells, and opportunities to invest in Executive Fund IV and similar parallel “executive funds” that invest on a side-by-side basis with other Mason Wells-sponsored investment funds. Opportunities to invest in co-investments and executive funds are available at a generally lower fee structure than that of Fund IV and do not charge any “carried interest.”

Co-investments

One or more investors in Fund IV or Executive Fund IV or their affiliates do and are expected to from time to time co-invest with that fund, as selected by Mason Wells Partners IV in its sole discretion, by acquiring securities in one or more portfolio companies. Participants in these co-investment opportunities are typically afforded the opportunity to participate in such co-investment while bearing a lower or no management fee or “carried interest” with respect to a co-investment.

Allocation of Expenses

In some instances, it may be difficult to determine which fund organizational or operational expenses are properly attributable to Fund IV and which are attributable to Executive Fund IV. In such instances, these expenses, together with sourcing and diligence expenses, will generally be shared between Fund IV and Executive Fund IV pro rata based on the aggregate amount of capital commitments made to each such Fund. However, this pro rata allocation may be altered where such an allocation is reasonably deemed to unfairly benefit one fund over the other. In addition, Mason Wells or one or more of its affiliates may at its discretion bear the allocable share of organizational costs and other expenses attributable to Executive Fund IV without seeking reimbursement from Executive Fund IV.

Expenses that are specifically attributable to a particular fund portfolio company are charged to the portfolio company to which they relate where practicable. Where this does not occur, these expenses are generally allocated pro rata between Fund IV and Executive Fund IV based on their respective ownership of the relevant portfolio company or investment held by these funds. The specific entity in the organizational holding structure which bears these expenses affects the proportional sharing of these expenses. Transaction expenses for consummated investments will typically be borne by the relevant portfolio company or a related investment vehicle through which the investment is made and capitalized as part of the acquisition price of the relevant transaction to the extent not reimbursed by a third party. In addition, ongoing expenses that are specific to a portfolio company may be borne by the relevant portfolio company. When the portfolio company bears an expense directly, each direct and indirect equity owner of such company will indirectly bear a portion of such expenses. Transaction expenses for unconsummated investments will typically be allocated between Fund IV and Executive Fund IV pro rata based on the aggregate amount of capital commitments made to each such Fund. To the extent that any unaffiliated co-investor was expected to co-invest with Fund IV and Executive Fund IV in a particular unconsummated investment, any diligence and sourcing expenses relating to that opportunity typically are not shared with any unaffiliated co-investor.

Diverse Membership

The investors in Fund IV and Executive Fund IV may have conflicting investment, tax, and other interests with respect to their investments in such Fund. The conflicting interests among the investors may relate to or arise from, among other things, the nature of investments made by such Fund, the structuring of the acquisition of investments and the timing of the disposition of investments, as well as the structure of such Fund. As a consequence, conflicts of interest are expected to arise from time to time in connection with decisions made by Mason Wells Partners IV, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for Fund IV and Executive Fund IV, Mason Wells Partners IV will consider the overall investment and tax objectives of such Fund rather than of any particular investor.

Conflicts Related to Purchases and Sales Between Funds

Investments made by Fund IV and Executive Fund IV in a portfolio company in which another fund affiliated with Mason Wells has previously invested presents conflicts of interest, including determinations of whether existing investors are receiving a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms. To help mitigate these potential conflicts, if such a cross-Fund transaction is proposed, the General Partner would seek advisory board approval for such a transaction as a condition to consummating the transaction.

Service as Directors of Portfolio Companies

Conflicts of interest arise under certain circumstances because personnel of Mason Wells Partners IV and Mason Wells expect to serve as directors of Fund IV portfolio companies. In instances where Fund IV and Executive Fund IV are not the sole shareholder of a portfolio company, such personnel may owe fiduciary duties to the shareholders of the portfolio companies in addition to any fiduciary duties owed to Fund IV and Executive Fund IV. This may place these personnel in a position where they must make a decision that is either not in the best interests of the applicable Fund or not in the best interests of the shareholders of a portfolio company. If these personnel make a decision that is not in the best interest of the shareholders of a portfolio company, this decision may subject the General Partner, the applicable Fund, and their affiliates to claims that they would not otherwise be subject to as an investor, including claims of breach of the duty of loyalty, securities claims and other director-related claims

When conflicts arise, a number of factors may mitigate, but will not eliminate, conflicts of interest. Fund IV has established an advisory board consisting primarily of representatives of investors not affiliated with Mason Wells Partners IV. The advisory board will meet to consult with Mason Wells Partners IV as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, Mason Wells Partners IV will be guided by its good faith discretion. Many important conflicts of interest will generally be resolved by set procedures, restrictions, or other provisions contained in the relevant offering or organizational documents for Fund IV and Executive Fund IV. And where Mason Wells Partners IV deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price.

ITEM 12 - BROKERAGE PRACTICES

As an adviser to private equity funds, Mason Wells Partners IV generally does not make investments in securities listed on national securities exchanges. Mason Wells Partners IV does not engage in securities transactions which result in “soft dollars.” Its transactions primarily involve the privately negotiated purchase and sale of equity interests in companies and providing equity capital.

ITEM 13 - REVIEW OF ACCOUNTS AND REPORTS

Mason Wells Partners IV will review on a regular and ongoing basis Fund IV portfolio companies and their respective financial plans. Mason Wells Partners IV receives reports from Fund IV’s portfolio companies on a regular basis, and uses those reports as one tool to monitor and influence the progress of the portfolio companies to achieve Fund IV’s investment objectives.

Mason Wells Partners IV prepares reports on behalf of Fund IV and distributes such reports to Fund IV’s limited partners. Reports are prepared and sent to such limited partners or made available to them through an online reporting portal at least quarterly. The reports include information on recent acquisitions, sales, and performance reports of the companies acquired or equity capital contributed.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

Mason Wells Partners IV does not currently compensate any third party in connection with finding new clients. The General Partner may in the future, and expects to, compensate finders of portfolio companies for Fund IV. The compensation may be contingent on consummating the acquisition of the target portfolio company, and based on the size of the transaction as well as the potential growth of the portfolio company. The General Partner has compensated finders of investors for Fund IV. With regard to finders of new investors for Fund IV, the General Partner previously entered into, on behalf of Fund IV, a customary brokerage private placement agreement which resulted in compensation being paid by an affiliate of Mason Wells Partners IV of a contingent fee based on a percentage of placement amounts to a registered placement agent for locating new investors for Fund IV’s interests.

ITEM 15 - CUSTODY

Mason Wells Partners IV has custody of client assets, which are placed with custodial banks to the extent required by the Investment Advisers Act of 1940, as amended, and in accordance with guidance issued by the Securities and Exchange Commission from time to time. Custodial banks send account statements to Mason Wells Partners IV which are reviewed for and on behalf of Fund IV and Executive Fund IV, and carefully compared on behalf of such funds with all other internal statements provided by Mason Wells Partners IV to such funds.

Fund IV and Executive Fund IV are audited annually by an accounting firm registered with and subject to regular inspection by the Public Company Accounting Oversight Board (“PCAOB”). A copy of the annual audit is delivered to each Fund IV limited partner and Executive Fund IV member, as applicable, within 120 days of Fund IV’s fiscal year end.

ITEM 16 - INVESTMENT DISCRETION

Mason Wells Partners IV exercises discretion to purchase and sell portfolio companies and other investments of its choice in the dollar amounts and at the times it deems it appropriate to do so. The General Partner also has discretion to use, acquire and sell all other Fund IV assets on behalf of Fund IV. Fund IV does not impose any restrictions on the level of discretion that can be exercised by Mason Wells Partners IV. Discretionary authority is granted by Fund IV to Mason Wells Partners IV by means of a written agreement. The operating agreement of Executive Fund IV generally requires it to invest on a side-by-side, pro rata basis with Fund IV. Accordingly, Mason Wells Partners IV may be deemed to exercise discretion with respect to the investment activities of Executive Fund IV.

ITEM 17 - VOTING PROXIES ON CLIENT SECURITIES

Mason Wells Partners IV votes proxies on behalf of Fund IV. In general, Mason Wells Partners IV intends to vote in a manner consistent with Fund IV's best interests. Fund IV's investment strategy is to take controlling positions in the companies in which it invests, including representation on the boards of directors of each portfolio company. As result, while Mason Wells Partners IV expects that Fund IV's objectives will be aligned with management's objectives with respect to each portfolio company, Mason Wells Partners IV votes proxies based on Fund IV's objectives, not portfolio company management recommendations.

In evaluating a particular proxy proposal, Mason Wells Partners IV will take into consideration, among other things, the period of time over which the voting shares of the company are expected to be held, the size of the position, the costs involved in the proxy proposal and the existing governance documents of the affected company, as well as its management and operations. Proxy proposals that change the existing status of a company will be reviewed to evaluate the desirability of the change, and to determine the benefits to the company and its shareholders, but Mason Wells Partners IV's primary objective is always to protect and enhance the economic interest of Fund IV.

In evaluating a proxy proposal, the managing member of Mason Wells Partners IV is ultimately responsible for considering whether there are any circumstances that may give rise to a conflict of interest in connection with voting Fund IV proxies. Fund IV's Partnership Agreement contains detailed conflict of interest provisions governing how these and any other such conflicts of interest should be addressed.

Where Mason Wells Partners IV receives written or electronic notice of a lawsuit, settlement, or verdict affecting securities owned by Fund IV, it will complete all notices, proof of claim forms, and other materials for Fund IV. It will also report all such suits and settlements to Limited Partners of Fund IV.

ITEM 18 - FINANCIAL INFORMATION

There is no financial condition that is reasonably likely to impair Mason Wells Partners IV's ability to meet its contractual commitment to Fund IV, Executive Fund IV, or any third party.