

Baird Capital Partners Asia Management I Limited Partnership

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This brochure provides information about the qualifications and business practices of Baird Capital Partners Asia Management I Limited Partnership. If you have any questions about the contents of this brochure, please contact us at (414) 765-3500. 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.

Baird Capital Partners Asia Management I Limited Partnership is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended. Such registration does not imply a certain level of skill or training. Additional information about Baird Capital Partners Asia Management I Limited Partnership also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2. Material Changes

Baird Capital Partners Asia Management Company I Limited Partnership

Baird Capital Partners Asia Management I Limited Partnership (“Baird Asia I”), updated its Form ADV Part 2A brochure (the “Brochure”) on March 31, 2021. The following summary discusses the material changes that Baird Asia I has made to the Brochure since March 10, 2020, the date of the last annual update to the Brochure.

- Baird Asia I updated information about its regulatory assets under management and certain of its affiliates. See the Sections of the Brochure entitled “Advisory Business” and “Other Financial Industry Activities and Affiliations” for more information.

A client should note that the foregoing summary only discusses material changes made to the Brochure since March 10, 2020. The updated Brochure contains changes that are not listed above.

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I. Advisory Business

Baird Capital Partners Asia Management I Limited Partnership (“Baird Asia I”), the registered investment adviser, is a Cayman Islands exempted limited partnership. Baird Asia I was formed to provide “investment supervisory services” to its clients, which consist of private investment-related funds, including Baird Capital Partners Asia I Limited Partnership, Baird Capital Partners Asia I (Cayman) Limited Partnership and BCPA I Affiliates Fund Limited Partnership (collectively, the “Partnerships” or the “Funds,” and together with any future private investment funds, “Private Investment Funds”). Baird Asia I is also the general partner of the Funds (the “General Partner”), and has the authority to make the investment decisions for the Funds and control the business and affairs of the Funds. The General Partner was formed by China Growth Equity, the China-focused growth equity investment group of Baird Capital (“BC”), the global private equity group of Robert W. Baird & Co. Incorporated (“Baird”). BC was founded in 1989 and is based in Milwaukee, Wisconsin and Chicago, Illinois. Baird is the principal owner of Baird Asia I. Baird Financial Corporation (“BFC”) owns 100% of Baird and Baird Financial Group, Inc. owns 100% of BFC.

The Funds and any other Private Investment Funds that may be formed by the General Partner (or its affiliates) at a later date or that may otherwise become clients of the General Partner are expected to invest through negotiated transactions in operating entities. The General Partner’s investment advisory services to each Fund consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for such investments. As the General Partner provides advisory services to the Funds, the General Partner does not tailor its advisory services to the needs of individual investors nor does it permit individual investors to impose restrictions on investing in certain securities or types of securities. As of December 31, 2020, Baird Asia I managed \$2.1 million on a discretionary basis and no assets on a non-discretionary basis.

II. Fees and Compensation (Capitalized terms not defined herein have the meaning as set forth in the applicable Fund’s partnership agreement)

2.5% Management Fee - the annual management fee (“Management Fee”) is 2.5% of aggregate commitments payable quarterly in advance (subject to potential reductions due to waivers and offsets under certain circumstances) and commences from the Fund’s effective date, as defined in each Fund’s Limited Partnership Agreement (the “Effective Date”) (regardless of when an investor was actually admitted). In addition, beginning the earlier of (i) six years after the Effective Date, or (ii) following certain events (as more fully described in each Fund’s partnership agreement (the “Partnership Agreement”)), the Management Fee shall be reduced to 2.5% of aggregate funded commitments less distributions of such capital and any write-offs of portfolio investments; provided that distributions with respect to a portfolio company shall be treated as a return of capital only to the extent the fair market value of the Fund’s interest in such portfolio company at the time of such distribution is less than the Fund’s aggregate investment contributions made with respect to such portfolio company. The Management Fee generally will be payable until all portfolio investments are distributed or until the General Partner’s relationship with the Fund is terminated for other reasons (as described in the Partnership Agreement).

Management Fee Offset – the Management Fee payable in any quarterly period shall be reduced by an amount of 50% of any Transaction Fees for the quarterly period immediately succeeding the quarterly period in which the Transaction Fee was received by a Management Person.

Payment of Management Fee - if the investor has specified an account at Baird, after the General Partner gives notice to the investor, Baird will deduct the Management Fee from the investors account. If the investor does not have an account at Baird, the General Partner will notify the investor as to when the Management Fee is payable.

Carried Interest - after the General Partner has achieved an 8% compounded annually preferred return, the General Partner will receive a carried interest or performance fee from investors in the Fund equal to 20% of all realized profits (as more fully described in the Partnership Agreement).

Inability to Withdraw - the Funds and other private investment funds invest on a long-term basis. Accordingly, investment advisory and other fees are paid during the term of each Fund and investors generally are not permitted to withdraw or redeem interests in the Fund.

Organizational Expenses - the Funds will reimburse the General Partner up to \$1.25 million of the expenses incurred in connection with its organization and funding, including legal, travel, accounting, filing, capital raising and other organizational expenses. Organizational Expenses in excess of this amount, if any, as well as the fees of the placement agent will be borne by the General Partner.

Other Partnership Expenses - the Funds will pay all other partnership expenses that are not reimbursed by portfolio companies, including legal, auditing, consulting, financing, accounting, administration and custodian fees and expenses; fees and expenses incurred in connection with the maintenance of a registered agent or principal office in the Cayman Islands; expenses associated with the Funds’ financial statements and tax returns; out-of-pocket expenses incurred in connection with transactions not consummated; its pro rata share of the fees and expenses of the strategic advisory board; its pro rata share of the expenses of the LP Committee; expenses of the annual meetings of the Limited Partners; insurance; other expenses associated with the acquisition, holding and disposition of its Investments, including extraordinary expenses (such as litigation, if any); any taxes, fees or other governmental charges levied against the Funds; and all liquidation costs, fees and expenses incurred by or on behalf of the Funds in connection with liquidating the Funds at the end of its life. In addition to the partnership expense information provided herein, see the Fund’s Limited Partnership Agreement for expense information.

General Partner Expenses - the General Partner will pay all of its ordinary administrative and overhead expenses incurred in connection with managing, originating and monitoring investments, including compensation of employees' rent, utilities and similar expenses.

Baird and Affiliate Services to the Fund / Fees without Offset – Baird and/or its Affiliates may provide certain services to the Partnership, such as accounting or brokerage services, and may charge the partnership for these services provided that the General Partner in its reasonable discretion believes in good faith that Baird can provide such services at no greater cost than would be the case if an unaffiliated third-party were to provide such services. Fees for such services will not be offset against the management fee. Baird, in particular, does provide fund-administration services to the Partnership. The cost of these services is disclosed annually to the Limited Partnership Committee as well as in the footnotes to the annual audited financial statements of the Partnership.

Baird and Affiliate Services to Portfolio Companies / Fees without Offset - the LPA for the Fund states that, notwithstanding anything to the contrary in the LPA, Baird, BAL and their affiliates may provide certain services to portfolio companies (e.g., underwriting or private placement of securities, merger and acquisition advice, strategic alliance advice, other financial advisory services or consulting services in connection with the evaluation, development and implementation of appropriate sourcing, manufacturing and/or distribution strategies in China) that are not subject to a management fee offset provided the Adviser believes in good faith that such services can be provided at a reasonable cost relative to the value provided to the portfolio company.

Because BCPA I typically makes minority / non-control investments, the Adviser is generally not in a position to control the service providers used by its portfolio companies. However, the Adviser intends to encourage the use of such services of Baird or its affiliates when it believes it is in the best interest of the portfolio company. Historically, Baird and its affiliates have had limited opportunities to provide services to the portfolio companies of BCPA I. Furthermore, the Adviser has not used the services provided by BAL, and as of January 1, 2016, BAL is no longer providing services to Baird Capital portfolio companies.

Baird Associates Compensated for Solicitation of Investors in the Fund - the General Partner did enter into solicitation arrangements pursuant to which it compensates persons, including Principals and employees of Baird or its affiliates, for client referrals that result in the provision of investment advisory services by the General Partner. This payment may give Baird and employees of Baird an incentive to recommend an investment in the Fund based on compensation received, rather than on an investor's needs. To address this potential conflict, the Baird employee who recommended the investment in the Fund must make the determination that the investment in the Fund was suitable for that investor. If the investor's investment in the Fund is held in a Baird fee-based account, the investor will not be charged an asset based fee on the value of the investor's Fund's holdings.

Other Fee Arrangements - the General Partner has not negotiated a fee arrangement other than as described herein with any other investor.

III. Performance-Based Fees

The General Partner will receive a carried interest or performance fee from investors in the Fund equal to 20% of all realized profits after achieving an 8% preferred return (as more fully described in the Partnership Agreement). The fact that the General Partner's carried interest is based on a percentage of net profits may create an incentive for the General Partner to cause the Fund to make riskier or more speculative investments than otherwise would be the case. The significant investment of the members of the investment team (the "Principals") in the Fund, as well as the Principals' interest in the carried interest, operate to align, to some extent, the interest of the Principals with the interest of the investors, although the Principals have economic interests in such other investment funds and investments as well and receive management fees and carried interests relating to these interests. The General Partner does not currently manage any Funds that do not charge a performance-based fee.

IV. Types of Clients

The General Partner provides investment advice to Private Investment Funds, including the Funds. Private Investment Funds are investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended (the "Investment Company Act"). The investors participating in Private Investment Funds may include individuals, banks or thrift institutions, other investment entities, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and may include, directly or indirectly, Principals or other employees of the General Partner and its affiliates. Excluding BCPA I Affiliates Fund Limited Partnership, the minimum commitment of an investor who is an individual is \$250,000 and the minimum commitment of an institutional investor is \$1 million, although individual commitments of lesser amounts may have been accepted at the discretion of the General Partner.

V. Methods of Analysis, Investment Strategies and Risk of Loss

The Fund's investment portfolio will consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses that clients should be prepared to bear.

The General Partner will provide day-to-day investment advisory services to each Fund. The investment strategy of the General Partner is to seek to increase the value of, and to find desirable exit opportunities for, the investments in the Fund. The General Partner seeks to provide returns to investors by (i) using their networks to source attractive businesses, (ii) performing detailed deal evaluation and due diligence to select, structure and appropriately price investments, and (iii) actively managing the Fund's investments in conjunction with portfolio company management. Accordingly, the General Partner's investment methodology includes deal flow, detailed due diligence and active portfolio management. The General Partner uses a deal origination model that leverages both the Baird network for proprietary opportunities and market intelligence provided through other BC funds and Baird's investment banking, equity research and private wealth management groups. The General Partner will continue to develop relationships with established networks of founders and entrepreneurs, executives, co-investors, consultants, attorneys, investment bankers and government/regulatory officials to serve as sources of deal flow. The General Partner will perform detailed due diligence activities for identified investment opportunities, encompassing, as appropriate, the market, products, competition, management, intellectual property, deal structure, valuation, financial projections and return expectations. The General Partner will be actively involved with the Fund's portfolio companies, providing on-going strategic direction and operational support.

BC uses Operating Partners. The relationship of Operating Partners with Baird is that of an independent contractor. With respect to the LPA, Operating Partners are not Active Members, Management Persons, Affiliates, Conflict Party, employees or otherwise dedicated resources of Baird or the Adviser. Operating Partners are compensated by the following: a retainer fee paid by the Adviser for fund-level strategic advice, investment sourcing assistance, and investment due diligence assistance. An Operating Partner may be compensated by portfolio companies for services provided directly to the respective company or companies (e.g., board participation, mentoring and advising management, industry expertise, etc.). Compensation paid by portfolio companies to Operating Partners may include, but may not be limited to, the following forms of compensation: board of director participation fees, stock options or other equity securities and other cash compensation, such as consulting fees. The compensation received by Operating Partners is not used in whole or part to offset the management fee paid by the Fund. In addition, Operating Partners may co-invest their own personal capital in portfolio companies.

An investor should be aware of certain risk factors, which include, but are not limited to, the risks described below and those described in the Private Placement Memorandum.

Time and Attention of General Partner - although the General Partner may commit such amount of its business efforts to the Funds as it deems appropriate to manage the Funds, it is not required to devote all its time to the affairs of the Funds and may advise and manage other investments and investment funds, including, possibly, newly created investment funds.

Lack of Sufficient Investment Opportunities - the business of identifying and structuring private equity transactions is highly competitive, and involves a high degree of uncertainty. It is possible that the Funds will never be fully invested. However, Limited Partners will be required to pay annual Management Fees during the Investment Period based on the entire amount of their Commitments.

Dependency on General Partners Judgement - investors thus must depend solely upon the ability of the General Partner with respect to making, monitoring, and disposing of Partnership investments. In addition, there exists broad discretion to expand, revise, or contract the Funds' business without the consent of the Limited Partners. An investment in the Funds should be regarded as a passive investment. Any decision to engage in a new investment could result in the exposure of the Partnership Assets to additional risks that may be substantial.

Use of Leverage - while the use of leverage presents opportunities for increasing the Funds' total return, it has the effect of potentially increasing loss as well. If income and appreciation of the Funds or of such Portfolio Companies, as the case may be, are less than the required interest payments on the borrowing, the value of the Funds or of such Portfolio Companies may decrease or, in extreme cases, the lender could seize the Partnership Assets or the assets of such Portfolio Companies and the Funds could suffer a total loss of its investment.

Illiquidity - investments made by the Funds will generally be illiquid. The liquidity of all investments of the Funds will be dependent upon the success of the realization strategy proposed for each investment that could be adversely affected by a variety of risk factors.

Concentration of Investments - the Funds' investments will be concentrated in companies with substantial operations and growth opportunities in China, thereby increasing the risk and vulnerability of the Funds' investments that may, therefore, be impacted substantially by general economic and political developments in that region, as compared to a larger and more diversified global portfolio. The Funds may make portfolio investments in countries where generally accepted accounting standards and practice differ significantly from each other. The evaluation of potential investments and the ability to perform due diligence may be affected. The financial information appearing on the financial statements of a company located in certain of the countries may not reflect its financial position or results of operations in the way they would be reflected if the financial statements had been prepared in accordance with, for example, U.S. generally accepted accounting principles.

Public Health Emergencies; COVID-19 - Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19, have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Fund.

Currently, there is an ongoing outbreak of COVID-19, which has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. As a result, COVID-19 has significantly diminished global economic production and activity of all kinds and has contributed to both volatility and a severe decline in all financial markets. Among other things, these unprecedented developments have resulted in material reductions in demand across most categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, steep increases in unemployment levels in the U.S. and several other countries, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of COVID-19 — and the resulting precipitous decline in economic and commercial activity across nearly all of the world’s largest economies — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, are possible. The extent of COVID-19’s impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained and economies are able to “re-open,” it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Fund. The extent of the impact on the Fund and its portfolio companies’ operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Fund intends to pursue, all of which could adversely affect the Fund’s ability to fulfill its investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Fund, its portfolio companies, the General Partner and Baird may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity’s personnel. These measures may also hinder such entities’ ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

VI. Disciplinary Information

There are no legal or disciplinary events that are material to an investor’s evaluation of the Fund or the integrity of the General Partner.

VII. Other Financial Industry Activities and Affiliations

Baird, a Wisconsin corporation and an entity related to the General Partner by virtue of Baird’s control of the General Partner, acts as a registered investment advisor to various clients, including individuals, institutions and a registered investment company. Baird is also registered as a broker/dealer. Certain clients of Baird were solicited to invest in the Funds. As a result of Baird’s ownership of the General Partner and the other powers granted to Baird in the General Partner’s partnership agreement, Baird can influence certain decisions made by the General Partner, including, potentially, decisions regarding transactions undertaken by portfolio companies of the Funds. In addition, Baird has provided certain services to the Funds, including accounting and fees received for providing such services were not offset against the management fee. Under the terms of each Fund’s Partnership Agreement, Baird may charge the Fund for these services; provided that the General Partner believes in good faith that Baird can provide such services at no greater cost than would be the case if unaffiliated third parties were to provide such services. The LPA for the Fund states that, notwithstanding anything to the contrary in the LPA, Baird, Baird Asia Limited (“BAL”) and their affiliates may provide certain services to portfolio companies (e.g., investment banking or other financial advisory / consulting services) that are not subject to management fee offset, provided the General Partner believes in good faith that such services can be provided at a reasonable cost relative to the value provided to the portfolio company. Because BCPA I primarily makes

minority investments, the Adviser is typically not in a position to control the service providers used by its portfolio companies. However, the Adviser intends to encourage the use of such services of Baird or its affiliates when it believes it is in the best interest of the portfolio company. Fees earned from providing such services will not be offset against the management fees. Historically, Baird and its affiliates have not had an opportunity to provide services to the portfolio companies of BCPA I. Effective January 1, 2016, all service contracts with BAL were cancelled. Baird has a Conflicts of Interest policy that covers each of the general partners of the private equity funds that are registered investment advisers. This policy also covers Baird and its affiliated entities with respect to the dealings with (i) the various limited partnerships of the general partner and (ii) various companies in which the Funds own an interest. In addition, these policies cover Baird associates with respect to their investments in private securities.

The General Partner formed BCPA I Affiliates Fund Limited Partnership to allow qualified employees to co-invest alongside the other Funds.

Other general partners of private equity funds that are registered investment advisers and controlled by Baird include the following: Baird Capital Global Fund Management II LLC, a Delaware limited liability company and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Capital Global Fund II Limited Partnership, BCGF II Special Affiliates Limited Partnership and BCGF II Affiliates Fund Limited Partnership, which make private equity investments, principally buyout and growth equity investments, in lower middle-market companies in the U.S., U.K., and Asia with a focus on businesses that have global growth opportunities. Baird Capital Global Fund Management I LP, a Cayman Islands exempt limited partnership and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Capital Global Fund I LP, Baird Capital Global Fund I-DE LP, BCGF I Special Affiliates LP and BCGF I Affiliates Fund LP, all of which principally invest in buyout and growth equity investments in lower middle-market companies in the U.S., U.K., and Asia with a focus on businesses that have global growth opportunities. Baird Capital Partners Management Company V, LLC, a Delaware limited liability company and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Capital Partners V Limited Partnership, BCP V Special Affiliates Limited Partnership and BCP V Affiliates Fund Limited Partnership, all of which invest in late-stage growth and change of control private equity opportunities. Baird Venture Partners Management Company I, LLC, a Delaware limited liability company and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Venture Partners I (B) Limited Partnership, which invests in early to growth-stage venture capital opportunities. Baird Venture Partners Management Company III, LLC, a Delaware limited liability company and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Venture Partners III Limited Partnership, BVP III Special Affiliates Limited Partnership and BVP III Affiliates Fund Limited Partnership, all of which invest in early to growth-stage venture capital opportunities. Baird Venture Partners Management Company IV, L.L.C., a Delaware limited liability company and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Venture Partners IV Limited Partnership, BVP IV Affiliates Fund Limited Partnership, and BVP IV Special Affiliates Limited Partnership, all of which invest in early to growth-stage venture capital opportunities. Baird Venture Partners Management Company V, L.L.C., a Delaware limited liability company and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Venture Partners V Limited Partnership, BVP V Affiliates Fund Limited Partnership, and BVP V Special Affiliates Limited Partnership, all of which invest in early to growth-stage venture capital opportunities. Baird Principal Group Management Company I, LLC, a Delaware limited liability company and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Principal Group Partners Fund I Limited Partnership, which makes co-investments in opportunities supporting private equity firms and experienced private equity professionals in transactions in the United States and possibly Europe. Baird Principal Group Management Company II, LLC, a Delaware limited liability company and an entity related to the General Partner by virtue of common ownership and control, is the general partner of Baird Principal Group Partners Fund II Limited Partnership, which makes co-investments in opportunities supporting private equity firms and experienced private equity professionals in transactions in the United States and possibly Europe.

Baird Capital Partners Europe Limited, an English limited company and affiliated with Baird, is regulated and authorized by the Financial Conduct Authority and is the manager of certain partnerships formed to acquire businesses and make investments across a range of industry sectors.

The Principals may spend a portion of their business time and attention pursuing investment opportunities that do not fall within the investment objectives of the Fund for other investment funds and other than on behalf of the Fund. The Principals and the General Partner's investment staff will continue to manage and monitor such investment funds and investments. The significant investment of the Principals in the Fund, as well as the Principals' interest in the carried interest, operate to align, to some extent, the interest of the Principals with the interest of the Partners, although the Principals have economic interests in such other investment funds and investments as well and receive management fees and carried interests relating to these interests.

VIII. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

The General Partner follows a code of ethics (the "Code") for standards of business conduct and personal securities transactions. The Code restricts, among other things, the direct purchase and sale by employees for their own accounts of securities that have been or are in the process of being purchased or sold for client accounts within certain limits. The Code also addresses the approval of associate accounts, trading policy, outside brokerage accounts, reporting of securities and transactions. Personal securities transactions by employees who

manage client accounts are required to be conducted in a manner that assures that the interests of the clients take precedence. All personal securities transactions must be conducted in a manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility. If you would like a copy of the Code, please contact Scott Skie at (312) 609-4664 and it will be provided to you at no charge.

Principals and employees of the General Partner and its affiliates may directly or indirectly own an interest in Private Investment Funds including the Fund. In addition, the General Partner may recommend the purchase or sale of securities for client accounts in which one or more of its members, officers, directors, employees (and members of their families) or affiliates ("affiliated persons"), directly or indirectly, have a position or interest, or which an affiliated person buys or sells for himself or herself. Such transactions also may include trading in securities in a manner that differs from or is inconsistent with the advice given to the clients of the General Partner or the Funds. The significant investment of the Principals in the Fund and the Principals' interest in the carried interest, operate to align, to some extent, the interest of the Principals with the interest of the investors, although the Principals have economic interests in other investment funds and investments as well and receive management fees and carried interests relating to those interests.

Certain employees of Baird, the Adviser and their affiliates were offered the opportunity to participate in a loan program to fund their investments in the BCPA fund. These employees included members of the investment team for the Fund. 1:1 and 3:1 loans were provided by a third party independent financial institution through an agreement between the employee and the financial institution.

Baird, as a broker/dealer, investment banker and investment adviser, continually engages in various securities transactions and trading activities, which could create a conflict of interest with clients. Prior to the final closing of the Fund, Baird may warehouse transactions for the Funds as more fully described in the Partnership Agreement. Also, each of Baird's investment advisory departments has internal procedures in place to ensure that Baird will not act in a principal capacity for any transaction in a client's account absent appropriate prior client approval of the transaction. Accordingly, when acting as an investment adviser, Baird generally acts only in an agent capacity in transactions effected for client accounts. The advisory agreements entered into by clients for the respective Baird investment advisory departments, where applicable, disclose the possibility of Baird's role in potential transactions and the possible conflicts. Each customer confirmation discloses the capacity in which Baird served in the transaction and whether Baird is a market maker in the issue.

IX. Brokerage Practices

The General Partner typically invests in private companies and generally purchases and sells such companies through privately-negotiated transactions with or without the use of a brokers or dealers. Baird may be used as a broker-dealer for such transactions.

The General Partner will typically only engage in public securities transactions when disposing of securities that have become publicly traded. In the event that the General Partner engages in a public security transaction, the General Partner will consider a number of factors in selecting a broker-dealer, including: (i) the commission charged (taking into consideration the size of the order and the price of the security), (ii) the broker-dealer's execution capabilities with respect to the security and (iii) the broker-dealer's general reputation and ability to execute an order in appropriate time frame (i.e., the overall responsiveness of the broker-dealer). Although the General Partner generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent. The General Partner does not consider, in selecting a broker-dealers, the receipt of research from broker-dealers. The General Partner, consistent with its duty to seek best execution, will generally use Baird to effect security transactions. The General Partner does not engage in soft dollar arrangements and therefore did not acquire any products or services with client brokerage commissions within the last fiscal year.

From time to time, the General Partner may, but is not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or "batched" to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating client of the General Partner is favored over any other client. When an aggregated order is filled in its entirety, each participating client account generally will receive the average price obtained on all such purchases or sales made during such trading day. When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a pro rata basis to each client account participating in such buy or sell order in accordance with the amount of securities originally requested for such account. Each client account generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to pro rata allocations are permissible provided they are fair and equitable to clients over time.

X. Review of Accounts

Investments of the Fund made by the General Partner generally are long-term in nature and illiquid. Accordingly, the review process is generally not directed toward short-term sell decisions. However, the General Partner closely monitors companies in which its Funds invest and generally will maintain an ongoing oversight position in such companies.

The Fund will provide to its limited partners (i) annual audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each limited partner's tax return, (iii) quarterly information describing each new portfolio company investment or the occurrence of any material event relating to any portfolio company investment.

XI. Client Referrals and Other Compensation

The General Partner did enter into solicitation arrangements pursuant to which it compensated persons, including Principals and employees of Baird or its affiliates, for client referrals that resulted in the provision of investment advisory services by the General Partner. In some cases, with respect to investors that are referred by a solicitor, the Fund will have paid a placement or solicitation fee of up to 2.25% of such investors' commitment to the Fund; however, such fee would have been offset dollar for dollar against the Fund's management fee and, therefore, the fee will have effectively been borne by the General Partner.

Baird Capital Partners Asia Management I ("BCPAM I") also compensated Baird Financial Advisors for referring clients who made a commitment to Baird Capital Partners Asia I Limited Partnership or Baird Capital Partners Asia I (Cayman) Limited Partnership (collectively, "BCPA I") and were accepted by BCPAM I. The compensation structure consisted of two alternatives, the Standard Commission and the Asset Based Fee. Under the Standard Commission structure, Baird Financial Advisors were paid a commission based upon the size of the client's commitment to BCPA I. The Baird Financial Advisor earned an aggregate commission of 2% of the client's commitment to BCPA I. The Baird Financial Advisor earned a commission of 1% of the client's commitment to BCPA I at the time of closing on the client's commitment to BCPA I and 20 basis points of the client's commitment to BCPA I over each of the next five years for an aggregate commission of 2%. Under the Asset Based Fee structure, Baird Financial Advisors were not paid based upon the amount of the client's commitment to BCPA I, but rather were paid based on the client's capital account balance in BCPA I. During the term of BCPA I, the Baird Financial Advisor was paid annually at the rate of 50 basis points based on the client's average quarterly capital account balance, provided that the total compensation to the Baird Financial Advisor under the Asset Based Fee structure did not exceed the total payment under the Standard Commission structure (i.e., 2% of the client's commitment to BCPA I).

Certain Baird Financial Advisors invested in BCPA I Affiliates Fund Limited Partnership. The BCPA I fund consists of three limited partnerships: Baird Capital Partners Asia I Limited Partnership, Baird Capital Partners Asia I (Cayman) Limited Partnership and BCPA I Affiliates Fund Limited Partnership. Certain Baird Financial Advisors invested in BCPA I Affiliates Fund Limited Partnership and solicited clients to invest in Baird Capital Partners Asia I Limited Partnership or Baird Capital Partners Asia I (Cayman) Limited Partnership.

XII. Custody

The General Partner maintains custody of each Fund's assets with Baird, a qualified custodian, to the extent required by the Investment Advisers Act and in accordance with guidance issued by the SEC from time to time. If the limited partner has a Baird account, the limited partner will receive accounts statements from Baird and limited partners should carefully review those statements. Limited partners should also compare the statements received from Baird with the statements received from the General Partner.

XIII. Investment Discretion

As the General Partner provides advisory services to the Funds, the General Partner does not tailor its advisory services to the needs of individual investors nor does it permit individual investors to impose restrictions on investing in certain securities or types of securities. Investors grant discretionary authority to the General Partner to make investments for the Funds. In connection with making a commitment to the Funds, an investor is required to execute a power of attorney granting the General Partner authority to act on the investor's behalf.

XIV. Voting Client Securities

In accordance with SEC requirements, the General Partner has adopted Proxy Voting Policies and Procedures (the "Proxy Policy") to address how the General Partner will vote proxies for each Fund's portfolio investments. The Fund Partnership Agreement grants the General Partner the authority to vote proxies on behalf of the Fund. The Policy seeks to ensure that the General Partner votes proxies (or similar instruments) in the best interest of the Funds, including when there may be material conflicts of interest in voting proxies. The General Partner generally believes its interests are aligned with each Fund's investors through the General Partner's Principals' beneficial ownership interests in the Funds. In the event, however, there is or may be a conflict of interest between the General Partner and the Fund in voting proxies, the General Partner may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. The General Partner does not consider service on portfolio company boards by General Partner personnel or the General Partner's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines the General Partner follows when voting proxies on behalf of the Fund. If you would like a copy of the Proxy Policy or information regarding how the General Partner has voted proxies on behalf of the Fund, please contact Scott Skie at (312) 609-4664 and it will be provided to you at no charge.

XV. Financial Information

The General Partner's financial condition is such that there is no reasonable likelihood that it will impair the General Partner's contractual commitments to the investor.

XVI. Additional Information

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who is an investor. In connection with this requirement, we will ask you for certain information that will allow us to identify you, which is typically provided in the subscription agreement. A corporation, partnership, trust or other legal entity may need to provide other information such as its principal place of business, local office, certified articles of incorporation, a partnership agreement or a trust agreement. We may be required to disclose this information pursuant to applicable laws, rules or regulations, but it will otherwise be retained in confidence according to our privacy policy.

The General Partner's Privacy Notice which includes, but is not limited to, information on the sources of non-public information, disclosure of information and information security is available upon request.