

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Riverside Partners, LLC (hereinafter “Riverside” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (617)-351-2800 or at ksullivan@riversidepartners.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 Riverside is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Riverside is 160754. Registration with the Securities and Exchange Commission does not imply any level of skill or training.

Item 2 Material Changes

Since the filing of our last year's annual updating amendment, we have no material changes to report.

Table of Contents

Item 2	Material Changes	2
Item 4.	Advisory Business	4
Item 5.	Fees and Compensation	5
Item 6.	Performance-Based Fees and Side-By-Side Management	9
Item 7.	Types of Clients.....	10
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9.	Disciplinary Information	11
Item 10.	Other Financial Industry Activities and Affiliations	12
Item 11.	Code of Ethics, Participation in Client Transactions and Personal Trading.....	12
Item 12.	Brokerage Practices	14
Item 13.	Review of Accounts	16
Item 14.	Client Referrals and Other Compensation.....	16
Item 15.	Custody.....	17
Item 16.	Investment Discretion.....	17
Item 17.	Voting Client Securities	17
Item 18.	Financial Information	17

Item 4. Advisory Business

Riverside Partners, LLC (“Riverside”) is an SEC-registered investment adviser with its principal place of business in Boston, Massachusetts. We have been in business since 1989. The firm’s registration with the SEC does not imply any particular level of skill or training by our firm or employees or that the SEC has endorsed our respective qualifications to provide investment advisory services. David Belluck is the firm’s sole equity owner and managing member.

Riverside provides investment management services to Private Equity Funds and certain parallel co-investors (hereinafter collectively, “the Funds”). Unlike other types of private funds, such as hedge funds, private equity funds receive unfunded capital commitments from investors during one or more initial fundraising stages, after which the funds are generally closed to new investors. The fund manager will then call on investors to make capital infusions (each a “drawdown”), based on their commitments, to support the fund’s investments once those investments have been identified and fully vetted through an extensive due diligence and negotiation process. Investments made for the Funds are generally, but not exclusively, in private, illiquid securities.

Riverside specializes in managing Private Equity Fund investments in growing middle market healthcare and technology oriented companies. Our specialization enables us to play a decisive role in portfolio company management and operations while maintaining perspective on valuations, financing parameters and exit/liquidation potential. For each Fund, Riverside performs in-depth due diligence regarding investments, structures and prices of prospective portfolio companies and add-on acquisitions to portfolio companies, works closely with portfolio companies to provide strategic, operating, marketing and financial advice and identifies multiple exit options prior to an initial investment.

Riverside’s PRIVATE EQUITY FUNDS:

- Riverside Fund III, L.P. (“Fund III”), vintage year: 2005
- Riverside Fund IV, L.P. (“Fund IV”), vintage year: 2009
- Riverside Fund IV Offshore, L.P. (“Offshore Fund IV”), vintage year: 2009
- Riverside Fund V, L.P. (“Fund V”), vintage year: 2012
- Riverside Fund V Offshore, L.P. (“Offshore Fund V”), vintage year: 2012
- Riverside Fund VI-A, L.P. (“Fund VI-A”), vintage year: 2018
- Riverside Fund VI-B, L.P. (“Fund VI-B”), vintage year: 2018
- Riverside Fund V SQ-A, L.P. (“Fund V SQ-A”), vintage year: 2021
- Riverside Fund V SQ-B, L.P. (“Fund V SQ-B”), vintage year: 2021
- Riverside Fund V CF-A, L.P. (“Fund V CF-A”), vintage year: 2021
- Riverside Fund V CF-B, L.P. (“Fund V CF-B”), vintage year: 2021

Each of the Riverside Private Equity Funds are managed using a similar investment strategy and will generally have similar risk profiles. Riverside leverages its extensive industry knowledge and contacts to identify investment opportunities for the Funds. The investment objective of the Funds is to seek long-term capital appreciation over the course of each Fund’s term, generally ten years from the final closing, subject to limited extensions at the discretion of the General Partner to permit the orderly liquidation of a Fund.

We seek to invest the Funds' assets primarily in the equity securities of companies with strong, identifiable franchises and capable management with a view toward building them through expansion in their core areas and/or acquisition. Investment positions range from majority control for most of our investments to minority positions in which one or more of the Funds invests alone, with appropriate down-side controls, or as a member of a consortium of other qualified co-investors. Riverside mostly sources investment opportunities directly, but may also utilize affiliated and unaffiliated third parties, including traditional investment banks, brokers, and placement agents.

The Funds are not required to register under the Securities Act of 1933 or the Investment Company Act of 1940 in reliance upon certain exemptions available to issuers whose securities are not publicly offered. We manage the Funds on a discretionary basis in accordance with the terms and conditions of each Fund's offering and organizational documents.

ASSETS: As of December 31, 2020, Riverside had \$848,581,625 in discretionary assets under management. Riverside does not manage any assets on a non-discretionary basis.

IMPORTANT ADDITIONAL CONSIDERATIONS: The information provided herein merely summarizes the detailed information provided in each Fund's offering and organizational documents. Certain of the Funds are closed and are not admitting new investors. Current Fund investors and prospective investors in any new Fund launched by Riverside should be aware of the substantial risks associated with investment as well as the terms applicable to such investment. This and other detailed information is provided in the appropriate Fund offering and organizational documents.

Item 5. Fees and Compensation

For our services to the Funds, we charge a management fee as described below. In addition, each Fund's General Partner, an affiliate of Riverside through common ownership and control, will receive Carried Interest, a form of performance-based compensation, as described below.

Management Fees and Carried Interest:

Management fees are charged to the Funds in two distinct stages. Generally, while the Fund is in an investment stage, that is, when we are actively seeking to identify potential platform investments and portfolio companies, and conducting due diligence and negotiations regarding those investments, the Management Fee is charged as a percentage of each Fund Limited Partner's capital commitment. Once this investment period is complete, we have launched a new Fund, or, in some cases, a predefined number of years have elapsed since the Fund's final closing, the basis for the Management Fee then changes to be based, generally, on funded commitments (acquisition cost basis) remaining invested in portfolio companies.

Management Fees are typically 2% of committed capital during a Fund's investment period and then 2% of outstanding investment capital after the expiration of a Fund's investment period. Fees are charged in semi-annual installments on each January 5 and July 5 (5 days in arrears and the remaining days of each such six month period in advance). Carried Interest, typically 20%, is allocated upon the sale of any portfolio company or realization of an investment or dividend. Limited Partners should refer to the appropriate Fund offering documents for detailed information

regarding fees and fee offsets. It is also important to note that any new Fund launched by Riverside may have similar or materially different terms than those summarized above.

Other Fees, Expenses and Off-Sets

Riverside investment professionals are frequently appointed as directors to portfolio companies in which Riverside has made an investment. Riverside investment professionals closely monitor the business activities of the portfolio companies and frequently provide strategic advice and access to industry resources. As compensation for this service Riverside may charge annual monitoring fees to portfolio companies. Annual monitoring fees are negotiated and agreed upon with the portfolio company at the time of purchase. Other transaction fees may be charged by Riverside or our affiliates to compensate us or our affiliates for facilitating successful transactions involving acquisitions, add-ons, debt financings or other purchases for or sales of portfolio companies and securities.

The payment of such fees by portfolio companies will, in some, but not all, circumstances create a conflict of interest between Riverside and its affiliates and the Funds and their investors because the amount of these fees and reimbursements are often substantial and the Funds and their investors do not share in these fees and reimbursements. Riverside determines the amount of these fees for the services provided and reimbursements based on agreements with sellers, buyers, management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions. In some cases, there is not an independent third-party involved on behalf of the relevant portfolio company. Therefore, a conflict of interest exists in the determination of any such fees and other related terms in the applicable agreements with the portfolio company.

Management Fees are generally reduced by a percentage (50% to 100%) of monitoring and transaction fees paid by portfolio companies to Riverside. However, certain expenses for services provided to portfolio companies by Operating Partners, as well as expenses incurred by Riverside in connection with the making, monitoring and disposing of such portfolio companies, may not be subject to the Management Fee offset under the applicable fund offering and organizational documents. Due to waived or reduced Management Fees and/or the timing of receipt of compensation subject to offsets, Fund investors may not receive the full benefit of reductions or offsets (e.g. during periods when Riverside no longer receives Management Fees or compensation that would otherwise be subject to offset).

Additionally, a portfolio company will often reimburse Riverside for expenses, which often include expenses for travel, meals and entertainment. Such reimbursements are generally not subject to the fee offsets described above.

If a proposed transaction is not consummated and no such co-investment vehicle will have been formed, the full amount of any expenses relating to such proposed but not consummated transaction ("Dead Deal Costs") would therefore be borne by the Fund or Funds selected by Riverside as proposed investors for such proposed transaction. Similarly, co-investment vehicles are not typically allocated any share of fees paid or received in connection with such an unconsummated transaction. As a general matter, no co-investor will bear Dead Deal Costs or receive any portion of any fees until they are contractually committed to invest in the prospective investment.

Investors must understand the proposed method of compensation and its risks prior to investing in any of the Funds. Prospective investors in any new Fund launched by Riverside should refer

to the appropriate Fund offering and organizational documents for information regarding the fees charged by Riverside and/or the General Partner, as applicable.

GENERAL INFORMATION:

Investments in Funds: The General Partner for each Fund is affiliated with Riverside through common ownership and control. The General Partner of each Fund will generally participate in the Fund's investments by investing assets directly in the Fund.

Co-Investments: Riverside or a Fund's General Partner may make co-investment opportunities available to the Limited Partners, their affiliates, Riverside employees, and certain third-parties, as appropriate and in the best interest of the Funds and/or Riverside. Allocation of such opportunities creates a conflict of interest as they are, by nature, limited and participation is not possible for all or even most investors in the Funds.

Following a determination of allocation among the Funds, Riverside will determine if it is appropriate to offer an investment opportunity to one or more potential co-investors, as determined by the Funds' Partnership Agreements, side letters and Riverside's procedures. Such procedures take into account a variety of factors in deciding co-investment allocations, including the following: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly and easily execute on transactions and to provide additional capital if needed; tax, regulatory and/or other legal considerations; confidentiality concerns that may arise in providing the prospective co-investor with information relating to the investment opportunity; Riverside's perception of whether the investment opportunity may subject Riverside, its affiliates or a co-investor to legal, tax, regulatory, reporting, public relations or other burdens; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender and seller requirements; and whether Riverside believes that allocating investment opportunities to a co-investor will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds and/or Riverside.

Allocation of such opportunities creates a conflict of interest as they are, by nature, limited and participation is not possible for all or even most investors in the Funds. While Riverside will allocate investment opportunities in a manner that it believes in good faith is fair to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which Riverside may be subject did not exist.

Write-Downs and Permanent Write-Offs: As disclosed above, following the investment period, Management Fees collected by us are calculated based on funded Capital Commitments that remain invested in portfolio companies less permanent write-offs in certain funds. In accordance with the appropriate Fund's offering memorandum, these assets are typically valued at cost minus permanent write-offs, as appropriate. Investments are reviewed quarterly by our Investment Committee for significant impairment. As a result of this fee calculation methodology, a conflict of interest is created whereby Riverside has incentive to not write-off valuations of portfolio companies as may otherwise be dictated by available market data and prudent fair valuation techniques. To address this conflict, we have adopted detailed Valuation Policies and Procedures. Write-offs, if any, are reviewed and approved annually by the applicable Fund's Advisory Board as part of the review and approval of the entire fund portfolio as required under the terms of each Fund's Partnership Agreement. In addition, portfolio company valuations are reviewed on at

least an annual basis by an independent certified public accountant that is both registered with and subject to regular inspection by the Public Companies Accounting Oversight Board (PCAOB) and a copy of the audited financials are sent to each investor within 120 days of each Fund's fiscal year end.

Clawbacks: In accordance with the terms of each Fund's Partnership Agreement and/or offering documents, distributions made by the Funds to its General Partner will be subject to clawback if the distributions exceed the agreed Carried Interest or the limited partners do not receive the agreed hurdle rate (if any). The clawback will not exceed the excess distributions, minus the taxes on those distributions.

Lock-Up: Except as set forth in the applicable Fund's offering documents, an investor in any one of the Funds generally may not rescind any part of its capital commitment or otherwise withdraw from any of the Funds. Private Equity Fund investing is for those who can afford to have capital locked up for long periods of time and who are able to bear the risk of significant losses.

Investors in each Fund should refer to the appropriate Fund's partnership agreement and offering documents for complete information regarding lock-ups and penalties or other consequences for failure to observe capital calls made by the Fund.

Side Letters: Riverside or each Fund's General Partner, as appropriate, has and may in the future, waive or modify certain terms of investment for certain large or strategic investors, in side letters or otherwise, in its sole discretion, including but not necessarily limited to, co-investment opportunities, increased Fund and portfolio company transparency and more frequent or varied formats or modes of portfolio reporting.

Allocation of Fees and Expenses: As a fiduciary to the Funds, Riverside seeks to act in the best interest of the Funds at all times. Among other things, this includes responsible stewardship of the Funds' assets. To the extent reasonably possible, therefore, Riverside seeks to keep Fund costs reasonable and to avoid unnecessary or excessive expenses. In addition, Riverside seeks to ensure that any expenses allocated to the Funds and portfolio companies owned by the funds include only those expenses actually incurred by the Funds or relevant portfolio companies.

Expenses and fees that may be incurred by the Funds and portfolio companies are generally described in the Funds' offering documents and summarized in this Form ADV, Part 2A. In general, Riverside may not allocate any expense to a Fund or a portfolio company where such expense has been explicitly prohibited by the Fund's organizational and offering documents. Moreover, for any payments enuring directly or indirectly to the benefit of Riverside or any of its related persons, especially for items like consulting and monitoring services to portfolio companies, Riverside will follow the following procedures:

- Ensure that the compensation paid is fair in relation to the scope of the job's responsibilities;
- Ensure that the entities or individuals retained have sufficient expertise and qualifications to provide the services being contracted for;
- Engage in continuous monitoring to ensure that services contracted for are provided in full;

- Disclose to investors that retention of related persons or entities for non-management services on behalf of the funds or portfolio companies constitutes a conflict of interest and describe how such a conflict of interest is mitigated; and
- Seek investor and/or Fund advisory board approval (if an advisory board has been created) for any conflicts that cannot be effectively mitigated or eliminated.

For each expense allocated to the Funds or a portfolio company, an invoice will be submitted. Expenses will be reflected on the books of the appropriate Fund or its affiliate, as appropriate. Riverside's CFO or his designee will review invoiced expenses and the methodology used to allocate among Funds or portfolio companies, as applicable. The methodology used to allocate expenses among Funds will be documented at the time of the allocation.

Riverside instructions to pay fund expenses (audit, legal, etc.) must be supported by an invoice.

When in doubt, Riverside will review disclosures regarding expenses as provided to applicable Fund investors through offering memoranda, Form ADV or otherwise and compare these to expenses actually charged to ensure that each expense is authorized and appropriately disclosed.

The CFO or his designee will periodically review expense allocation methodologies amongst the Funds and accounts to ensure that each Fund only assumes expenses attributable to its activities, and that those allocations are properly documented.

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

As disclosed in Item 5 of this Brochure, each Fund's General Partner, an affiliate of Riverside through common ownership and control, will receive Carried Interest, a form of performance-based profits interest. Such a performance-based profits interest is calculated based on a share of aggregate realized profits on assets of the Fund (subject to achieving a preferred return on invested capital, if applicable, as set forth in the applicable Fund's offering documents).

Investors in the Funds, and prospective investors in any new Fund launched by Riverside, should note that performance-based profits interest, in some contexts, can create an incentive for an adviser such as Riverside to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. However, the long term nature of private equity fund investing mitigates such risk because Carried Interest is calculated based on realized, not unrealized gains, leading Riverside to focus on fundamentals when making investments and add-on investments for the Funds. In addition, the General Partner also puts its own funds at risk.

At this time, we do not offer advisory services to clients who do not pay performance-based compensation, and therefore, we do not have an incentive to favor performance-based fee accounts over non-performance-based fee accounts. Since we endeavor at all times to put the interest of the Funds first as part of our fiduciary duty as a registered investment adviser, we take the following steps to address these conflicts:

1. We disclose to investors and prospective investors the existence of material conflicts of interest, including the potential for our firm and its employees to earn more compensation from some Funds than others;

2. Pursuant to the terms of each Funds' Partnership Agreements and/or Offering Memoranda, we will have substantially (though not necessarily entirely) completed the investment phase of one Fund before the launch of a new subsequent Fund with similar investment goals and objectives;
3. With respect to Funds managed in parallel and those other limited situations where an "add-on" or other investment may be appropriate for more than one of the Funds, we require the approval of the applicable Funds' Advisory Board members in order to provide for fair allocation of investment opportunities among the Funds and Limited Partners;
4. With respect to cross-fund investments, where guidelines are not provided in the Funds' Limited Partnership Agreement, the General Partner seeks the consent of the applicable Funds' Advisory Boards to the transaction; and
5. We educate our employees regarding the responsibilities of a fiduciary, including the equitable treatment of all clients, regardless of the fee arrangement.

Performance-based compensation will only be charged in accordance with the provisions of Rule 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations.

Item 7. Types of Clients

We provide investment management services to several private equity funds and associated co-investors as disclosed at Item 4 of this Brochure.

Except as was permitted by us or the appropriate Fund General Partner, in accordance with the appropriate Fund's offering documentation, the minimum required aggregate capital commitment to the Funds is \$10 million.

Prospective investors in any new Fund launched by Riverside should refer to the appropriate Fund offering documents for information regarding that Fund's minimum required capital commitment and any additional qualifications required for investment.

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

Riverside senior professionals' frequent interaction with owners and senior executives of target industry companies help us to identify investment opportunities for the Funds. In addition, Riverside has gathered seasoned executives and others to act as advisors and consultants to the Funds. These individuals typically have had long and established careers and backgrounds in the target industries. Riverside also engages traditional investment banks or brokers to generate investment opportunities and/or sales of portfolio companies. Finally, due to our reputation as a value-added partner to our portfolio companies, target industry entrepreneurs often proactively approach Riverside as an investment partner.

We rely on a robust due diligence process of prospective portfolio companies in determining which to invest in on behalf of the Funds.

Riverside employs a disciplined investment process in evaluating potential investments and performs rigorous analysis of the historical and prospective performance of potential portfolio companies. Our due diligence investigation is comprehensive and, depending on the particular portfolio company, may include: (a) detailed financial and operational analyses; (b) extensive face-to-face management meetings; (c) primary industry, served market, technology and competitive research; (d) customer calls and reference checks; and (e) additional company and sector specific analyses. The due diligence process is designed to verify our investment thesis by thoroughly understanding the company's strategy, market position, operations and management

expertise. In addition, the due diligence process includes the identification of both acquisition candidates and potential strategic buyers.

Our due diligence process ensures that each deal team benefits from the experience of our senior management and from additional Riverside colleagues who have devoted substantial portions of their careers to the particular business activity in which the prospective portfolio company is engaged. In addition, Riverside has built a network of lawyers, accountants, information technology and due diligence professionals and consultants with expertise in the target industries who work in tandem with Riverside to advise on certain Fund investments from time to time.

Riverside professionals also provide guidance to portfolio companies based upon the collective experience of our team of investment professionals. Riverside believes its depth of industry expertise makes us a preferred partner for middle-market companies. Through their prior experiences as owners and advisors, Riverside professionals are able to add insight and value through strategic, operating, marketing, and financial recommendations to maximize growth and profit potential. Riverside often introduces add-on acquisition candidates, provides advice on the timing of asset/subsidiary divestitures and exit strategies, consults on financial structuring issues and generally provides a knowledgeable, yet objective, perspective to operating decisions. This wealth of knowledge and experience can be leveraged to assist a portfolio company in defining strategic direction, refining product line expansion, identifying add-on acquisitions, evaluating competitors and facilitating strategic introductions and alliances. Riverside has sought and obtained seats on portfolio companies' board of directors or board observation rights with most of its investments for the Funds.

Risks of Long-Term Investing through Private Equity/Private Debt Funds: One of the primary risks of a long-term investment strategy is that, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. This risk is particularly pronounced when investing for the long term in privately issued securities due to the absence of an immediate and liquid market for these investments. Any sale of such securities will typically take some time to complete. The company, its competitors or its industry may behave in ways which were not, and in some cases could not, have been predicted, leading to significant losses and/or a lack of any attractive exit option.

In addition, as we do not control the management of all portfolio companies, the management of these companies may act in a manner that is contrary to our advice and plans for their growth or profitability.

Risks in General: Securities investments are not guaranteed and may lose money on their investments. Investors or prospective investors should carefully review the detailed explanation of the many risks associated with investment as provided in the appropriate Fund's offering memorandum.

Item 9. Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Neither our firm nor our management personnel have reportable disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

Each of the Funds has a separate General Partner and each is related to Riverside through common ownership and control. Each General Partner typically shares many of the same executive officers with each other and with Riverside. The General Partnership structure is as follows:

- Riverside Partners III, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund III, L.P.
- Riverside Partners IV, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund IV, L.P.
- Riverside Partners IV, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund IV Offshore L.P.
- Riverside Partners V, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund V, L.P.
- Riverside Partners V, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund V Offshore, L.P.
- Riverside Partners VI, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund VI-A, L.P.
- Riverside Partners VI, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund VI-B, L.P.
- Riverside Partners V CF, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund V SQ-A, L.P.
- Riverside Partners V CF, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund V SQ-B, L.P.
- Riverside Partners V CF, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund V CF-A, L.P.
- Riverside Partners V CF, L.P., a Delaware limited partnership, serves as General Partner to Riverside Fund V CF-B, L.P.

Each General Partner will be entitled to any Carried Interest, as applicable pursuant to the terms and conditions set forth in the appropriate Fund offering documents. Any such allocation will ultimately inure to the benefit of the owners and executive officers of Riverside.

Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading

Our firm has adopted a Code of Ethics in accordance with Rule 204A-1 of the Investment Advisers Act of 1940. The Code of Ethics sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly personal securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's "Access Persons" (as defined in the Code of Ethics). Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code of Ethics provides for oversight, enforcement and recordkeeping. A copy of our Code of Ethics is available to our advisory clients and prospective clients, including investors and prospective

investors in one or more of the Funds, upon request to the Chief Compliance Officer, at the firm's principal office address.

As disclosed at Item 5 of this brochure, certain executive officers and/or other employees of Riverside have invested, and may invest, a portion of their personal net worth in one or more of the Funds. Employees of Riverside and its affiliates may also be offered the opportunity on a case-by-case basis to co-invest in portfolio companies with the Funds.

In addition, partners of the law firm engaged to represent the Funds are currently and may in the future be investors in the Funds and may also represent Riverside, the Funds and one or more portfolio companies of the Funds. This may give rise to a potential conflict of interest as the attorneys of the engaged law firm may have conflicting interests since their interests as investors may directly conflict with the fiduciary duty owed to their clients.

In addition, an entity or its affiliates currently and may in the future serve as active investors in the Funds, as co-investors in a portfolio company and as a source of debt financing for a portfolio company. These multiple relationships gives rise to a potential conflict of interest by allowing for preferential treatment of the entity by Riverside or its affiliates. For example, Riverside or its affiliates may have an incentive to negotiate less aggressively with the entity on financing terms or approach fewer competitive financing sources. Furthermore, Riverside or its affiliates may have an incentive to provide preferential treatment to the entity when a co-investment opportunity becomes available.

As these situations represent a conflict of interest, we have established the following restrictions in order to meet our fiduciary responsibilities:

1. No officer or employee of our firm may prefer his or her own interest to that of an advisory client.
2. It is the expressed policy of our firm that no person employed by us may usurp an investment opportunity which may be appropriate for one or more of the Funds without first presenting the opportunity to our Investment Committee.
3. Riverside has implemented policies for full and fair disclosure of potential conflicts of interest to affected investors. In particular, the advisory committees of the Funds have approved a policy for situations where investors in a Fund may serve as a lender and co-investor to a portfolio company. If a financing transaction with a portfolio company of a Fund falls outside of the policy, Riverside will notify and seek separate consent from the Fund's advisory committee.
4. We maintain a list of all securities holdings for our firm and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by the Chief Compliance Officer.
5. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. Any individual not in observance of the above may be subject to disciplinary action up to and including termination.

The Investment Advisers Act of 1940 makes it unlawful for any investment adviser, directly or indirectly, acting as principal for its own account, to knowingly sell any security to, or purchase any security from, a client without disclosing to the client in writing the capacity in which the adviser is acting and obtaining the client's consent to the transaction. This rule may apply to certain transactions involving accounts in which investment advisers have interests, such as private fund investments by the firm's owners, principals, or employees. The SEC has indicated that when an investment adviser and/or its controlling persons own more than 25% of a fund's outstanding securities, it would be effectively treated as a principal transaction if such an account were to engage in a trade with another client account or fund. Such levels of participation in any one of the Funds by our owners, principals or employees is highly unlikely and limited by the terms of each Fund's partnership agreements and/or offering documents.

Without obtaining the consent of the Advisory Board established for each Fund, neither Riverside nor any General Partner or other affiliated person shall engage in a principal trade with any of the Funds, that is a purchase from or sale of securities to a Fund from a proprietary or person account other than through side-by-side investments as provided for in the respective Limited Partnership Agreement.

Item 12. Brokerage Practices

Riverside, directly or in conjunction with each Fund's General Partner or other affiliates, is responsible for all parts of the investment cycle including deal sourcing and origination, investment decision-making, deal negotiation and transaction structuring, portfolio management (the act of overseeing the investments that we have made) and exit strategies. Riverside will typically make direct investments on behalf of the Funds in privately-held companies.

Each direct investment is carefully structured through negotiations by members of the applicable Fund's General Partner, and Riverside's Investment Committee and/or Deal Team, as well as various professionals engaged by the firm to facilitate a particular deal, as appropriate. These professionals may include attorneys, accountants, consultants, information technology and due diligence professionals, among others. Riverside may utilize the expertise of these professionals in evaluating each deal, including negotiating the most favorable pricing and other terms for the transaction under the circumstances. Transactions in securities that are made by Riverside for the Funds, therefore, are generally discreetly negotiated deals which may or may not involve the participation of an investment bank or broker dealer (hereinafter collectively "Brokers").

The initial factor considered by Riverside in determining whether or not to enter into a transaction on behalf of a Fund through a Broker will depend, in part, on whether we are seeking to acquire securities or exit a position. If a Broker is involved in a Fund transaction involving an acquisition or other new investment, it is typically because the selling company has engaged such firm to assist it in negotiating and structuring the terms of a particular deal on its behalf including organization of an auction(s) or otherwise. In this way, the selling company hopes to obtain the best possible terms for its sale. Acquisitions and investments are generally funded with capital raised from the Funds' limited partners, and partially financed by debt obtained for the portfolio company by Riverside. Under these circumstances, the cash flow from the portfolio company generally will provide the source for the repayment of such debt.

Of course each Fund's ultimate goal when investing is to sell or "exit" its investments in portfolio companies for a return in excess of the price paid. When selling a portfolio company, in order to obtain the best possible selling price, and depending on the particular circumstances of the

proposed deal, Riverside may engage a Broker to assist in the sale if Riverside determines that such third party has a broader reach than our firm alone and that engaging the third party will be in the best interests of the Funds.

If, consistent with our goal of seeking best execution, Riverside determines that it will engage a Broker to assist with the structuring of a particular transaction, such Broker will be selected on the basis of the following, as applicable:

- expertise in the particular market;
- market reach and financial stability;
- history of similar transactions;
- the fees and other cost associated with its services;
- its reputation;
- our past experience with the firm, including any past deal flow or ideas provided by the firm, if any;
- our anticipation of future deal flow, if any; and
- willingness and ability to commit capital to complete the deal, if necessary; and
- responsiveness of staff.

Trade Aggregation:

Due to the nature of private equity fund investing, Riverside does not typically aggregate trades for more than one Fund. However, if Riverside has determined that an underlying investment is to be made on behalf of two or more of the Funds, Riverside will typically enter into a single transaction, aggregating the trades for each Fund as well as any co-investor that was allocated a percentage of the trade. Each participant will participate in the trade at the same price. Transaction costs will typically be borne by the portfolio company whose securities are being acquired or which has received financing, as appropriate. As disclosed at Item 5 of this Brochure, Riverside or the General Partner of a particular Fund may also make co-investment opportunities available to Limited Partners and their affiliates as appropriate and in the best interest of the Funds.

Allocation of such opportunities creates a conflict of interest as they are, by nature, limited and participation is not possible for all or even most investors in the Funds. Riverside will typically provide co-investment opportunities to Limited Partners who have negotiated side letters with the Funds requesting that Riverside consider them in the event a co-investment opportunity becomes available. While Riverside will allocate investment opportunities in a manner that it believes in good faith is fair to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which Riverside may be subject did not exist.

Riverside does not have any formal or informal soft-dollar arrangements nor do we receive any soft-dollar benefits from any broker, dealer or other counterparty.

Item 13. Review of Accounts

Riverside monitors the portfolio companies of each Fund on an ongoing basis. As part of the terms of investment, Riverside has also arranged for the Funds' to have one or more representatives serving on the Board of Directors of many portfolio companies.

The Investment Committee for each Fund will approve all portfolio investments and dispositions and will be actively involved in analyzing each investment and reviewing those investments on an on-going basis.

The Investment Committee typically meets once per week to review ongoing monitoring activities and to evaluate potential new platform investments and add-on acquisitions. The Valuation Committee meets once per quarter to review and approve quarterly carrying values of the Funds' respective investments. The following individuals serve on the Investment Committee for the Funds as set forth below:

David Belluck, Chairman, Investment Committee Member
Steve Kaplan, Investment Committee Member
Max Osofsky, Investment Committee Member
David Del Papa, Investment Committee Member
Craig Stern, Investment Committee Member

The following individuals serve on the Valuation Committee for the Funds as set forth below:

David Belluck, Chairman
Craig Stern
Kevin Sullivan

The Funds are audited annually by an independent, certified public accountant that is both registered with and subject to regular inspection by the Public Companies Accounting Oversight Board (PCAOB) and a copy of the audited financials are sent to each investor on a timely basis.

In addition to annual audited financials, investors in each Fund will receive at least quarterly capital account statements and un-audited consolidated financial statements containing valuation and performance information for the applicable Fund.

Item 14. Client Referrals and Other Compensation

Our firm may utilize placement agents for referring prospective investors to our Funds. Although common, such referral arrangements do create a potential conflict of interest because, in theory, the referrer may be motivated, at least partially, by financial gain and not because the Riverside Funds are the most suitable to the prospective investor's needs.

Item 15. Custody

Because we act as investment adviser to the Funds and are affiliated with each Fund's General Partner through common ownership and control, we are deemed to have custody of client assets under current applicable regulatory interpretations. As an adviser with custody, we seek to have each of the Funds audited on an annual basis by an independent public accountant that is both registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB). We seek to send, directly or through a third party, the audited financials to each Fund investor within 120 days of the applicable Fund's fiscal year end.

Item 16. Investment Discretion

As investment adviser to the Funds, Riverside is granted the discretionary authority in the relevant organizational documents and/or advisory agreements to determine which securities and the amounts of securities that are to be bought or sold on behalf of the Funds.

Item 17. Voting Client Securities

Because the Funds transact primarily in privately issued securities, Riverside rarely is required to vote proxies. Under certain limited circumstances, however, Riverside may be required to vote proxies solicited by portfolio companies. Under these circumstances, Riverside will vote proxies in the best interest of the Funds, typically with the goal of maximizing value for the Funds and the investors in the Funds. To that end, Riverside endeavors to vote proxies in the manner that it determines in good faith will be the most likely to cause the Funds' investments to increase the most or decline the least in value. Consideration is given to both the short and long-term implications of the proposal to be voted on when considering the optimal vote. Riverside's complete proxy voting policy and procedures has been memorialized and is available for investors to review.

It is important to note that Riverside or the General Partner will typically name one or more affiliated persons to serve on the Board of Directors of portfolio companies. As such, a conflict of interest could arise when voting certain common proxies including board composition, tenure or compensation.

Item 18. Financial Information

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered, therefore, we are not required to include a financial statement with this brochure.

Riverside has not been the subject of a bankruptcy petition at any time during the past ten years.