

**Item 1: Cover Sheet**

**FORM ADV PART 2A - INFORMATIONAL BROCHURE**



**BVP Management Company, LLC**

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**This brochure provides information about the qualifications and business practices of BVG Management Company, LLC. If you have any questions about the contents of this brochure, please contact Austin Ramos at 203-930-1000 or via email at [aramos@brandvelocitygroup.com](mailto:aramos@brandvelocitygroup.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 BVG Management Company, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2:       Material Changes**

BVP Management Company, LLC d/b/a Brand Velocity Group (“BVG” or the “Advisor”) is a registered investment adviser. In this Item, BVG is required to discuss any material changes that have been made to the brochure. There are no changes to report.

**Item 3: Table of Contents**

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#### **Item 4:           Advisory Business**

BVG Management Company, LLC d/b/a Brand Velocity Group (“BVG” or the “Advisor”) is a Delaware limited liability company formed in November of 2018. Principally owned by Stephen Lebowitz, BVG has gathered a team of senior private equity professionals.

BVG provides investment advice to a series of private pooled investment vehicles (each an “SPV”) regarding the selection, monitoring and realization of private equity investments in consumer branded businesses. BVG provides investment advisory services solely to the SPVs. The relationship between BVG and each SPV is governed by the limited partnership agreement (or equivalent organizational document) of such SPV (“Organizational Documents”), separate investment management agreements between BVG and each SPV (each a “Management Agreement”), and/or side letters with investors (“Side Letters”). Our advisory services are not tailored to individual investors in an SPV, but are provided in accordance with the investment strategy of each SPV. Any investment restrictions on our advisory services are imposed in the Organizational Documents or Management Agreements for an SPV.

Each SPV invests in a specific portfolio company engaged in a consumer branded business. We leverage the expertise of our team and network of partners to drive growth and create value for our investors.

BVG also provides services to and receives fees from certain portfolio companies pursuant to agreements between BVG and the individual portfolio companies (“Monitoring Services”). Monitoring Services provided by BVG are generally provided through BVG’s representative(s) on the portfolio company’s board of directors with assistance from BVG’s investment professionals. Services provided are broadly related to strategic planning, oversight and support of senior management both broadly and in specific functional areas, planning the company’s financing arrangements and acquisition or disposition activity, bolstering risk management processes and improving the company’s capture and reporting of performance metrics and other similar services.

As of December 31, 2022, BVG manages approximately \$356 Million of assets under management.

#### **Item 5.           Fees and Compensation**

##### **A.       Fees Charged**

Investors in the SPVs will be charged a performance-based fee, also known as carried interest.

##### Monitoring Advisory and Integration Fees

BVG receives fees directly from portfolio companies. . These fees include, but are not limited to, advisory fees, monitoring fees, periodic fees, transaction fees for the consummation of transactions and break-up fees.

Fees due for the provision of monitoring/advisory services may be fixed and due in periodic installments, or may be based upon trailing EBITDA (subject to a fixed maximum). Depending upon the particular governing documents of a portfolio company investment, monitoring fees may be waived or deferred by BVG in its sole discretion or required to be deferred by another interested party such as a lender. . Transaction fees and break up fees are determined and payable at the close of the transaction, or the determination that a transaction will not be consummated.

Integration fees are consideration for services provided during the process of providing diligence for a prospective investment. Integration fees are generally paid from proceeds at closing.

### Carried Interest

The SPVs are subject to a “carried interest” or performance fee that is paid to the SPV’s general partner. The “carried interest” is assessed in connection with the disposition of the underlying investment by the SPV according to each SPV’s Organizational Documents and is paid out of cash otherwise distributable to investors. Carried interest is typically measured as a percentage of the profits of an SPV and is negotiated separately for each SPV at a rate consistent with industry standards and in compliance with the Advisers Act. The SPVs (and, therefore, each investor in the SPVs) generally pay a 10% - 30% performance-based fee to BVG. These fees generally are calculated on a tiered basis, where the greater the amount of profits for the SPV, the larger the carried interest percentage, subject to a maximum percentage outlined in each SPV’s offering documents.

### Other Fees

The SPVs bear all legal, organizational and offering expenses, including the out-of-pocket expenses of BVG and its agents, actually incurred in the formation of the SPVs. The SPVs will also pay all costs and expenses relating to their operations, including, but not limited to, professional fees, fees related to investments, interest, taxes, and meetings with investors. BVG will generally be responsible for its own operations, including rent, salaries, furniture and fixtures, and all other office equipment. This is not a complete explanation of all fees relevant to each SPV.

*For a more complete listing, investors should consult the investment memorandum for each SPV.*

### Third-Party Expenses

Any third-party expenses relating to unconsummated investments will be borne by BVG. In the event that any related partnership or other entity is participating in a transaction, the expenses of such transaction that are not borne by a portfolio company, will be borne by the SPVs and, to the extent provided for in their governing documents, such participating investors pro-rata to the amount of equity funds to be invested.

*There are additional expenses each SPV will incur. These may vary from SPV to SPV. Please refer to the applicable investment memorandum and limited partnership agreement for more specific discussion of fees and expenses paid by investors in the SPVs.*

#### B. Pro-rata Fees

Due to the nature of the SPVs, investors are committed to investing a specified amount into a SPV at BVG’s discretion. Limited Partners will not generally be permitted to withdraw from a SPV or become an investor in a SPV after the final SPV close. Accordingly, there will be no need to calculate pro-rata fees.

#### C. Compensation for the Sale of Securities.

None of the employees of BVG are a registered representative of a broker-dealer. None of the employees of BVG will receive any compensation for executing trades on behalf of the SPVs aside from BVG’s receipt of fees described above.

### **Item 6: Performance Based Fees and Side-By-Side Management**

Limited Partners in the SPVs are charged performance-based fees in the form of carried interest payable to the General Partners of the SPVs. The carried interest profit allocations do not exceed 30% of aggregate profits otherwise allocable to the Limited Partners and are subject to certain preferred return hurdles for the

benefit of the Limited Partners. The manner of calculation and the application of carried interest profit allocations by the SPVs are disclosed in the limited partnership agreement of each SPV. Because BVG manages investments for SPVs in which its affiliates receive performance-based carried interest, BVG potentially has an incentive to take increased investment risk with respect to the portfolio investments it makes on behalf of the SPVs. BVG has policies and procedures in place reasonably designed to address this conflict of interest, including requiring BVG employees to acknowledge their fiduciary duty to the SPV and its investors.

**Item 7:           Types of Clients.**

BVG provides discretionary management and advisory services to the SPVs directly, subject to the direction and control of the General Partner of each SPV. Interests in the SPVs are offered pursuant to applicable exemptions from registration under the U.S. Securities Act of 1933, as amended, and the U.S. Investment Company Act of 1940, as amended (the “1940 Act”). Investors in the SPVs are generally “qualified client” as defined in the 1940 Act, and may include, among others, high net worth individuals, banks, insurance companies, pension and profit sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships, and limited liability companies or other entities.

BVG does not have a minimum size for a SPV, but minimum investment commitments have been established for investors in the SPVs. The General Partner of each SPV has permitted investments below the minimum amounts set forth in the investment memorandum of such SPV.

**Item 8:           Methods of Analysis, Investment Strategies and Risk of Loss**

*For a more complete discussion of each SPV’s investment program, please see the SPV’s investment memorandum.*

BVG seeks to acquire equity positions on behalf of the SPVs in consumer branded businesses. Investment opportunities are sourced through our network of professionals and industry experts. After a potential investment is introduced, BVG will assess if a potential target company meets BVG’s investment criteria. BVG will then perform a thorough due diligence process, including the collection and analyses of information about the company’s financial history, management, markets, vendors and products. In some cases, BVG will engage third party advisors to assist with diligence and negotiations.

Each potential investment is continuously evaluated during the due diligence process to determine, among other things, whether the team believes that: (i) the underlying industry fundamentals are sound; (ii) BVG, along with the company’s management team, other identified professionals or corporate partners, have the capability to create and execute a long-term growth strategy; (iii) the purchase price and terms are reasonable; (iv) any potential liabilities not reflected in the financial statements are correctly identified and are within acceptable parameters; and (v) the SPV’s return objective can be met within acceptable risk parameters, particularly with respect to strategy, financial projections, underlying assumptions, and capital structure.

The SPVs are not limited in the type or structure of transactions they may enter into including, without limitation, management and leveraged buyouts, recapitalizations, privately negotiated control and minority investments, consolidations, spin-offs, and carve-outs or any other types of transactions.

***Risk Factors***

*Please see each SPV’s investment memorandum or other offering document with regard to risks associated with investing with the SPVs. **All investments carry a risk of loss that clients should be prepared to bear.***

*Select risks include:*

All investments risk the loss of capital. No guarantee or representation is made that the SPVs will achieve their investment objective or that a client will receive a return of its capital. In addition, there will be occasions when BVG and its affiliates may encounter potential conflicts of interest in connection with the SPVs. In evaluating whether to make an investment in the SPVs, potential investors should consider all information contained in the private placement memorandum of the respective SPV. The following discussion is not a complete list of all potential risks, and some risks are unknown.

*Lack of Transferability.* The limited partnership interests of the SPVs have not been registered under the securities laws of the U.S., of any state thereof or the securities laws of any other jurisdiction and, therefore, cannot be resold unless they are subsequently registered under applicable securities laws or an exemption from registration is available. Additionally, each SPV's governing documents imposes restrictions on transferability and interests may not be transferred without the consent of the General Partner of such SPV and investors generally do not have any rights of withdrawal or redemption.

*Illiquid and Long-Term Investments.* While an investment may be sold or realized at any time, it is not generally expected that this will occur for a number of years after the investment is made. The SPVs generally will not be able to sell its securities publicly. It is unlikely that there will be a public market for the securities held by the SPVs at the time of their acquisition. In addition, in some cases, the SPVs may be prohibited or limited by contract from selling certain securities for a period of time, and as a result, may not be permitted to sell an investment at a time it might otherwise desire to do so. There can be no assurance that any investor will receive any distribution from a SPV. Accordingly, an investment in a SPV should only be considered by persons who can hold their investment for an extended period of time and can afford a loss of their entire investment.

*Additional Capital.* Each SPV's portfolio companies may require additional financing to satisfy their working capital requirements or acquisition strategies. There can be no assurance that the SPV will be able to raise additional capital when needed (on favorable terms or otherwise), which can have a substantial negative impact on a SPV's portfolio companies and may result in the complete write-off of any such investment.

*Concentration of Investments.* The SPVs participate in a limited number of investments and, as a consequence, the aggregate return of the SPVs may be affected by the performance of a small number of investments. This means that the SPVs are not diversified.

*Reliance on BVG and Affiliates.* The success of each SPV depends in part upon the skill and expertise of the professionals employed by BVG. There can be no assurance that such professionals will continue to be associated with BVG or its affiliates throughout the life of such SPV.

*Legal, Tax, and Regulatory Risk.* Legal, tax, and regulatory changes (including changing enforcement priorities, changing interpretations of legal and regulatory precedents, or varying applications of laws and regulations to particular facts and circumstances) could occur during the term of each SPV that may adversely affect such SPV and its partners. Any significant changes in, among other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry, tax law, immigration policy, and/or government entitlement programs could have a material adverse impact on the SPVs and their portfolio investments.

*Projections.* Projected operating results of a company in which the SPVs invest or intend to invest normally will be based primarily on financial projections prepared by such company's management team, with adjustments to such projections made by BVG in its sole discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and any third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set

forth in any projections will be attained, and actual results may be significantly different than projections.

*Cyber Security Breaches and Identity Theft.* BVG's and its portfolio companies' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages, and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although BVG has implemented, and BVG's portfolio companies may implement, various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time, or cease to function properly, BVG, the SPVs and / or a portfolio company may have to make a significant investment to fix or replace them. The failure of these systems and / or of disaster recovery plans for any reason could cause significant interruptions in BVG's, the SPVs' and / or a portfolio company's operations and result in a failure to maintain the security, confidentiality, or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm BVG's, the SPVs' and / or a portfolio company's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

*Reserves.* The manager or general partner of each SPV may, in its discretion, retain on behalf of a SPV any amount which it deems prudent as reserves to meet future SPV expenses or liabilities.

*Coronavirus and Public Health Emergencies.* As of the date hereof, there continues to be an outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization has declared to constitute a "Public Health Emergency of International Concern." The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity, debt, derivatives and commodities markets. Many countries reacted by instituting (or strongly encouraging) quarantines, prohibitions on travel, the closure of offices, businesses, schools, retail stores, restaurants, hotels, courts and other public venues, and other restrictive measures designed to help slow the spread of COVID-19. Businesses have also implemented similar precautionary measures. Such measures have created significant disruption in supply chains and economic activity and have had a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. Moreover, with the continued spread of COVID-19, including variants thereof, the potential impacts, including a global, regional or other economic recession, are uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the SPVs and their respective portfolio companies and could adversely affect the SPVs' ability to fulfill their respective investment objectives.

The extent of the impact of any public health emergency on the SPVs and their respective portfolio companies' operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may materially and adversely impact the value and performance of the SPVs, their respective portfolio companies, the SPVs' ability to source, manage and divest their respective portfolio companies and the SPVs' ability to achieve their respective investment objectives, all of which could result in significant losses to the SPVs. In addition, the operations of the SPVs, their respective portfolio companies, their respective managers or general partners, BVG and/or their affiliates may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the

health of the personnel of any such entity or the personnel of any such entity's key service providers. In addition, the full impacts of the pandemic and energy price shocks on markets, business activity and the United States and global economy, as well as potential changes in United States economic and fiscal policies that may be adopted to address the pandemic, price shocks and related externalities, are not yet fully identified or understood.

Further, there is an increased risk of default by the SPVs' portfolio companies due to the slowing and/or idling of large segments of business activity. The SPVs' portfolio companies could face material declines in demand, for example, and could face both increased governmental intervention and regulation and/or litigation in respect of current events. Further, The SPVs' portfolio companies may face decreased cash flows and may, as a result, be unable to meet their debt obligations which would, in turn, have a material adverse effect of the performance of the SPVs.

The U.S. Food and Drug Administration, the European Medicines Agency and regulators in other jurisdictions have approved COVID-19 vaccines. As newly developed vaccines, not all of the side effects are currently known. A portion of the population has chosen to "wait and see" before getting vaccinated, which could prolong the effects of COVID-19. In addition, these vaccines do not have an efficacy rate of 100% and may have significantly lower efficacy rates against new variants of COVID-19. There can be no assurance on the continuing effects of COVID-19 on the economy generally or its effect on the SPVs and their ability to achieve their respective investment objectives.

### ***Conflicts of Interest***

*Performance Allocation.* The existence of BVG's performance-based fee may create an incentive for BVG to make more speculative investments on behalf of the SPVs. BVG's capital commitment to the SPVs described in each SPV's private placement memorandum should tend to reduce this incentive.

*Side Letters.* The managers or general partners of the SPVs are affiliates of BVG. The manager or general partner on behalf of a SPV may enter into agreements with individual investors in the SPVs that may alter or supplement that investor's rights under each SPV's private placement memorandum. These alternative arrangements may present a conflict of interest for BVG, in that the investment by a particular investor in a SPV may be contingent upon such arrangements. BVG will attempt to mitigate this conflict by reviewing any proposed arrangements in light of its potential effects on other investors.

*Accelerators.* BVG and its affiliates also engage and retain strategic / senior advisors, consultants, operating partners and other similar professionals who are not employees or affiliates of BVG (each an "Accelerator") and who will, from time-to-time, receive payments from, or allocations with respect to, portfolio companies. The nature of the relationship with each of the Accelerators and the amount of time devoted or required to be devoted by them varies considerably. In certain cases, they provide the SPVs and / or BVG with industry-specific insights and feedback on investment themes, assist in transaction due diligence and make introductions to and provide reference checks on management teams. In other cases, they take on more extensive roles and serve as executives or directors on the boards of portfolio companies. In certain instances, BVG may have formal arrangements with these Accelerators (which may or may not be terminable upon notice by any party), and in other cases the relationships may be more informal. They may be compensated (including pursuant to retainers and expense reimbursement) from an SPV and / or portfolio companies or otherwise uncompensated unless and / or until an engagement with a portfolio company develops. In such circumstances, such payments from, or allocations with respect to, portfolio companies and / or the SPVs will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable to BVG, be deemed paid to or received by BVG and such amounts will not be subject to any offset. These Accelerators may have the right or may be offered the ability to invest in or co-invest alongside the SPVs, including in those investments in which they are involved, or otherwise participate in equity plans for management teams of any such portfolio company. There can be no assurance that any of

the Accelerators will continue to serve in such roles and / or continue their arrangements with BVG and / or any portfolio companies throughout the terms of the SPVs.

Certain BVG employees may become members of the board of directors of one or more of the SPV's portfolio companies. In addition, certain BVG employees may be engaged in their personal capacities as brand ambassadors for portfolio companies. Fees paid to such individuals do not offset any fees or expenses due to BVG.

**Item 9: Disciplinary Information**

There are no material legal or disciplinary matters to disclose related to BVG's business or its management.

**Item 10: Other Financial Industry Activities and Affiliations**

BVG is not affiliated with any particular broker-dealer, nor does BVG have employees who are registered representatives of a broker-dealer. Neither BVG nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor.

BVG has teamed with a number of Accelerators with expertise and contacts that enhance its ability to identify industry trends, find portfolio companies, and provide strategic guidance. The Accelerators work to support portfolio company growth and may act as board representatives, interim management and / or full-time management. Accelerators may be compensated by receiving a portion of carried interest. The amount of compensation for each Accelerator's activities, as well as the entity making such payments, will be dependent upon the specific engagement of such Accelerator.

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

Pursuant to Rule 204A-1 of the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"), BVG has adopted a written Code of Ethics (the "Code"), predicated on the principal that BVG owes a fiduciary duty to the SPVs and its investors. The Code is designed to address and avoid potential conflicts of interest and is applicable to all persons with access to BVG's confidential information, as well as each other individual designated in writing by a compliance officer as being subject to all or a portion of the compliance procedures or policies adopted by BVG (collectively the "Supervised Persons"). BVG requires its Supervised Persons to act in the SPVs' best interests, abide by all applicable regulations, and avoid any action that is, or could even appear to be, legally or ethically improper.

BVG: (i) prohibits employees from purchasing or selling securities that are held by the SPVs; (ii) requires preclearance before purchasing an IPO or a limited offering (i.e. private placement, direct investments in any of the SPVs); (iii) requires periodic reporting of access persons' personal securities transactions and all holdings; and (iv) requires prompt internal reporting of Code violations. BVG endeavors to maintain current and accurate records of all personal securities accounts of its access persons in an effort to monitor all such activity. A copy of the Code is available upon request.

BVG or a company related to BVG serves as the investment adviser and general partner, respectively, to the SPVs. BVG's employees and / or the General Partner of the SPVs will generally have an investment in the SPVs. Therefore, BVG may be considered to participate indirectly in transactions effected for those clients. While investments by BVG's related persons are intended to align interests of the related persons with those of the SPVs, such investments may create conflicts. The foregoing relationships, fees and any other actual or potential conflicts of interest arising therefrom are disclosed in the respective SPVs'

governing documents. To address such conflicts, the investment arrangements are described and agreed upon in the governing documents of each SPV. Generally, investments and disposals are made on the same economic terms for all limited partners of the SPVs, including for BVG's related persons, so that BVG's related persons may not receive favorable terms or greater exposure to certain investments. The foregoing relationships, fees, and any other actual or potential conflicts of interest arising therefrom are disclosed in detail in the respective governing documents. Investments by BVG, its affiliates, and / or employees for their own accounts in investments that may be suitable investment opportunities for the SPVs are subject to review by BVG.

The SPVs generally do not make investments in companies in which BVG or its employees have ownership. If an investment is made, BVG or its employees may receive ownership in such portfolio company. This may be part of the structuring of the investment, or as a result of service as a member of the portfolio company's board of directors.

As a fiduciary, and as a means of ensuring that a SPV is not improperly disadvantaged, in the event that a SPV enters into a transaction with a related party of BVG, BVG will ensure that any fees paid in connection with such transaction: (i) comport with any prescribed template or other benchmark that applicable governing documents of such SPV specify in determining the amount and / or terms of payment of such fee; or (ii) are comparable with, or advantageous to the SPV in comparison to, fee arrangements that would typically have been entered into in consideration of the performance of like services, in a like transaction, by an unaffiliated service provider.

In order to encourage greater knowledge and understanding of their products, services, and businesses, or as a general matter for friends and family, the SPVs' portfolio companies may offer product and service discounts from time-to-time to BVG's employees and limited partners. Such discounts, if any, other than immaterial items, are tracked by BVG's compliance department (to the extent accepted by BVG's employees) to ensure they are not inappropriate.

#### **Item 12: Brokerage Practices**

BVG focuses on making investments in private securities, thus it does not ordinarily deal with any financial intermediary such as a broker-dealer, and commissions are not ordinarily payable in connection with such investments. To the limited extent BVG transacts in public securities, or engages intermediaries to effect transactions in private securities, it intends to select brokers, dealers and other intermediaries based upon their ability to provide best execution for the SPVs. BVG is generally authorized to make the following determinations, subject to each SPV's investment objectives and restrictions: (i) which securities or other instruments to buy or sell; (ii) the total amount of securities or other instruments to buy or sell; (iii) the executing broker or dealer or other intermediary for any transaction; and (iv) the commission rates or commission equivalents charged for transactions.

In making its decisions regarding the allocation of brokerage transactions for each SPV, BVG will consider a variety of factors, including, but not limited to, general expertise and background, the type and size of the transaction involved, the stability or solvency of the broker, dealer or intermediary, settlement capabilities, time required to complete the role sought, research services or any arrangements relating to overall performance in the best interest of the SPV(s). Although BVG generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve specialized services on the part of a broker, dealer or intermediary which may justify higher commissions and equivalents than would be the case for more routine services.

BVG does not participate in any formal soft dollar arrangements but does receive research products or services from brokers, dealers and other counterparties or intermediaries that, to the best of BVG's knowledge, are generally made available to all institutional clients doing business with these counterparties.

These products and services are made available to BVG on an unsolicited basis and without regard to transaction costs paid by the SPVs or the volume of business BVG directs to these third parties. BVG does not separately compensate such third parties for the research and does not believe that it “pays-up” for such products and services. Research services received from brokers, dealers and other counterparties or intermediaries are supplemental to BVG’s own research effort. BVG may have an incentive to select a broker, dealer or other counterparty or intermediary based on its interest in receiving the research or other products or services, rather than on the SPVs’ interest in receiving most favorable execution.

**Item 13:           Review of Accounts**

BVG reviews the SPVs’ holdings on an ongoing basis, both informally and formally through meetings of senior firm professionals. BVG’s team of investment professionals work to identify potential investments and continues to monitor such investments once approved by senior management. Investment models and capital markets are monitored on a continuous basis.

**Item 14:           Client Referrals and Other Compensation**

BVG may compensate others for referring investors to BVG. Any referral arrangements will follow applicable laws. Investors referred by these other sources will be made aware of the compensation for their referral.

**Item 15:           Custody**

Pursuant to Rule 206(4)-2 under the Advisers Act, any SPV for which BVG has custody or is deemed to have custody is subject to an annual audit. BVG has custody of client funds through its management of the SPVs. The SPVs are audited by PCAOB registered accounting firms.

**Item 16:           Investment Discretion**

In accordance with the terms and conditions of the governing documents, and subject to the direction and control of the General Partner of each SPV, BVG generally has discretionary authority to determine, without obtaining specific consent from the SPVs or its General Partners, the securities and the amounts to be bought or sold on behalf of the SPVs, and to perform the day-to-day investment operations of the SPVs.

**Item 17:           Voting Client Securities**

The SPVs are primarily invested in privately held portfolio company investments which typically do not issue proxies; therefore, the voting of proxies and participation in class actions is not currently applicable to BVG. The investment opportunities that BVG seeks allows the SPVs to have influence on the management, operations, and strategic direction of the portfolio companies in which it invests; through its majority or minority interests and / or through its employees who serve as officers and directors on portfolio company boards. The exercise of control and / or significant influence over a portfolio company imposes additional risks of liability for product defects, environmental damage, failure to supervise management, and other types of liability in which the limited liability generally characteristic of business operations may be ignored. The exercise of control and / or significant influence over a portfolio company could also expose the assets of the SPVs to claims by such portfolio company, its security holders, and its creditors. While BVG intends to manage the SPVs in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

BVG seeks to avoid material conflicts of interest between its own interests on the one hand, and the interests of its SPVs on the other. However, as is typical with private equity investing, BVG seeks and accepts the election of one or more of BVG's representatives to serve on the board of directors on behalf of its SPVs. In

situations where BVG is required to vote the proxy for a company in which employees of BVG serve on the board of directors, BVG has determined that this does not inherently present a conflict of interest, as the sole purpose of this representation is to maximize the return on the SPVs' investment in such portfolio company. Accordingly, while BVG is generally, but not automatically, fully supportive of recommendations made by a portfolio company's board of directors with respect to proxy votes related to that issuer, it will review all proxies in accordance with its proxy voting guidelines and may or may not vote in favor of the board of director's recommendation. All conflicts of interest will be resolved in the interests of the SPVs. In situations where BVG perceives a material conflict of interest, BVG may defer to the voting recommendation of a SPV's LPAC, where applicable, or take such other action in good faith which would seek to protect the interests of such SPV.

Further, investors should be aware that receipt of material non-public information by BVG's related persons regarding these portfolio companies on whose boards of directors such persons sit could preclude BVG from effecting transactions in the securities of such portfolio companies.

BVG has adopted and implemented written policies and procedures regarding the voting of proxies, including the handling of potential conflicts of interest. A copy of BVG's written proxy voting policies and procedures, as well as a record of how BVG has voted in the past, is maintained and available for review upon request.

#### **Item 18: Financial Information**

BVG does not require the prepayment of fees more than six (6) months or more in advance and, therefore, has not provided a balance sheet with this brochure.

BVG has discretion over each SPV's investments. There are no material financial circumstances or conditions that would reasonably be expected to impair BVG's ability to meet its contractual obligations to its clients.