

# RCP Advisors - Executive Summary

North American Lower Middle Market Buyouts

As of February 2012



CONFIDENTIAL

## Overview

- A leading private equity fund sponsor focused on North American lower middle market buyouts
  - Primary Funds-of-funds
  - Secondary Funds
  - Co-investments
- A Registered Investment Adviser
- 26 full-time professionals
- Over \$2.4 billion AUM across 13 RCP Funds

## Team

- One of the largest teams dedicated to lower middle market buyouts
- Managing Principals have been with the firm since its inception in 2001
- 7-Member RCP Investment Committee
- Strong alignment of interest with investors
  - GP commitment ~5% of total capital
  - 10-15% Preferred Return hurdle rates and Euro-style (back-ended) carry
- Dedicated, focused and responsive accounting and investor relations team striving to meet all investor needs

## Competitive Differentiation

### Industry Leader

- Dedicated exclusively to lower middle market buyouts since inception with exceptional organizational continuity

### Access & Awareness

- Proven ability to access top-tier managers through proactive and methodical sourcing process driven by proprietary manager research / monitoring database

### Due Diligence

- Disciplined and consistent investment approach focused on Team, Strategy and Track Record

### Transparency

- Provide in-depth reporting for all funds; transparency into portfolio company level performance and transactions

### Flexibility

- Offer investors customized solutions across primary funds-of-funds, secondary funds and co-investments

## RCP Investment Strategy

Invest in top-tier North American lower middle market buyouts

Funds sized from \$100M to \$1B

Target companies with enterprise values between \$25M to \$250M

### Primary Funds-of-Funds

Invest in 10 to 15 managers

Commit \$20M to \$30M per manager

Diversified portfolios by industry, strategy, geography, etc.

### Secondary Funds

Purchase seasoned buyout funds

Original commitments of \$1M to \$20M

Secondary market purchase of single assets or portfolio of assets

### Co-Investments

Co-invest alongside top-quality managers in RCP's niche market

Target co-investments between \$5M to \$15M

Diversification by manager, industry and strategy

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