

Setter

The 35 Most Sought-After Managers

US Large LBO - Q4 2020

First in the Secondary Market.

Introduction

The 'Most Sought-After Manager Rankings' are published by Setter on a quarterly and semi-annual basis to capture the ebb and flow of secondary demand across various fund strategies and geographies.

The rankings are largely based on the Setter Liquidity Rating, which assigns funds a rating of Excellent, Very Good, Good or Unrated depending on the number of secondary buyers that want to buy and/or have recently priced a given fund. Please see Definitions at the end of this report for more details.

The number of interested buyers for a given fund are determined by Setter's team of professionals who passionately track the ever changing shortlists and demand of over 1800 secondary buyers both directly and via SecondaryLink.com, where buyers can enter their shortlists and connect with agents and access deals through the Deal Section.

From a primary perspective, the 'Most Sought-After Manager Rankings' provide a unique perspective as strong secondary market demand suggests a fund manager is popular among LPs and low secondary market demand may signal diminishing market sentiment and additional future liquidity risk.

We hope you enjoy!

The 35 Most Sought-After Managers on the Secondary Market

Strategy: US Large LBO - Q4 2020

Rank	Prior Rank	Fund Family	Setter Liquidity Rating	Prime Buyers	First Vintage	Funds in Fund Family	Latest Closed funds	Currency	Fund Size	Vintage
1	▲ 2	Bain Capital (Flagship LBO Funds)	Excellent	86	1984	19	Bain Capital Fund XII Bain Capital Fund XI	USD USD	8,000 7,300	2017 2013
2	▼ 1	Blackstone Capital Partners	Excellent	82	1987	12	Blackstone Capital Partners VIII Blackstone Capital Partners VII	USD USD	26,000 18,000	2018 2015
3	— 3	Advent International Global Private Equity	Excellent	73	1987	18	Advent Global Technology Fund Advent Global Private Equity IX	USD USD	2,000 17,500	2019 2019
4	— 4	Apollo Investment Funds	Excellent	73	1992	14	Apollo Investment Fund IX Apollo Investment Fund VIII	USD USD	24,714 18,380	2017 2013
5	▲ 8	TPG Partners	Excellent	70	1994	13	TPG Partners VIII TPG Partners VII	USD USD	11,200 10,500	2019 2015
6	▲ 10	Warburg Pincus Flagship Funds	Excellent	70	1971	15	Warburg Pincus Global Growth Warburg Pincus Private Equity XII	USD USD	14,800 13,387	2019 2015
7	▼ 6	Hellman & Friedman	Excellent	68	1987	10	Hellman & Friedman Capital Partners IX Hellman & Friedman Capital Partners VIII	USD USD	16,000 11,100	2018 2014
8	▲ 9	Silver Lake Partners	Excellent	67	2000	6	Silver Lake Alpine Silver Lake Partners V	USD USD	2,500 14,500	2017 2017
9	▼ 5	Carlyle Partners (Flagship LBO Funds)	Excellent	65	1990	17	Carlyle Partners VII Carlyle Partners VI	USD USD	18,500 13,000	2017 2013
10	▲ 15	TA Associates	Excellent	65	1969	22	TA Select Opportunities Fund TA XIII	USD USD	1,000 8,500	2019 2019
11	▼ 7	New Mountain Partners Funds	Excellent	62	2000	5	New Mountain Partners V New Mountain Partners IV	USD USD	5,871 4,011	2016 2013
12	▼ 11	KKR North American Funds	Excellent	54	1977	13	KKR North America Fund XII KKR North America Fund XI	USD USD	13,900 9,000	2015 2012
13	▲ 16	Berkshire Funds	Excellent	52	1984	12	Berkshire Fund IX Berkshire Fund VIII	USD USD	5,500 4,500	2015 2011
14	▲ 21	Summit Partners Private Equity	Excellent	52	1984	10	Summit Partners Growth Equity Fund IX Summit Partners Growth Equity Fund VIII	USD USD	3,300 2,700	2015 2012

The Top 35

Rank	Prior Rank	Fund Family	Setter Liquidity Rating	Prime Buyers	First Vintage	Funds in Fund Family	Latest Closed funds	Currency	Fund Size	Vintage
15	▼ 13	Clayton, Dubilier & Rice	Excellent	49	1984	12	Clayton Dubilier & Rice X Clayton Dubilier & Rice IX	USD USD	9,350 6,437	2017 2013
16	▲ 18	Madison Dearborn	Excellent	48	1993	7	Madison Dearborn Capital Partners VII Madison Dearborn Capital Partners VI	USD USD	4,430 4,100	2014 2008
17	▲ 28	Vista Equity Partners	Excellent	48	2000	7	Vista Equity Partners VII Vista Equity Partners VI	USD USD	16,000 11,000	2018 2016
18	▼ 14	ABRY Partners	Excellent	43	1989	9	ABRY IX ABRY VIII	USD USD	2,100 1,900	2019 2014
19	▲ 23	HIG Capital	Excellent	42	1993	10	HIG Middle Market LBO Fund III HIG Growth Buyouts & Equity Fund III	USD USD	3,100 970	2019 2018
20	▲ 29	Francisco Partners	Excellent	42	2000	6	Francisco Partners V Francisco Partners IV	USD USD	3,975 2,875	2017 2014
21	▲ 24	Court Square Capital Partners	Excellent	40	2001	4	Court Square Capital Partners IV Court Square Capital Partners III	USD USD	2,700 3,170	2018 2012
22	▲ 35	Thoma Bravo	Excellent	37	1998	8	Thoma Bravo Fund XIII Thoma Bravo Fund XII	USD USD	12,595 7,604	2018 2016
23	▲ 25	Genstar Funds	Excellent	36	1988	9	Genstar Capital Partners IX Genstar Capital Partners VIII	USD USD	6,000 3,300	2019 2017
24	▼ 12	Thomas H Lee Partners	Very Good	54	1984	9	Thomas H Lee 2019 Fund Thomas H Lee VIII	USD USD	843 3,588	2019 2017
25	▼ 17	Providence Equity Partners	Very Good	54	1992	9	Providence Equity Partners VIII Providence Equity Partners VII	USD USD	6,040 5,000	2017 2013
26	▲ >35	Catterton Partners	Very Good	46	1989	8	L Catterton Fund VIII Catterton Partners VII	USD USD	2,750 1,680	2015 2013
27	▲ >35	Insight Partners	Very Good	41	1997	16	Insight Partners XI Insight Partners IX	USD USD	9,500 3,446	2020 2015
28	▲ 31	The Resolute Funds (Jordon Company)	Very Good	39	2002	4	The Resolute Fund IV The Resolute Fund III	USD USD	3,630 3,200	2018 2013
29	▲ >35	AEA Investors	Very Good	38	1991	10	AEA Fund VII AEA Investors Fund VI	USD USD	4,800 3,200	2019 2016
30	— 30	American Securities Partners	Very Good	37	1994	8	American Securities Partners VIII American Securities Partners VII	USD USD	7,000 5,000	2017 2014

The Top 35

Rank	Prior Rank	Fund Family	Setter Liquidity Rating	Prime Buyers	First Vintage	Funds in Fund Family	Latest Closed funds	Currency	Fund Size	Vintage
31	▼ 20	TowerBrook Capital Partners	Very Good	37	2000	6	Towerbrook Investors V TowerBrook Investors IV	USD	4,250	2018
32	▲ 34	Golder Thoma Cressey Rauner	Very Good	36	1980	14	Golder Thoma Cressey Rauner XII Golder Thoma Cressey Rauner XI	USD	5,250	2017
33	▼ 19	Green Equity Investors	Very Good	36	1990	13	Green Equity Investors VIII Green Equity Investors VII	USD	12,000	2019
34	▼ 28	Trilantic North America Funds	Very Good	36	1989	6	Trilantic Capital Partners VI North America Trilantic Capital Partners V North America	USD	2,750	2017
35	▼ 33	Oak Hill Capital	Very Good	35	1999	4	Oak Hill Capital Partners IV Oak Hill Capital Partners III	USD	2,650	2015
								USD	3,800	2007

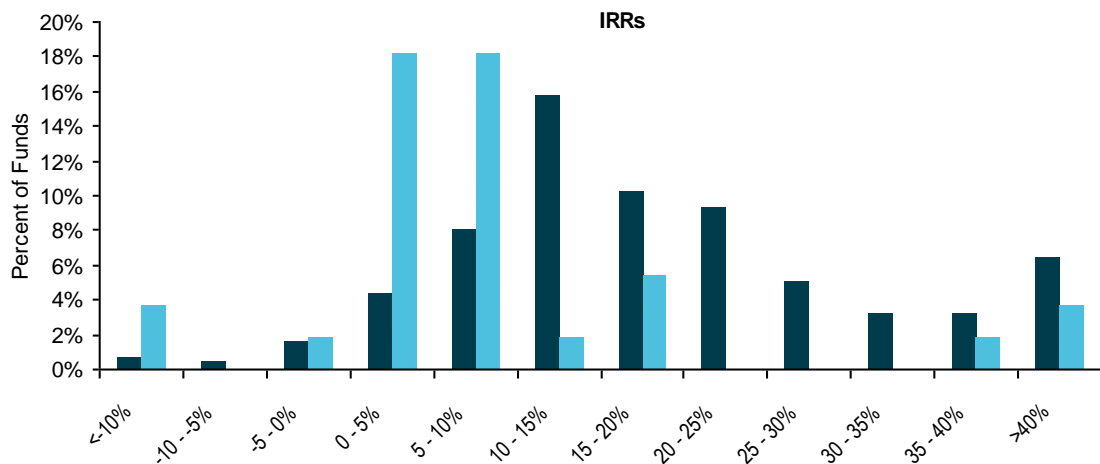
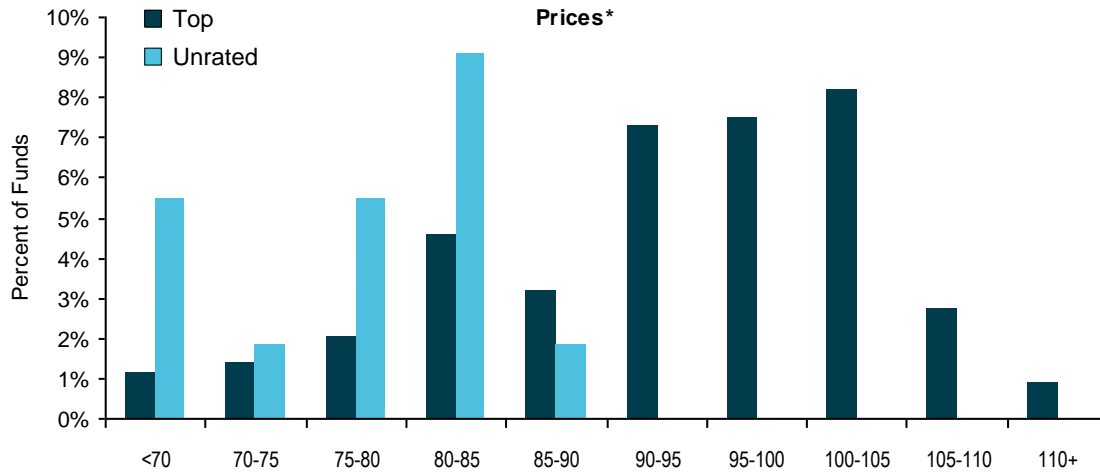
▲ ▼ — Indicate whether the manager has moved up, down or stayed the same rank relative to their rankings on 10/31/19*.

The rankings are based on the Setter Liquidity Ratings which rates fund families as Excellent, Very Good, Good and Unrated depending on how sought after and saleable they are on the secondary market. The Ratings are in large part determined by the collective shortlists of the 1800+ buyers Setter Capital covers, which are conveyed directly or via SecondaryLink. See the last page for more details and limitations of the Setter Liquidity Rating.

How do the Most Sought-After Funds Compare to Less Saleable Funds?

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Below is a comparison between the funds of the Most Sought-After managers (which are listed on the previous pages) and funds of Unrated managers.



Noteable Differences

With respect to buyer demand, there are significantly more Prime Buyers* for the Most Sought-After Managers than for the managers with a Setter Liquidity Rating of Unrated:

- Avg. Number of Prime Buyers TOP 35: 52
- Avg. Number of Prime Buyers Unrated: 7

Accordingly, the funds of Most Sought-After Managers price better than funds of Unrated managers:

- Avg. Price TOP 35: 92.75% of NAV
- Avg. Price Unrated: 77.31% of NAV

Not surprisingly, the Most Sought-After Managers' funds have performed better than those of Unrated managers:

- Avg. IRR TOP 35: 18.36%
- Avg. IRR Unrated: 8.99%

The Most Sought-After Managers also tend to have raised the most capital - on average they have raised more funds and larger funds than Unrated managers:

- Avg. Fund Size TOP 35: 2,732M
- Avg. Fund Size Unrated: 1,905M
- Avg. Number of Funds Raised TOP 35: 10
- Avg. Number of Funds in Raised Unrated: 5

* Please see the last page for definitions and report limitations. This report should not be relied upon to make investment decisions. Pricing is subject to selection bias (e.g. it is more difficult to get pricing for Unrated funds, resulting in lower priced funds being underrepresented).

Definitions

Exposure: NAV + Undrawn

Prime Buyers are buyers that are existing investors in the fund family, have it on their shortlist or have recently priced it. Other buyers, who have a general interest in buying this type of fund but not the fund specifically (“General Buyers”), are not included in the number of indicated prime buyers

The Setter Liquidity Rating (SLR) is a subjective measure of the relative liquidity of non-redeemable alternative investment funds and is not a measure of the investment merits or quality of a fund. The SLR and number of Prime Buyers are determined by Setter Capital and rely in part on subjective assessments of: the seriousness, capacity and number of interested buyers for a fund; and the ease of transfer. The SLR and number of Prime Buyers should not be relied upon to make any investment decision or to predict the future liquidity of a fund. Also, the SLR is not intended as a measure or indicator of the liquidity of a fund's underlying portfolio holdings. The SLR applies to an entire series of funds, or 'fund family', and individual funds within a fund family may be more or less illiquid than the SLR indicates. For instance, lightly funded funds or very old funds are often less liquid than funds that are greater than 30% funded or less than seven years old. Also, smaller interests and very large interests have fewer buyers with less liquidity. The liquidity of a fund and the SLR can change at any time, as demand for a fund family changes or transfer becomes more or less restrictive or Setter Capital re-evaluates or gains new insight into a fund's relative liquidity. See the article 'Setter Capital Liquidity Rating' for more details. The SLR is not provided as a service and Setter Capital, SecondaryLink and DiligenceLink therefore assume no responsibility for any losses alleged to be the result of the use of the SLR or for any purported reliance upon the rating. The SLR may be flawed and Setter Capital welcomes suggestions to improve its usefulness.

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About Setter

Established in 2006, Setter Capital is a leading independent advisory firm specializing in providing liquidity solutions for fund managers and institutional investors in the secondary market for alternative investments. We serve a diverse institutional client base including some of the world's largest pensions, endowments, investment consultants and fund managers. To date, Setter Capital has completed over 500 transactions, representing more than \$30 billion in liquidity across venture capital, private equity, infrastructure, real estate, real asset, and hedge fund investments.

Setter Capital's mission is to make the secondary market more transparent and efficient for all market participants. To this end, Setter provides the market with complimentary secondary market research and analytical tools such as:

[The Setter Liquidity Rating™](#)

A unique rating system that allows buyers, sellers and creditors to assess the relative liquidity of over 7000 different fund families.

[The Setter Volume Report™ and the Setter Price Report™](#)

Two semi-annual reports that provide the most comprehensive and accurate assessments of the secondary market. Data is based on pricing of over 2000 funds and a survey of the most active secondary buyers globally.

[SecondaryLink.com™](#)

A professional network where over 6000 institutional LPs and GPs connect on primary due diligence and the secondary market.

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