Tenaska Capital Management, LLC

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This Brochure provides information about the qualifications and business practices of Tenaska Capital Management, LLC (the "Adviser," "we," "us" or "our"). If you have any questions about the contents of this Brochure, please contact David Dickey, our Chief Compliance Officer, at (402) 691-9738 or cco@tenaska.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about the Adviser is also available on the SEC's website at www.adviserinfo.sec.gov.

The Adviser is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Item 2 – Material Changes

This Brochure, dated March 29, 2017, is a document that we have prepared according to the SEC's requirements and rules in connection with our registration under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"). There have been no material changes to the Brochure since the filing of our last Brochure which was dated April 25, 2016.

A copy of our Brochure may be requested by contacting David Dickey, our Chief Compliance Officer, at (402) 691-9738 or cco@tenaska.com. This Brochure is also available free of charge on the Adviser's website at **www.tenaskacapital.com**.

Item 3 – Table of Contents

Item 4 – Advisory Business

The Adviser, a Delaware limited liability company, was formed in 2003. The sole members of the Adviser are Tenaska, Inc. and Tenaska Energy Holdings, LLC. Tenaska, Inc. is a wholly-owned subsidiary of Tenaska Energy, Inc. Mr. Howard Lee Hawks owns more than 25% of the voting securities of Tenaska Energy, Inc.

The Adviser provides investment advice to private equity funds (each, a "Fund") with respect to the private equity investments of the Funds. The investment strategy of the Adviser is described in Item 8 below and set forth more fully in the private placement memorandum (as supplemented or amended, the "Private Placement Memorandum") of each "primary Fund" described below. The Adviser provides services that are tailored to the individual needs of each Fund, and are subject to the restrictions set forth in the limited partnership agreement of such Fund (each, a "Partnership Agreement") and the management agreement between the Adviser and such Fund (each, a "Management Agreement"). The primary Funds also include certain parallel funds formed for purposes of investing side by side with the related primary Fund in accordance with the Partnership Agreement of such primary Fund.

Fund Structure

In connection with the structuring and marketing of a new Fund, the Adviser forms a primary Fund, the Partnership Agreement of which typically permits the general partner of the Fund (the "General Partner") to form one or more co-investment vehicles (each, a "Co-Investment Vehicle") for purposes of investing in one or more of the investments made by the primary Fund. The Funds include a number of Co-Investment Vehicles formed for such purpose.

Each Fund is managed by the Adviser, which investigates, analyzes, structures and negotiates potential investments. The Adviser has general authority to recommend investments to the Fund's General Partner, subject to the limitations set forth in the Management Agreement or Partnership Agreement of such Fund. The management and the conduct of the activities of each Fund remain the ultimate responsibility of the General Partner of each Fund. The General Partner of each Fund is an affiliate of the Adviser.

Tenaska, Inc. and its affiliates other than the Adviser, the Funds and the General Partners and portfolio companies of the Funds are referred to herein as "Tenaska."

Investment Restrictions

Each Partnership Agreement contains or incorporates by reference restrictions on investing in certain securities or types of securities. Such restrictions may, in certain cases, be waived in accordance with the Partnership Agreement of a Fund with the consent of the Fund's advisory committee, consisting of representatives of limited partners in the Fund (the "Limited Partners") who are not affiliated with the Adviser. In other cases, such restrictions may be waived in accordance with the Partnership Agreement solely with the consent of a certain percentage of the Limited Partners.

Management of Client Assets

As of December 31, 2016, the Adviser manages $500,559,000 of assets on a discretionary basis (the "AUM") and no assets on a nondiscretionary basis.

Item 5 – Fees and Compensation

Adviser Compensation

Each primary Fund pays the Adviser a management fee (the "Management Fee") in accordance with the applicable Partnership Agreement and Management Agreement. The Management Fee is payable to the Adviser in quarterly installments in advance, funded by drawdowns of unfunded capital commitments of Limited Partners or amounts withheld from proceeds otherwise distributable to the Limited Partners, in each case in accordance with the Fund's Partnership Agreement. Certain Co-Investment Vehicles are not required to pay any Management Fee, while other Co-Investment Vehicles may pay different Management Fees than those paid by the primary Funds.

The Management Fee is generally calculated as a percentage of capital commitments of Limited Partners to each primary Fund through the end of such Fund's investment period. Thereafter, the Management Fee is generally calculated as a percentage of funded capital commitments, or of certain funded capital commitments, that remain invested in portfolio companies.

The Management Fee calculated with respect to each Limited Partner is typically subject to reduction for certain amounts, including: (*a*) such Limited Partner's *pro rata* share of any placement fees paid or payable by the Fund (with the result that placement fees are ultimately borne by the Adviser); (*b*) such Limited Partner's *pro rata* share of organizational expenses paid or payable by the Fund, to the extent they exceed a specified amount set forth in the relevant Partnership Agreement; and (*c*) such Limited Partner's *pro rata* share of a specified percentage (specified in the relevant Fund's Partnership Agreement) of directors' fees, transaction fees, consulting fees, monitoring fees and/or other types of "fee income" received by the Adviser or certain of its affiliates ("Fee Income").

The Management Agreements of the Funds generally provide that upon termination of the Management Agreement, the Adviser shall repay to the Fund or to a replacement manager, as directed by the Fund's General Partner, the unearned portion (computed on the basis of the number of days elapsed), if any, of any Management Fees previously paid to the Adviser.

Item 6 below discusses the distribution of carried interest, an additional performance-based compensation paid to the General Partners of certain Funds.

Allocation of Fees and Expenses

The Funds also bear certain costs and expenses incurred by the Adviser and/or its affiliates in connection with the operation and activities of the Funds ("Fund Expenses") in accordance with the applicable Partnership Agreement. Fund Expenses include: (*a*) the fees and expenses relating to consummated portfolio investments and proposed but unconsummated investments, including the evaluation, acquisition, holding and disposition of such investments, to the extent that such fees and expenses are not reimbursed by a portfolio company or other third person; and (*b*) ongoing administrative expenses, including investor reporting and annual meeting costs and legal, custodial, accounting, banking and consulting expenses.

Fund Expenses generated in the course of evaluating and making investments (including proposed investments that are not ultimately consummated) are allocated among the Fund(s) considering the proposed investment by the Adviser in its good faith discretion and in accordance with the relevant Partnership Agreement(s) and the written policy manual (the "Compliance Manual") developed by the Adviser in connection with its registration under the Advisers Act.

The Funds or their portfolio companies may enter into agreements with Tenaska if the Adviser has determined that such agreements are on terms that are at least arm's length to the Fund or portfolio company and the General Partner discloses such agreements to the Advisory Committee in accordance with the Partnership Agreement and otherwise complies with the requirements of the Partnership Agreement governing the making of such transactions. In addition, Tenaska may provide certain transitional services in connection with investments with respect to which a Fund has entered into a binding commitment, if the fees paid for such services do not exceed rates set forth in the Fund's Partnership Agreement. The relevant Fund or portfolio company bears the fees paid to Tenaska pursuant to the agreements described in this paragraph. Such fees do not constitute Fee Income and do not reduce the Management Fee payable by the Limited Partners of the relevant Funds.

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

Pursuant to the Partnership Agreement of each primary Fund, the applicable General Partner is entitled to receive "carried interest" with respect to each Limited Partner. Each General Partner is a related person of the Adviser. Such carried interest is generally paid out of profits realized from the Fund's investments. The Partnership Agreements of certain of the Co-Investment Vehicles may also provide for carried interest.

Different effective rates of carried interest among Funds may create differing incentives for the Adviser, including in allocating investment opportunities among such Funds. This conflict is mitigated by the fact that, as a general matter, the Adviser will be selecting investments for only a single primary Fund at any given time. However, as a primary Fund nears the end of its investment period, the Adviser may raise a new primary Fund. In the circumstances where the predecessor Fund has sufficient remaining capital for investments, the Adviser will allocate investments between the predecessor Fund and the new primary Fund in good faith in accordance with the relevant Partnership Agreements and the Compliance Manual, each of which includes specific parameters for investment allocations that are designed to address the conflicts of interest inherent in these differing incentives.

Item 7 – Types of Clients

As described in Item 4 above, the Adviser's clients are the Funds. Investors in Funds are generally required to make a minimum capital commitment of $10 million, but the applicable General Partner has the discretion to, and has previously, waived this minimum commitment in certain circumstances, including in connection with the formation of Co-Investment Vehicles, which generally require a lower minimum commitment by investors. Limited partner interests in the Funds may be purchased only by investors that are (*a*) "accredited investors," as defined in Regulation D of the U.S. Securities Act of 1933, as amended, and (*b*) "qualified purchasers" for purposes of section 3(c)(7) of the Investment Company Act of 1940, as amended.

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

Methods of Analysis and Investment Strategies

The permitted scope of investments of each of the Funds is specified in the relevant Partnership Agreement. Generally, the Funds' investment strategies are to seek capital appreciation and ordinary income primarily by acquiring, holding, financing, refinancing and disposing of investments in the power and energy industries, in the provision of services to the power, energy and infrastructure industries and in related assets. The Adviser focuses primarily on opportunities for the Funds to acquire or develop assets or companies within the following principal sectors: power generation; oil

and natural gas gathering, processing and storage; electric, oil and natural gas transmission; and energy infrastructure services. When providing advice to the Funds, the Adviser draws upon the skills and services of certain employees of Tenaska that perform a variety of services for Tenaska, including due diligence, development, engineering, project management, power marketing, fuel procurement, legal and regulatory advice, and financial services, among others. More information regarding the methods of analysis and investment strategies of a specific Fund may be found in the Private Placement Memorandum provided to Limited Partners.

Certain Risks Relating to the Investment Strategies of the Funds

Investing in securities involves risk of loss that clients should be prepared to bear, including but not limited to the risks summarized below:

- changes in general economic conditions or in conditions in energy markets;
- availability of debt financing for transactions;
- highly competitive market for investments;
- reliance on the expertise of investment professionals of the Adviser and its affiliates;
- potential conflicts of interest among Funds or between the Funds on the one hand and the Adviser, and its affiliates and investment professionals on the other hand;
- exposure to portfolio company and related party claims;
- potential liabilities in connection with dispositions of investments;
- failure or inability of a Fund to make follow-on investments in a portfolio company;
- reliance on Tenaska professionals to conduct the day-to-day operations of certain portfolio companies pursuant to services agreements;
- risks applicable to development projects, including the risks of project delay and construction, operating, environmental, zoning and other related risks;
- modification or expansion of federal and state regulations affecting the power and energy industries;
- certain additional economic, political, regulatory and other risks, including the volatility of the equity markets and the securities markets generally;
- illiquidity of investments;
- lack of diversification;
- investments in portfolio companies with high levels of debt; and

- potential liabilities related to portfolio company bankruptcies or restructurings.

The risks summarized above are generally applicable to the investment strategy of each Fund (although certain risks may not be applicable to the activities of Co-Investment Vehicles, which may be formed for the purpose of co-investing with a Fund in a single investment). These risks are described in greater detail in the Private Placement Memoranda provided to Limited Partners.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to clients' evaluation of the Adviser or the integrity of the Adviser's management. The Adviser has no information to disclose that is applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

This Item is not applicable to the Adviser.

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

Code of Ethics

As part of the Compliance Manual, the Adviser has adopted a Code of Ethics (the "Code of Ethics") pursuant to SEC Rule 204A-1 under the Advisers Act to establish the standard of conduct expected of all of the Adviser's Supervised Persons, in light of the Adviser's duties to the Funds under the Advisers Act. Among other things, the Code of Ethics requires that each Supervised Person should: (*i*) at all times place the interests of the Funds before the Supervised Person's own interests; (*ii*) act with honesty and integrity with respect to the Funds and the Fund investors; (*iii*) never take inappropriate advantage of the Supervised Person's position for the Supervised Person's personal benefit; (*iv*) make full and fair disclosure of all material facts, particularly where the Adviser's or Supervised Person's interests may conflict with the Fund's; and (*v*) have a reasonable, independent basis for the Supervised Person's investment advice.

In addition, the Adviser has adopted a personal securities transactions policy under its Code of Ethics to avoid actual and perceived conflicts of interests with the Funds and to prevent violations of laws relating to insider trading.

The Adviser's clients may request a copy of the Code of Ethics, free of charge, by contacting the Adviser's Chief Compliance Officer.

Participation or Interest in Client Transactions

The Adviser investigates and structures potential investments of the Funds, as described in Item 16 below. Investment professionals of the Adviser and certain employees of its affiliates will have a material financial interest in these investments through their commitment to the General Partner and any affiliated limited partner and their right to receive carried interest from certain Funds, as described in Item 6 above. On occasion, an affiliate of the Adviser has participated in an investment side by side with a Fund or acquired an investment from a Fund. In addition, affiliates of the Adviser may consider and make investments that could fall within the investment strategies of one or more of the Funds. The Partnership Agreements contain provisions addressing potential conflicts of interest involving the Adviser and its related persons, including the allocation of investment opportunities among the Funds and Tenaska and any investment transactions involving an affiliate of the Adviser. The Partnership Agreements and the Compliance Manual include policies designed to address conflicts of interest between the Fund and the Adviser or its Supervised Persons.

Item 12 – Brokerage Practices

Research and Other Soft Dollar Benefits

The Adviser does not utilize soft dollar arrangements (that is, arrangements under which research and certain other services are acquired in connection with brokerage arrangements). The Adviser does not direct investment opportunities or other transactions to brokers in order to acquire research or other services.

Aggregation of Client Trades

The purchase or sale of securities may be aggregated for various Funds to the extent that more than one Fund is acquiring or selling securities in the same portfolio company. See also the discussion of the allocation of investment opportunities in Item 6 above. The Adviser will generally aggregate the securities that are to be disposed of if that is the most efficient means to dispose of the securities or if required by the applicable Partnership Agreements.

Item 13 – Review of Accounts

The Adviser's Investment Committee reviews and approves all significant investment decisions of the Funds. The members of the Investment Committee are identified in the Private Placement Memoranda, along with other members of the Investment Team directing the investment activities of certain Funds. The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the Fund review process is not directed toward a short-term decision to dispose of portfolio company securities. While the Adviser will oversee the performance of each

investment, it may rely on third parties or Tenaska, under services agreements with portfolio companies, to provide day-to-day management services for these investments.

Investors in a Fund receive quarterly unaudited financial reports and annual audited financial reports, which include, among other things, financial statements.

Item 14 – Client Referrals and Other Compensation

Certain Funds have compensated one or more placement agents in accordance with the Partnership Agreements of such Funds in connection with the marketing and sale of interests in such Funds. The Partnership Agreements provide that the Management Fees are subject to reduction for contributions made by Limited Partners to the Fund to pay any placement fees paid or payable by such Funds (with the result that placement fees are ultimately borne by the Adviser).

Item 15 – Custody

The Adviser is deemed to have custody of each Fund's cash and securities by virtue of its relationship with such Fund's General Partner. Investors in each Fund receive the Fund's audited financial statements prepared in accordance with generally accepted accounting principles within 120 days after the end of the Fund's fiscal year, or as soon as practicable thereafter. A Fund's audited financial statements may be combined with any parallel funds or other special purpose vehicles used by the Funds in making investments of such Fund where applicable.

Item 16 – Investment Discretion

The Adviser has discretionary authority with respect to the investments of the Funds, including the authority to investigate, analyze, structure and negotiate potential investments and take other appropriate action with respect to investments on behalf of the Funds, subject to the limitations set forth in the Management Agreement or Partnership Agreement of the Funds. However, the management and the conduct of the activities of each Fund remain the ultimate responsibility of such Fund's General Partner, each of which is an affiliate of the Adviser, and all decisions relating to the selection and disposition of such Fund's investments are made exclusively by such General Partner in accordance with the relevant Partnership Agreement.

Item 17 – Voting Client Securities

The Adviser has adopted written policies and procedures regarding proxy voting under the Compliance Manual, as set forth below. The Funds invest primarily in private companies, which typically do not issue proxies. If the Adviser receives a proxy proposal in connection with a publicly traded portfolio company of a Fund, it is the Adviser's

policy that the proxy will be thoroughly reviewed by the Adviser to ensure that the proxy is voted in the best interests of the Fund.

The Adviser may occasionally be subject to material conflicts of interest in the voting of proxies due to business or personal relationships it maintains with persons having an interest in the outcome of certain votes. The Adviser and/or its Supervised Persons may also occasionally have business or personal relationships with the proponents of proxy proposals, participants in proxy contests, corporate directors and officers, or candidates for directorships.

If at any time the Adviser becomes aware of a material conflict of interest relating to a particular proxy proposal, the Adviser will address the proposal by requiring the proposal to be reviewed by the Chief Compliance Officer, who will determine the appropriate procedure for permitting the Adviser to vote the proxy in a manner consistent with the applicable Fund's best interest.

Item 18 – Financial Information

The Adviser is not aware of any financial commitment that impairs its ability to meet its contractual or fiduciary commitments to the Funds and has not been the subject of a bankruptcy proceeding.