

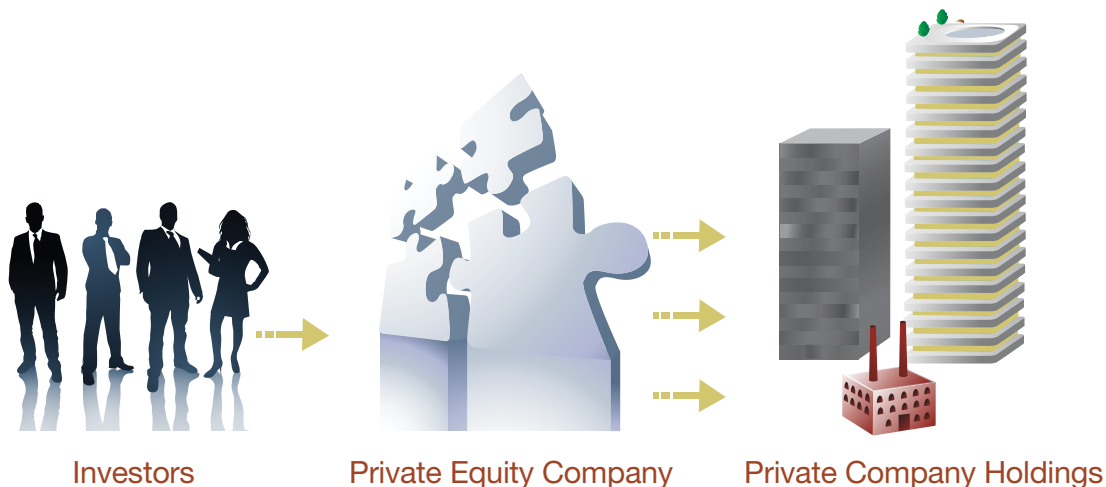
THE CASE FOR LISTED PRIVATE EQUITY

Allocations to private equity continue to increase in many asset allocation models. Access to the best private equity firms and best deals, however, is rarely guaranteed. High minimums, lack of transparency, long lock up periods and illiquidity are some of the disadvantages of direct private equity investing. Listed private equity products may provide a solution to these concerns.

WHAT IS LISTED PRIVATE EQUITY?

Listed private equity companies are publicly-traded companies that invest in privately held businesses. The model and structure are similar to that of traditional, direct private equity investments, however, listed private equity companies are publicly traded in the open market.

Listed private equity companies raise capital from investors and invest that money in individual companies. As an investor in a listed private equity company, you have visibility and transparency to these underlying portfolio holdings.



BENEFITS OF LISTED PRIVATE EQUITY

Access to private equity can have its challenges. Traditional direct private equity has generally been limited to large institutional investors, often with limited liquidity, large minimum investment requirements, and selection risk.

By investing in listed private equity, investors gain:

- » Greater transparency into portfolio company investments
- » Daily valuation and liquidity
- » Diminished J-curve effect
- » Reduced vintage year risk
- » Access to top private equity companies

In summary, listed private equity offers the same benefits of traditional, direct private equity investing, but eliminates nearly all the drawbacks.

THE CASE FOR LISTED PRIVATE EQUITY

COMPARISON OF PRIVATE EQUITY VEHICLES

	Traditional Partnerships	Private Equity Fund of Funds	Listed Private Equity
Manager Risk	Manager selection risk	Potential Manager selection risk	Limited Manager selection risk
Liquidity	Illiquid; 10 year lock up	Limited liquidity	Fully liquid; no lock up
Correlation	Low correlation to broad market	Low correlation to broad market	Lower correlation to broad market
Diversification	Limited diversification	Some diversification	Fully diversified
Vintage Year Risk	“J” curve effect, vintage year risk	“J” curve effect*, some vintage year risk	Diminished “J” curve effect, reduced vintage year risk
Manager Access	Limited access with high minimums	Some access with lower minimums	Broad access with low minimums
Transparency/ Valuation	Limited transparency, varying valuation methodologies, quarterly reports on NAV	Moderate transparency, varying valuation methodologies, monthly/ quarterly NAV	Full transparency; daily NAV

A SOLUTION-BASED PARTNERSHIP

ALPS Advisors

- » Serves as Advisor
- » Specialist in manager oversight & evaluation
- » Dedicated sales & relationship management support

Definitions: J Curve Effect: the curve realized by plotting the returns generated by a private equity fund against time (from inception to termination). A private equity fund may initially show a negative return due to fees and start-up costs. When the first realizations are made, the fund returns may start to rise quite steeply.

Vintage Year Risk: Vintage Year Risk refers to the year in which a group of private equity investments were made. Market conditions at the time of investment may have caused those investments to be cheap, fair-valued or expensive. Accordingly, vintage year risk diversification is desirable in order to smooth out or balance returns over a number of years.

Listed Private Equity Companies are subject to various risks depending on their underlying investments, which could include, but are not limited to, additional liquidity risk, industry risk, non-U.S. security risk, currency risk, credit risk, managed portfolio risk and derivatives risk (derivatives risk is the risk that the value of the Listed Private Equity Companies’ derivative investments will fall because of pricing difficulties or lack of correlation with the underlying investment).

There are inherent risks in investing in private equity companies, which encompass financial institutions or vehicles whose principal business is to invest in and lend capital to privately – held companies. Generally, little public information exists for private and

Red Rocks Capital

- » Serves as Sub-Advisor
- » First U.S. firm to develop packaged Listed Private Equity investment products
- » Brings unique combination of portfolio management, venture capital & private equity expertise

thinly traded companies, and there is a risk that investors may not be able to make a fully informed investment decision.

Listed Private Equity Companies may have relatively concentrated investment portfolios, consisting of a relatively small number of holdings. A consequence of this limited number of investments is that the aggregate returns realized may be adversely impacted by the poor performance of a small number of investments, or even a single investment, particularly if a company experiences the need to write down the value of an investment.

Ordinary brokerage commissions apply.

An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contains this and other information, call 1.866.759.5679 or visit lpefund.com. Read the prospectus carefully before investing.

An investment in the Funds involve risk, including loss of principal.

Asset allocation cannot assure a profit nor protect against a loss.

Listed Private Equity Fund is a series of Financial Investors Trust.

ALPS Distributors, Inc., distributor for the Listed Private Equity Fund.