COHESIVE CAPITAL PARTNERS

February 20, 2015

Dear Partner:

We hope you are having a great start to 2015. In advance of our year-end report which will follow the completion of our audit in April, and given some recent fund activity, we wanted to provide you this update on developments at Cohesive Capital Partners, L.P. (together with its affiliates, the "Fund") since our last communication on November 20, 2014. In April, we will follow-up with a more comprehensive review of the Fund's 2014 activities as well as year-end valuations/financials.

In 2014, we completed only one new investment for the Fund, Athene Holding. 2014 was a year where more traditional LBOs with significant amounts of low-cost, flexible leverage tended to trade at full valuations. Given the overall market environment, as we have highlighted in the past, Cohesive has been taking a patient and cautious approach and has been "waiting for its pitch".

Our patience was rewarded, as we saw a number of more interesting investment opportunities during the last few months of 2014. As you will read in this letter, we have closed on two of those investments so far this year, and still have a few actionable ones that could be completed in the coming months. As we move into 2015, we will continue to be cautious and patient with your capital and look to find investments where we can be opportunistic in building a portfolio of attractive investments.

As of the date of this letter, and including the most recent capital call that was due January 29, 2015, the Fund has called $161 million, representing 80.7% of your total capital commitment, and returned $28 million from the sales of The Dwyer Group and TLP Energy as well as the dividend received from Party City. The remaining unfunded portion of your capital commitment, net of recallable capital(1), is 33.3%. Including capital that has been committed to investments but not yet funded, and reserved for potential future follow-on investments, the Fund is now 91.9% invested, committed & reserved. Due to the $13 million of realizations in the Fund thus far that qualify as "recallable for investment", we expect to ultimately be able to invest (including reserves) 100%-105% of committed capital.

We have been in the market fundraising for Cohesive Capital Partners II, L.P. ("Fund II"). Fund II has a target size of $350 million, and as of December 2014 we have closed on approximately $204 million. While we held two closings for Fund II in the fourth quarter of 2014, they were "dry closings" and we did not "activate" the fund and thus start charging management fees until January 1st of this year. As a reminder, the activation of Fund II triggers a step-down in the management fees for the Fund. Specifically, as of January 1st, annual management fees for the Fund stepped down from 1.50% of committed capital to 1.25% of invested cost, as shown in the table on the following page.

[1] See definition of "Unpaid Capital Commitment" and Section 3.4(g)(i) in the Fund's Amended and Restated Limited Fund Agreement dated as of November 15, 2010 (as amended from time to time) (the "A&R LPA").

Illustration of Management Fee Step-Down:

Hypothetical Capital Commitment	$1,000,000
Pre Jan. 1, 2015 Annual Management Fee per $1mm Commitment	$15,000
Remaining Current Invested Cost per $1mm Commitment (2)	$597,895
Post Jan. 1, 2015 Annual Management Fee per $1mm Commitment (2)	$7,474

Additionally, any new investment opportunities that are sourced after January 1, 2015 will be shared between the Fund and Fund II (pro rata based on capital commitments) until the Fund is determined to be fully invested. That said, there are currently multiple active opportunities that were sourced in the fourth quarter of 2014 for which, if they are completed, the Fund will have priority.

Recent Fund Activity

On December 31, 2014, Cohesive participated in a $25 million private placement of new common equity for CommunityOne Bancorp ("COB"). The private placement, which was offered pro rata to all existing shareholders and was priced at COB's projected pre-money Tangible Book Value per share when adjusted for the reversal of its deferred tax asset valuation allowance of $10.56 per share (the company's stock closed at $11.45 on December 31st). Cohesive requested and received a total allocation of $1.5 million or 142,045 shares, which was greater than it's pro rata allocation of $0.77 million, or 72,556 shares, as some existing investors chose not to exercise their pre-emptive rights. Pro forma for this investment, Cohesive's ownership in COB increased to 3.35% from 3.06%. The capital raise positions COB, from a regulatory capital perspective, to pursue acquisition opportunities in North Carolina, South Carolina and Virginia in 2015 and beyond. Through a disciplined M&A execution process, COB can augment its value creation by enhancing growth of tangible book value, accelerating the usage of its deferred tax asset, and accelerating valuation multiple expansion. As discussed at the annual meeting, COB announced on September 12th that its CEO, Brian Simpson, was leaving the Company and that COB's President, Bob Reid, would assume the duties of CEO effective September 30th. Since Bob Reid has assumed the role of CEO, we have observed a new attitude and an improved management team culture, which we believe will enable COB to execute better on its strategic growth initiatives.

On January 30, 2015, the Fund closed on a $12.0 million investment in DLT Solutions, LLC ("DLT") alongside the principal investing group of Millstein & Co. DLT is a public-sector focused Value-Added Reseller delivering comprehensive IT software solutions to government (Federal, State & Local) customers in the United States. DLT's mission is to provide its end customers (Federal, State and Local governments) with high quality software solutions and to provide its vendor partners (software providers) with fast, flexible, responsive, and trouble free execution in sales and marketing and operational support. A detailed summary of this investment is attached to this letter.

[2] Calculated based on current invested cost remaining in active portfolio companies. Invested cost amount and management fee amount will change every quarter based on additional capital called from LPs for investment or full realizations of portfolio companies. It is our expectation that invested cost will increase in the near-term as the final investments in the Fund are made, before declining as the Fund begins to have additional realization activity.

On February 12, 2015, the Fund closed on a $2.5 million investment in Digital River, Inc. alongside Siris Capital Group. The transaction is a take-private that was announced on October 23, 2014. Digital River is a leading provider of global Commerce-as-a-Service solutions. The company offers its customers a broad range of solutions to quickly and cost effectively establish, manage and grow commerce sales channels via internet-connected devices, including building and managing the customers' online "stores" and "shopping carts" as well as the associated payment processing. A detailed summary of this investment is attached to this letter.

Taken together, the Fund has now made seventeen investments. A summary of the Fund's invested capital by deal is included below:

	Initial	Invested		Total Commitment	
($ in thousands)	**Investment**	**($000s)**	**% of Fund**	**($000s)**	**% of Fund**
The Dwyer Group	Jan-11	5,000	2.5%	5,000	2.5%
TLP Energy	Oct-11	5,763	2.9%	5,763 (3)	2.9%
CommunityOne	Dec-11	11,999	6.0%	11,999	6.0%
TLC	Apr-12	6,500	3.2%	6,500	3.2%
eDriving	Jun-12	8,003	4.0%	8,003	4.0%
Party City	Oct-12	10,000	5.0%	10,000	5.0%
Serta Simmons	Nov-12	11,998	6.0%	11,998	6.0%
Epic Shipping	Dec-12	12,554	6.3%	12,554	6.3%
Access MediQuip	Dec-12	11,883	5.9%	11,883	5.9%
Standard Bancshares	Feb-13	10,000	5.0%	10,000	5.0%
Templar Energy	Jun-13	11,438	5.7%	15,000	7.5%
CASA Exploration	Oct-13	1,557	0.8%	12,500	6.2%
Interlink Maritime	Oct-13	12,499	6.2%	12,499	6.2%
OmniSYS	Nov-13	11,000	5.5%	11,000	5.5%
Athene Holding	Apr-14	2,000	1.0%	10,000	5.0%
DLT Solutions	Jan-15	12,000	6.0%	12,000	6.0%
Digital River	Feb-15	2,500	1.2%	2,500	1.2%
Total		**146,693**	**73.2%**	**169,199**	**84.5%**
Total (Including Reserves for Follow-On Investment)				**184,072**	**91.9%**

Team Update

We would also like to update you on a recent personnel addition. Inna Kaplan has joined Cohesive as the Chief Financial Officer and Chief Compliance Officer. Prior to joining Cohesive, Inna served in various accounting and compliance roles at New Vernon Capital, Energy Capital Partners, Credit Suisse, and Rothstein, Kass & Company. She received a B.S. and an M.S. in Accounting from Kean University. We are excited to have Inna join the team as we continue to build our firm.

Impact of the Move in Oil & Gas Prices

Given the significant decline in oil & natural gas prices over the past six months, we have received a lot of questions regarding our thoughts on the market and the Fund's exposure. Oil prices have been extremely volatile through Q4 2014 and Q1 2015, declining 59% from a peak of $107 per barrel in June to a low of $44 per barrel in January of this year. Several analysts have dramatically cut their oil

[3] Original capital commitment was $8.0 million.

forecasts, including, most notably, Goldman Sachs, which reduced its average WTI price forecast for 2015 to ~$47 per barrel from ~$84 per barrel and said that oil could decline to as low as $30 per barrel in the short-term in a January report. While this announcement received a lot of headlines, the market and media seemed to ignore the firm's projection of $65 per barrel by Q1 2016. Although there have been some announcements of rig cutbacks (which may have contributed to a 13% rebound in the oil price over the past few weeks), we believe there will not be significant cutbacks until the second-half of 2015 as many producers are hedged for much of 2015's production at significantly higher prices from Q2 2014. As a result, we believe a rebound in oil prices is unlikely until at least the second half of 2015, with significant improvement not expected until mid-2016.

Turning to Templar specifically, like a majority of its peers, the company has determined that the current commodity price environment warrants caution, and as a result management has revised its 2015 financial budget and operational plan to reduce planned capital spending by dialing back its projected number of drilling rigs in operation. That being said, the company had a significant hedging program in place prior to the decline in oil prices and is currently hedged on 69% of its revised 2015 projected production at ~$91 per barrel of oil, $4.20 per mmbtu of natural gas, and ~$36 per barrel of natural gas liquids ("NGLs")[(4)]. While there remains a significant amount of uncertainty as it relates to oil & gas prices in 2016 and beyond, we believe Templar's hedges, property holdings and capital structure position the company to be able to weather a medium-term sustained low-price environment.

Turning to CASA Exploration, we have only funded $1.6 million of our $12.5 million commitment to date. While it has taken longer than expected for CASA to find an opportunity to deploy significant capital, we ultimately believe the delay has worked in our favor as the team is now poised with significant dry powder to opportunistically capitalize on opportunities resulting from the recent declines in oil prices. The management team continues to believe that Colombia presents an attractive geography for investment, but they are also now exploring potential opportunities created by the recent regulatory reforms in the Mexican market.

4 As a point of reference, current spot prices as of the date of this letter are ~$50 per barrel of oil and ~$2.65 per mmbtu of natural gas.

Administration

PricewaterhouseCoopers, the Fund's auditor, has commenced their audit process. Annual audited financial statements and 12/31/2014 capital account statements will be issued in April 2015 following the conclusion of the Fund's annual audit process, which includes a review of our portfolio valuations. You will be notified by LeverPoint Management once the audited financials and your year-end capital account statements have been completed. As a reminder, LeverPoint is the third-party administrator that maintains the Fund's books and records and handles all its tax matters.

From a tax perspective, the Fund expects to deliver estimated K-1 statements to limited partners by the second half of March. Please note that final K-1 statements will be issued to you towards the end of the summer once all the tax work has been completed.

If you have any questions now or in the future, please do not hesitate to contact me at 212-616-9619 or via email at jbarber@cohesivecapital.com.

Best Regards

John R. Barber

John R. Barber
Managing Partner

Disclosure

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