Government of the District of Columbia
Vincent C. Gray, Mayor
Department of Insurance, Securities and Banking

William P. White
Commissioner

IN THE MATTER OF:	)	ADMINISTRATIVE CONSENT ORDER
	)	ORDER NO. SB-CO-07-12(C)
PERSEUS VII CAYMAN, L.P.,	)	
Respondent.	)	

WHEREAS, the Commissioner (the "Commissioner") of the Department of Insurance, Securities and Banking (the "Department") has the authority to administer and provide for enforcement of the Securities Act of 2000, effective October 26, 2000 (D.C. Law 13-203; D.C. Official Code § 31-5601.01 *et seq*. (2001)) (the "Securities Act" or the "Act"); and

WHEREAS the Department, upon due consideration of the subject matter hereof, has determined that grounds exist to conclude that Perseus VII Cayman, L.P. (the "Respondent" or "Perseus VIIC") has engaged in a securities offering that required the Respondent to make a notice filing with the Department under certain provisions of the Securities Act, and that the Respondent did not make such notice filing; and

WHEREAS, the Respondent and its associated persons do not have any disciplinary history with any law enforcement or other regulatory agency; and

WHEREAS, Perseus VIIC elects to permanently waive any right to a hearing and appeal under the District of Columbia Administrative Procedure Act, D.C. Official Code §§ 2-509(a) and 2-510(a) (2001); the Rules of Practice and Procedures for Hearings in the District of Columbia, 26 DCMR §§ B300 *et seq.*; and §§ 602(b) and 803(a) of the Securities Act (D.C. Law

13-203, D.C. Official Code § 31-5601.01 *et seq.* (2001)), D.C. Official Code §§ 31-5606.02(b) and 31-5608.03(a) with respect to this Administrative Consent Order (this "Order"); and

WHEREAS, solely for the settlement of the issues contained in this Order, Perseus VIIC, without admitting or denying the Findings of Fact and Conclusions of Law contained in this Order, and without an adjudication of any issue of law or fact, consents to the entry of this Order.

NOW, THEREFORE, the Commissioner, as administrator of the Act pursuant to D.C. Official Code § 31-5607.01, hereby enters this Order:

I. FINDINGS OF FACT

1. The Respondent is a Limited Partnership organized under the laws of the Cayman Islands, and the Respondent's sponsor is headquartered in the District of Columbia. The Respondent's sponsor's current address is 2099 Pennsylvania Avenue, N.W., Suite 900, Washington, D.C. 20006.

2. The Respondent is a feeder fund that was organized primarily for the purpose of owning a limited partnership investment in an underlying private equity fund sponsored by Perseus, L.L.C., an affiliate of the Respondent. In its capacity as a feeder fund, the Respondent's activities in the District of Columbia include issuing limited partnership interests of the Respondent to third-party investors.

3. In 2000, the District of Columbia enacted the Securities Act, which prohibits issuing securities exempt from SEC registration pursuant to Rule 506 of Regulation D promulgated under the United States Securities Act of 1933, as amended (the "1933 Act") in the District of Columbia unless the issuer: (1) files a notice on a Form D as adopted by the United States Securities and Exchange Commission (the "SEC"); (2) files the required consent to service of process; and (3) pays a filing fee, all pursuant to D.C. Official Code § 31-5603.08(d) (citing § 18(b)(D)(4) of the 1933 Act).

4. Titles III and IV of the Securities Act, D.C. Official Code § 31-5603.01 et seq., became effective on June 1, 2001. On August 14, 2006, the Respondent issued a securities offering in

the District of Columbia that was subject to the "covered securities" exemption in § 18(b)(D)(4) of the 1933 Act. The Respondent did not make the required notice filing with the Department pursuant to D.C. Official Code § 31-5603.08(d), with respect to this offering.

5. From August 2006 to the date of this Order, Perseus VIIC has not made any other securities offerings that were subject to the registration or notice filing requirements of Titles III and IV of the Securities Act, D.C. Official Code § 31-5603.01 et seq.

II. CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter pursuant to D.C. Official Code § 31-5606.01(a)(1).

2. On August 14, 2006, the Respondent issued a securities offering exempt from registration with the SEC pursuant to Rule 506 of Regulation D promulgated under the 1933 Act. Perseus VIIC failed to make the required notice filing with the District in violation of D.C. Official Code § 31-5603.08(d).

3. The Department finds the following relief appropriate and in the public interest.

III. ORDER

On the basis of the Findings of Fact, Conclusions of Law, and Respondent's consent to the entry of this Order,

IT IS HEREBY ORDERED:

1. This Consent Order terminates the investigation by the Department with respect to Respondent's failure to file notice on a Form D, as adopted by the SEC, in the District of Columbia on or before August 14, 2006 regarding the issuing of a federal covered security under § 18(b)(4)(D) of the 1933 Act.

2. Respondent will comply with all of the provisions of the Act, and in particular, the Respondent will comply with D.C. Official Code § 31-5603.08(d). Additionally, the Respondent shall take all required actions as are set forth below in this Order.

3. Upon execution of the Order, the Respondent shall be up to date with all required notice filings with the Department as of the date of this Order and shall remit a total of THREE HUNDRED FORTY-NINE DOLLARS and FIFTY CENTS ($349.50) to the Department, made payable to the D.C. Treasurer, pursuant to D.C. Official Code § 1-204.50, for the outstanding fee of TWO HUNDRED FIFTY DOLLARS ($250.00) that should have been paid by the Respondent related to its required notice filing under D.C. Official Code § 31-5603.08(d) for offerings of securities exempt from registration pursuant to Rule 506 of Regulation D promulgated under the 1933 Act, and an interest payment of NINETY-NINE DOLLARS and FIFTY CENTS ($99.50) on the unpaid fee.

4. In addition to the outstanding fees referenced in paragraph 3 above, the Respondent agrees to pay THREE HUNDRED FIFTY DOLLARS ($350.00) to the Department in accordance with D.C. Official Code § 31-5606.01(a)(1) made payable to the D.C. Treasurer, pursuant to D.C. Official Code § 1-204.50 which constitutes payment of a civil penalty concerning the Respondent's failure to make a notice filing as indicated in paragraph 4 of the Findings of Fact.

5. The Respondent agrees that it will conduct a review of its compliance with applicable securities laws for the next two years, and such reviews shall be conducted at least once every 12 months.

6. If the Respondent fails to comply with any term in this Order, the Department may institute administrative or judicial proceedings against the Respondent to enforce this Order or to sanction the Respondent for violating an Order of the Commissioner, and may take any other action authorized under the Securities Act or any applicable law, including the issuance of fines or penalties as provided by the Securities Act. For the purpose of determining those sanctions, the Findings of Fact set forth in this Order may be introduced into evidence against the Respondent.

7. This Order fully addresses the past conduct of the Respondent, but does not preclude the Department, if appropriate, from taking action to determine sanctions if the Respondent violates the Securities Act and the rules thereunder.

8. The terms of this Order may not be modified, except by a subsequent Order issued by the Commissioner and consented to by Perseus VIIC.

9. The Commissioner finds this Order necessary and appropriate and in the public interest for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Securities Act.

DEPARTMENT OF INSURANCE, SECURITIES AND BANKING

SO ORDERED:

APPROVED and so ORDERED:
In Witness Whereof, I have hereunto set my hand and affixed the official seal of this Department in the District of Columbia, this 27th day of July, 2012.

Margaret Schwenker for William P. White
William P. White
Commissioner

CONSENT TO ENTRY OF ADMINISTRATIVE ORDER
BY PERSEUS VII CAYMAN, L.P.

Perseus VII Cayman, L.P. (the "Respondent" or "Perseus VIIC") hereby acknowledges that it has been served with a copy of this Administrative Consent Order, has read the Order, is aware of the right to a hearing and appeal in this matter, and has waived the same.

The Respondent admits the jurisdiction of the Department, neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order, and consents to entry of this Order by the Department as settlement of the issues contained in this Order.

The Respondent agrees that it shall not claim, assert, or apply for a tax deduction or tax credit with regard to any state, federal, or local tax for any administrative monetary penalty that the Respondent shall pay pursuant to this Order.

The Respondent states that no promise of any kind or nature whatsoever was made to it to induce it to enter into this Order and that it has entered into this Order voluntarily.

Kenneth M. Socha represents that he is a Senior Managing Director of both Perseus VIIC as well as Perseus, L.L.C., the ultimate sponsor of Perseus VIIC, and that he is also an authorized officer of both Perseus VIIC and Perseus as well as the Chairman of the Executive Committee of Perseus, L.L.C., the governing body of Perseus, and that he is authorized to enter into this Order for and on behalf of Perseus VIIC.

Dated this 26th day of July, 2012.

Perseus VII Cayman, L.P.

By: Perseus VII Cayman GP Limited,
its general partner

By: Perseus Partners VII GP, L.P.,
its sole shareholder

By: Perseus Partners VII GP, L.L.C.,
its general partner

By: Perseus, L.L.C.,
its managing member

By: Kenneth M. Socha
Kenneth M. Socha
Chairman of the Executive Committee

District of Columbia)
) ss.
~~County of~~ _____)

SUBSCRIBED AND SWORN TO before me this 26 day of July 2012.

Mary E. Williford
Notary Public

My commission expires:

_____

Mary E. Williford
Notary Public, District of Columbia
My Commission Expires 8/14/2013