

SECURITIES AND EXCHANGE COMMISSION

FORM SC TO-I

Issuer tender offer statement

Filing Date: **2013-01-23**  
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SUBJECT COMPANY

**Endowment Institutional Fund, L.P.**

CIK: [1478268](#) | IRS No.: **271402213** | State of Incorporation: **DE** | Fiscal Year End: **1231**  
Type: **SC TO-I** | Act: **34** | File No.: [005-85879](#) | Film No.: **13542602**

Mailing Address  
4265 SAN FELIPE  
8TH FLOOR  
HOUSTON TX 77027

Business Address  
4265 SAN FELIPE  
8TH FLOOR  
HOUSTON TX 77027  
713-993-4675

FILED BY

**Endowment Institutional Fund, L.P.**

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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE TO  
(Rule 13e-4)

TENDER OFFER STATEMENT PURSUANT TO SECTION 13(e)(1)  
OF THE SECURITIES EXCHANGE ACT OF 1934

**The Endowment Institutional Fund, L.P.**

(Name of Issuer)

**The Endowment Institutional Fund, L.P.**

(Name of Person(s) Filing Statement)

**Limited Partnership Interests**

(Title of Class of Securities)

N/A

(CUSIP Number of class of securities)

*With a copy to:*

**George J. Zornada**

**K&L Gates LLP**

**State Street Financial Center**

**One Lincoln St.**

**Boston, MA 02111-2950**

**(617) 261-3231**

**John A. Blaisdell**  
**c/o Endowment Advisers, L.P.**  
**4265 San Felipe, 8th Floor**  
**Houston, Texas 77027**  
**(713) 993-4001**

(Name, Address and Telephone No. of Person Authorized to Receive Notices and Communications on Behalf of the Person(s) Filing Statement)

(January 23, 2013)

**Calculation of Filing Fee**

Transaction Valuation	Amount of Filing Fee
\$2,100,000 <sup>(a)</sup>	\$286.44 <sup>(b)</sup>

(a) Calculated as the aggregate maximum purchase price for limited partnership interests.

(b) Calculated at \$136.40 per million of the Transaction Valuation.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form of Schedule and the date of its filing.

Amount Previously Paid: \_\_\_\_\_

Filing Parties: \_\_\_\_\_

Form or Registration No.: \_\_\_\_\_

Date Filed: \_\_\_\_\_

- Check the box if the filing relates solely to preliminary communications made before commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

third-party tender offer subject to Rule 14d-1.

issuer tender offer subject to Rule 13e-4.

going-private transaction subject to Rule 13e-3.

amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

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**Item 1. Summary Term Sheet.**

As disclosed in the Private Placement Memorandum of The Endowment Institutional Fund, L.P. (the "Fund" or the "Institutional Fund") as amended on January 18, 2013, and amended from time to time (the "PPM"), it is anticipated that on a quarterly basis, subject to Board approval, the Fund will offer to buy your limited partnership interests ("Interests") or a portion thereof, at their estimated net asset value (which is calculated as the estimated value of the Fund's assets minus its liabilities). This offer, which begins on January 23, 2013 (the "Effective Date") will remain open until midnight, Central Standard Time, on February 21, 2013 (the "Expiration Date"). Estimated net asset value will be calculated for this purpose on March 31, 2013 (also referred to herein as the "Valuation Date"). Capitalized terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the PPM.

Following this summary is a formal notice of the Fund's offer to purchase all or a portion of your Interests, which remains open until the Expiration Date, unless extended. You may withdraw your tendered Interests until the earlier to occur of the date such tendered Interests are accepted by the Fund or the Valuation Date.

If an investor would like the Fund to purchase his or her Interests, the investor generally should mail a Letter of Transmittal (the Tender Offer Form will suffice), which is attached to this document as Exhibit 99.3, to Endowment Advisers, L.P. (the "Investment Adviser") at P.O. Box 182663, Columbus, Ohio 43218-2663, Attention: The Endowment Fund, or fax it to the Investment Adviser at (866) 624-0077, Attention: The Endowment Fund. Either method of delivery must result in the receipt of the properly executed form before the Expiration Date. If faxed, the original Tender Offer Form should be mailed promptly thereafter to the Investment Adviser. Investors whose broker of record is Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill") or U.S. Trust should mail or fax the Letter of Transmittal (the Tender Offer Form will suffice) to their Financial Advisor or Portfolio Manager, instead of to the Investment Adviser, by the Expiration Date.

The value of your Interests will likely change between the most recent time net asset value was calculated and communicated to you and the Valuation Date. If you would like to obtain the estimated net asset value of your Interests, which the Fund's administrator calculates monthly based on the information the Fund receives from the managers of the investment funds in which the Fund invests, you may contact the Support Desk of the Investment Adviser at (800) 725-9456, Monday through Friday, except holidays, during normal business hours of 9:00 a.m. to 5:00 p.m., Central Standard Time.

Please note that just as you have the opportunity to have your Interests repurchased in the Offer and the right to withdraw your tendered Interests, the Fund has the right to cancel, amend or postpone this offer at any time prior to the earlier to occur of the Valuation Date (as such may be extended if the Expiration Date is extended) or when the tendered Interests have been accepted by the Fund. Also realize that for any Interests tendered, you remain a partner in the Fund through the Valuation Date, when the estimated net asset value of your Interests is calculated.

**Item 2. Issuer Information.**

(a) The name of the issuer is The Endowment Institutional Fund, L.P. The Fund is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a closed-end, non-diversified, management investment company and is organized as a Delaware limited partnership. The principal executive office of the Fund is located at 4265 San Felipe, 8th Floor, Houston, Texas 77027 and the telephone number is (713) 993-4675.

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(b) The title of the securities that are the subject of the offer to purchase (“Offer to Purchase” and the tender offer made thereby, the “Offer”) is limited partnership interests or portions thereof in the Fund. (As used herein, the term “Interest” or “Interests,” as the context requires, shall refer to the limited partnership interests in the Fund and portions thereof that constitute the class of security that is the subject of this Offer to Purchase or the limited partnership interests in the Fund or portions thereof that are tendered by investors to the Fund pursuant to the Offer to Purchase.) As of the close of business on November 30, 2012, there was approximately \$43,412,963 outstanding in capital of the Fund held in Interests. Subject to the conditions set forth in the Offer to Purchase, the Fund will purchase up to \$2,100,000 of Interests (the “Offer Amount”).

The Fund is one of several “feeder” funds that invests substantially all of its capital into The Endowment Master Fund, L.P. (the “Master Fund”), which then invests its capital in Investment Funds. The Board of the Master Fund has approved a tender offer for up to \$160,000,000 of capital of its investors (the “Master Offer Amount”), including the Fund and the other “feeder funds” with the Board of the Institutional Fund having approved the Offer Amount.

(c) Interests are not traded in any market, and any transfer thereof is strictly limited by the terms of the Fund’s Agreement of Limited Partnership dated as of December 8, 2009 (the “LP Agreement”).

### **Item 3. Identity and Background of Filing Person.**

(a) The name of the filing person is The Endowment Institutional Fund, L.P. The Fund’s principal executive office is located at 4265 San Felipe, 8th Floor, Houston, Texas 77027 and the telephone number is (713) 993-4675. The investment adviser of the Fund is Endowment Advisers, L.P. The principal executive office of the Investment Adviser is located at 4265 San Felipe, 8th Floor, Houston, Texas 77027 and the telephone number is (713) 993-4675. The Investment Adviser’s investment committee (“Investment Committee”) members are Messrs. John A. Blaisdell, Andrew B. Linbeck, Lee G. Partridge and Mark W. Yusko (herein defined as the “Managers”). Their address is c/o Endowment Advisers, L.P. at 4265 San Felipe, 8th Floor, Houston, Texas 77027.

### **Item 4. Terms of This Tender Offer.**

(a) (1) (i) Subject to the conditions set forth in the Offer to Purchase, the Fund will purchase up to the Offer Amount in tendered Interests, subject to any extension of the Offer to Purchase.

(ii) The purchase price of Interests tendered to the Fund will be their estimated net asset value as of the close of business on the Valuation Date, subject to any extension of the Offer to Purchase.

The initial payment (the “Initial Payment”) will be made in an amount equal to at least 95% of the estimated value of the repurchased Interest (or portion thereof), determined as of the Valuation Date. The Initial Payment will be made as of the later of (1) the 30th day after the Valuation Date, or (2) in the sole discretion of the Investment Adviser, if the Master Fund has requested withdrawals of its capital from any Investment Funds in order to fund the repurchase of Interests, within ten business days after the Fund has received at least 95% of the aggregate amount so requested to be withdrawn by the Master Fund from the Investment Funds (the “Investment Fund Payment Date”).

The second and final payment (the “Final Payment”) is expected to be in an amount equal to the excess, if any, of (1) the value of the repurchased Interest (or portion thereof), determined as of the Valuation Date based upon the results of the annual audit of the Fund’s financial statements for the fiscal year in which the Valuation Date of such repurchase occurred, over (2) the Initial Payment. The Investment Adviser anticipates that the annual audit of the Fund’s financial statements will be completed within 60 days after the end of each fiscal year of the Fund and that the Final Payment will be made as promptly as practicable after the completion of such audit.

Although the amounts required to be paid by the Fund will generally be paid in cash, the Fund may under certain limited circumstances pay all or a portion of the amounts due by an in-kind distribution of securities.

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Notwithstanding anything in the foregoing to the contrary, in the event that a Partner has requested the repurchase of a portion of its Interest which would result in such Partner continuing to hold at least 10% of the value of its Interest as of December 31 of the fiscal year ending immediately prior to the fiscal year in which such request was made, the Final Payment in respect of such repurchase shall be made on or before the 60th day after the Valuation Date, provided that if the Master Fund, in the sole discretion of the Investment Adviser, has requested withdrawals of its capital from any Investment Funds in order to fund the repurchase of Interests, such payment may be postponed until 10 business days after the applicable Investment Fund Payment Date. Such payment shall be in an amount equal to the excess, if any, of (1) the value of the repurchased Interest (or portion thereof), determined as of the Valuation Date, based upon information known to the Fund as of the date of the Final Payment, over (2) the Initial Payment. If, based upon the results of the annual audit of the Fund's financial statements for the fiscal year in which the Valuation Date of such repurchase occurred, it is determined that the value at which the Interest was repurchased was incorrect, the Fund shall, as promptly as practicable after the completion of such audit, decrease such Partner's capital account balance by the amount of any overpayment, or increase such Partner's capital account balance by the amount of any underpayment, as applicable.

The repurchase of Interests is subject to regulatory requirements imposed by the Securities and Exchange Commission ("SEC"). The Fund's repurchase procedures are intended to comply with such requirements. However, in the event that the Board determines that modification of the repurchase procedures described above is required or appropriate, the Board will adopt revised repurchase procedures as necessary to ensure the Fund's compliance with applicable regulations or as the Board in its sole discretion deems appropriate. Following the commencement of an offer to repurchase Interests, the Fund may suspend, postpone or terminate such offer in certain circumstances upon the determination of a majority of the Board, including a majority of the Independent Directors, that such suspension, postponement or termination is advisable for the Fund and its Partners, including, without limitation, circumstances as a result of which it is not reasonably practicable for the Fund to dispose of its investments or to determine the value of its net assets, and other unusual circumstances.

Each Partner whose Interest (or portion thereof) has been accepted for repurchase will continue to be a Partner of the Fund until the Valuation Date (and thereafter if its Interest is repurchased in part) and may exercise its voting rights with respect to the repurchased Interest (or portion thereof) until the Valuation Date. Moreover, the capital account maintained in respect of a Partner whose Interest (or portion thereof) has been accepted for repurchase will be adjusted for the net profits or net losses of the Fund through the Valuation Date, and such Partner's capital account shall not be adjusted for the amount withdrawn, as a result of the repurchase, prior to the Valuation Date.

Upon its acceptance of tendered Interests or portions of Interests for repurchase, the Fund will maintain on its books (1) cash, (2) liquid securities or (3) interests in Investment Funds that the Fund has requested be withdrawn (or any combination of them), in an amount equal to the amount of accepted tendered Interests.

Payments for repurchased Interests may require the Fund to liquidate portfolio holdings in Investment Funds earlier than the Investment Adviser otherwise would liquidate such holdings, potentially resulting in losses (including the payment of early redemption fees), a reduction in the Fund's tax efficiency and may increase the Fund's portfolio turnover. The Investment Adviser intends to take measures to attempt to avoid or minimize such potential losses and turnover. The Fund may, but need not, maintain cash or the Master Fund may borrow money to meet repurchase requests. Such a practice could increase the Fund's operating expenses and impact the ability of the Fund to achieve its investment objective.

**As approved by the Board, and in certain instances, a 2% Early Repurchase Fee will be charged by the Fund (and inure to the benefit of the remaining Partners) with respect to any repurchase of an Interest (or portion thereof) from a Partner at any time prior to the business day immediately preceding the one-year anniversary of the Partner's purchase of such Interest (or portion thereof).** As described in the PPM, the Fund is currently waiving the Early Repurchase Fee. Further, the Board may waive the Early Repurchase Fee as a result of, among other things, a Partner that provides a written letter of intent to reinvest repurchased Interests in another registered feeder fund that invests substantially all of its assets in the Master Fund. If a Partner would like to invest in another such feeder fund, such Partner should contact his, her or its financial intermediary. Partial Interests

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tendered for repurchase will be treated as having been repurchased on a “first in - first out” basis. Therefore, the portion of an Interest repurchased will be deemed to have been taken from the earliest capital contribution made by such Partner (adjusted for subsequent net profits and net losses) until that capital contribution is decreased to zero, and then from each subsequent capital contribution made by such Partner (adjusted for subsequent net profits and net losses) until such capital contribution is decreased to zero.

Other than the Early Repurchase Fee, the Fund does not presently intend to impose any charges (except for direct costs and expenses, such as wiring fees) on the repurchase of Interests, although it may allocate to Partners whose Interests are repurchased withdrawal or similar charges imposed by Investment Funds if the Investment Adviser determines to withdraw from one or more Investment Funds as a result of Partner repurchase tenders and such charges are imposed on the Fund.

A Partner who tenders some but not all of the Partner's Interest for repurchase will be required to maintain a minimum capital account balance of \$100,000. Such minimum capital account balance requirement may be waived by the Fund, in its sole discretion. The Fund reserves the right to reduce the amount to be repurchased from a Partner so that the required capital account balance is maintained.

In the event that the Investment Adviser or any of its affiliates holds an Interest (or portion of an Interest) in its capacity as a Partner, such Interest (or portion of an Interest) may be tendered for repurchase in connection with any repurchase offer made by the Fund, without notice to the other Partners.

A copy of: (i) the Cover Letters to Offer to Purchase and Letters of Transmittal; (ii) the Offers to Purchase; and (iii) Forms of Letter of Transmittal are attached hereto as Exhibits 99.1, 99.2, and 99.3, respectively.

(iii) The scheduled expiration date is midnight, Central Standard Time, February 21, 2013.

(iv) Not applicable.

(v) The Fund reserves the right, at any time and from time to time, to extend the period of time during which the Offer is pending by notifying investors of such extension. If the Fund elects to extend the Offer to Purchase, the estimated net asset value of such Interests will be determined approximately one month after the Offer to Purchase actually expires. During any such extension, all Interests previously tendered and not withdrawn will remain subject to the Offer. The Fund also reserves the right, at any time and from time to time, up to and including acceptance of tenders pursuant to the Offer, to: (a) cancel the Offer and in the event of such cancellation, not to purchase or pay for any Interests tendered pursuant to the Offer; (b) amend the Offer; or (c) postpone the acceptance of tendered Interests. If the Fund determines to amend the Offer or to postpone the acceptance of Interests tendered, it will, to the extent necessary, extend the period of time during which the Offer is open as provided above and will promptly notify investors.

(vi) Interests may be withdrawn at any time until the earlier to occur of the date such tendered Interests are accepted by the Fund or the Valuation Date.

(vii) Investors wishing to tender Interests pursuant to the Offer generally should send or deliver a completed and executed Letter of Transmittal (the Tender Offer Form will suffice) to the Investment Adviser, to the attention of The Endowment Fund, at P.O. Box 182663, Columbus, Ohio 43218-2663, or fax a completed and executed Letter of Transmittal to the Investment Adviser, also to the attention of The Endowment Fund, at (866) 624-0077. Investors whose broker of record is Merrill or U.S. Trust should send or deliver, or fax, the completed and executed Letter of Transmittal (the Tender Offer Form will suffice) to their Financial Advisor or Portfolio Manager instead of to the Investment Adviser. The completed and executed Letter of Transmittal must be received, either by mail or by fax, prior to the Expiration Date. The Fund recommends that all documents be submitted by certified mail, return receipt requested, or by facsimile transmission. An investor choosing to fax a Letter of Transmittal must also send or deliver the original completed and executed Letter of Transmittal (the Tender Offer Form will suffice) promptly thereafter to the Investment Adviser or to their Financial Advisor or Portfolio Manager.

Any investor tendering an Interest pursuant to this Offer may withdraw its tender at any time until the earlier to occur of the date such tendered Interests are accepted by the Fund or the Valuation Date. To be effective, any notice of withdrawal must be timely received by the Investment Adviser by mail or fax, or in the case of clients of Merrill or U.S. Trust by their Financial Advisor or Portfolio Manager. A form to use to give notice of withdrawal is available by calling, in the case of clients

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of Merrill or U.S. Trust, their Financial Advisor or Portfolio Manager or, for all other investors, the Investment Adviser at (800) 725-9456. Interests properly withdrawn shall not thereafter be deemed to be tendered for purposes of the Offer. However, withdrawn Interests may be re-tendered prior to the Expiration Date by following the procedures described above.

(viii) For purposes of the Offer, the Fund will be deemed to have accepted Interests that are tendered when it gives written notice to the tendering investor of its election to purchase such Interests.

(ix) If more than the Maximum Amount of Interests are duly tendered to the Fund prior to the expiration of the Offer and not withdrawn, the Fund will, in its sole discretion, either (a) accept the additional Interests permitted to be accepted pursuant to Rule 13e-4(f)(1)(ii) under the Securities Exchange Act of 1934, as amended; (b) extend the Offer, if necessary, and increase the amount of Interests that the Fund is offering to purchase to an amount it believes sufficient to accommodate the excess Interests tendered as well as any Interests tendered during the extended Offer; or (c) accept Interests tendered on or before the Expiration Date for payment on a pro rata basis based on the aggregate estimated net asset value of tendered Interests. The Fund does not presently expect any increase in the amount of Interests offered for repurchase in the event of an oversubscription.

(x) The purchase of Interests pursuant to the Offer will have the effect of increasing the proportionate interest in the Fund of investors who do not tender Interests. Investors who retain their Interests may be subject to increased risks that may possibly result from the reduction in the Fund's aggregate assets resulting from payment for the Interests tendered as well as potentially increased illiquidity of the Master Fund's portfolio. Additionally, a reduction in the aggregate assets of the Fund may result in higher costs for remaining investors to the extent that certain expenses borne by the Fund are relatively fixed and may not decrease if assets decline. These effects may be reduced or eliminated to the extent that additional subscriptions for Interests are made by new and existing investors from time to time.

(xi) Not applicable.

(xii) An investor who tenders its entire Interest to the Fund for repurchase generally will recognize capital gain or loss to the extent of the difference between the proceeds received by such investor and such investor's adjusted tax basis in its Interest. The amount realized will include the investor's allocable share of the Fund's nonrecourse borrowings (as defined for Federal income tax purposes) from the Master Fund, if any. Gain, if any, will be recognized by a tendering investor only as and after the total proceeds received by such investor exceed the investor's adjusted tax basis in its Interest. An investor's tax basis in its Interest generally will be adjusted for Fund income, gain, deduction or loss allocated, for tax purposes, to the investor for periods prior to the purchase of the Interest by the Fund. A tax loss, if any, will be recognized by the investor only after the tendering investor has received full payment excluding its 5% holdback from the Fund. This capital gain or loss will be short-term or long-term depending upon the investor's holding period for its Interest at the time the gain or loss is recognized. United States Treasury Regulations provide that an investor may have a fragmented holding period for its Interest if the investor has made contributions to the Fund at different times. However, a tendering investor will recognize ordinary income to the extent such investor's allocable share of the Fund's "unrealized receivables" or items of Fund inventory exceeds the investor's basis in such unrealized receivables or items of Fund inventory, as determined pursuant to the United States Treasury Regulations. For these purposes, accrued but untaxed market discount if any, on securities held by the Fund will be treated as an unrealized receivable with respect to the tendering investor. An investor who tenders less than its entire Interest to the Fund for repurchase will recognize gain (but not loss) in a similar manner only to the extent that the amount of the proceeds received exceeds such investor's adjusted tax basis in its Interest.

Pursuant to the authority granted to it under the LP Agreement, the Investment Adviser intends to specially allocate items of Fund capital gain, including short-term capital gain, to a withdrawing investor to the extent its liquidating distribution would otherwise exceed its adjusted tax basis in its Interest. Such a special allocation may result in the withdrawing investor recognizing capital gain, which may include short-term gain, in the investor's last taxable year in the Fund, thereby reducing the amount of any long-term capital gain recognized during the tax year in which it receives its liquidating distribution upon withdrawal.

(2) Not applicable.



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(b) At the present time, the Fund is not aware of any intentions of any of the Managers or members of the Board or officers of the Fund or of a Fund affiliate to have their Interests acquired in this tender offer.

**Item 5. Past Contracts, Transactions, Negotiations and Agreements With Respect to the Issuer's Securities.**

The Fund's PPM and the LP Agreement, which were provided to each Partner in advance of subscribing for Interests, provide that the Fund's Board has the discretion to determine whether the Fund will purchase Interests from Partners from time to time pursuant to written tenders. The Fund is not aware of any contract, arrangement, understanding or relationship relating, directly or indirectly, to this tender offer (whether or not legally enforceable) between: (i) the Fund and the Investment Adviser or the Fund's Board, or any person controlling the Fund or controlling the Investment Adviser or the Fund's Board; and (ii) any person, with respect to Interests.

**Item 6. Purposes of This Tender Offer and Plans or Proposals of the Issuer or Affiliate.**

(a) The purpose of the Offer to Purchase is to provide liquidity to investors who hold Interests as contemplated by and in accordance with the procedures set forth in the LP Agreement.

(b) Interests that are tendered to the Fund in connection with the Offer to Purchase, if accepted for repurchase, will be repurchased, resulting in an increase in the Sharing Ratios of remaining Partners in the Fund (assuming no further issuances of Interests).

(c) Neither the Fund nor the Investment Adviser nor any of the Managers or Directors of the Fund (nor members of the Board of Directors) have any plans or proposals that relate to or would result in: (1) the acquisition by any of the above of additional Interests in the Fund (other than the Fund's intention to accept subscriptions for Interests from time to time in the discretion of the Fund), or the disposition of Interests in the Fund (except for periodic discretionary solicitations of tender offers); (2) an extraordinary transaction, such as a merger, reorganization or liquidation, involving the Fund; (3) any material change in the present distribution policy or indebtedness or capitalization of the Fund; (4) any change in the identity of the Investment Adviser or the Managers or Directors of the Fund, or in the management of the Fund including, but not limited to, any plans or proposals to change the number or the term of the Directors of the Fund, to fill any existing vacancy for a Director or to change any material term of the investment advisory arrangements with the Investment Adviser; (5) a sale or transfer of a material amount of assets of the Fund (other than as the Managers or Directors determine may be necessary or appropriate to fund all or a portion of the purchase price for Interests acquired pursuant to the Offer to Purchase or in connection with the ordinary portfolio transactions of the Fund); (6) any other material change in the Fund's structure or business, including any plans or proposals to make any changes in its fundamental investment policies, as amended, for which a vote would be required by Section 13 of the 1940 Act; or (7) any changes in the LP Agreement or other actions that might impede the acquisition of control of the Fund by any person. Because Interests are not traded in any market, Items (6), (7) and (8) of Item 1006(c) of Regulation M-A are not applicable to the Fund.

**Item 7. Source and Amount of Funds or Other Consideration.**

(a) The Fund expects that the purchase price for Interests acquired pursuant to the Offer to Purchase, which will not exceed the Maximum Amount (unless the Fund elects to purchase a greater amount), will be derived from: (1) cash on hand; and/or (2) the proceeds of the sale of and/or delivery of securities and portfolio assets held by the Fund.

(b) Depending on the dollar amount of Interests tendered and prevailing general economic and market conditions, the Master Fund, in its sole discretion, may decide to seek to borrow money to fund all or a portion of any repurchase.

**Item 8. Interest in Securities of the Issuer.**

(a) Based on November 30, 2012 estimated values, Mr. John A. Blaisdell, Manager, Director and Co-Principal Executive Officer of the Fund beneficially owns \$1,274,386 of Interests in the Fund and an aggregate of \$1,529,433 of the Interests in the fund complex.

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Based on November 30, 2012 estimated values, Mr. Andrew B. Linbeck, Manager, Director and Co-Principal Executive Officer of the Fund beneficially owns \$2,099,437 of Interests in the Fund and an aggregate of \$2,376,759 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. John E. Price, Principal Financial Officer of the Fund beneficially owns \$123,923 of Interests in the Fund and an aggregate of \$123,923 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. A. Haag Sherman, Director of the Fund beneficially owns \$2,010,118 of Interests in the Fund and an aggregate of \$2,100,603 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Lee G. Partridge, Manager and Chief Investment Officer of the Investment Adviser, does not have any beneficial ownership in the Fund.

Based on November 30, 2012 estimated values, Mr. Mark W. Yusko, Manager of the Investment Adviser, does not have any beneficial ownership in the Fund, but beneficially owns an aggregate of \$1,153,039 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Adam L. Thomas, Secretary of the Fund, does not have any beneficial ownership in the Fund, but beneficially owns an aggregate of \$976,784 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Scott E. Schwinger, Independent Director of the Fund, does not have any beneficial ownership in the Fund, but beneficially owns \$227,985 of the Interests in the fund complex.

**Item 9. Persons/Assets Retained, Employed, Compensation or Used.**

No persons have been employed, retained or are to be compensated by the Fund to make solicitations or recommendations in connection with the Offer to Purchase.

**Item 10. Financial Statements.**

The financial statements of the Fund dated December 31, 2011, and the schedule of investments of the Fund dated December 31, 2011, both filed with the SEC on EDGAR on Form N-CSR on March 9, 2012, are hereby incorporated by reference. In addition, the financial statements of the Fund dated June 30, 2012, and the schedule of investments of the Fund dated June 30, 2012, both filed with the SEC on EDGAR on Form N-CSR on September 7, 2012, are hereby incorporated by reference.

**Item 11. Additional Information.**

- (a) (1) None.
- (2) None.
- (3) Not Applicable.
- (4) None.
- (5) None.
- (b) None.

**Item 12. Exhibits.**

- 99.1 Cover Letters to Offer to Purchase and Letters of Transmittal.
- 99.2 Offers to Purchase.
- 99.3 Forms of Letter of Transmittal.

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**SIGNATURE**

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 23, 2013

THE ENDOWMENT INSTITUTIONAL FUND, L.P.

By: /s/ John A. Blaisdell

Name: John A. Blaisdell

Title: Co-Principal Executive Officer

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## EXHIBIT INDEX

### Exhibit

- 99.1 Cover Letters to Offer to Purchase and Letters of Transmittal.
- 99.2 Offers to Purchase.
- 99.3 Forms of Letter of Transmittal.

**Exhibit 99.1**

**Cover Letter to Offer to Purchase and Letter of Transmittal**

IF YOU DO NOT WANT TO TENDER YOUR LIMITED PARTNERSHIP INTERESTS FOR REPURCHASE AT THIS TIME FOR ANY REASON, INCLUDING IF YOU ARE SUBJECT TO AN AGREEMENT NOT TO TENDER YOUR INTERESTS FOR REPURCHASE DURING AN INITIAL HOLDING PERIOD, PLEASE DISREGARD THIS NOTICE. THIS IS SIMPLY NOTIFICATION OF THE FUND' S TENDER OFFER.

January 23, 2013

Dear Investor of The Endowment Institutional Fund, L.P.:

We are writing to inform you of important dates related to the tender offer by The Endowment Institutional Fund, L. P. (the "Fund"). If you are not interested in selling your limited partnership interests at this time, please disregard this notice and take no action.

**Please note that the sale of your limited partnership interests may be subject to a 2% Early Repurchase Fee if you decide to sell your interests in this offer.**

The tender offer period will begin on January 23, 2013 and end on February 21, 2013. The purpose of the tender offer is to provide liquidity to investors who hold limited partnership interests. Limited partnership interests can be repurchased by means of a tender offer only during one of the Fund' s announced tender offers.

Should you wish to sell any of your limited partnership interests during this tender offer period, please complete the enclosed Letter of Transmittal (the two page Tender Offer Form will suffice) and contact your financial advisor who services your account for specific return instructions. Allow for additional processing time by your financial intermediary if necessary as the form must ultimately be received by the Fund' s Investment Adviser, Endowment Advisers, L.P. either by mail or by fax in good order by **midnight, Central Standard Time, on February 21, 2013**. If you do not wish to tender limited partnership interests for repurchase for any reason, including if you are subject to an agreement not to tender your interests for repurchase during an initial holding period, simply disregard this notice. **No Action is Required if You Do Not Wish to Tender Your Interests for Repurchase at This Time.**

If you have any questions, please refer to the attached Offer to Purchase document, which contains additional important information about the tender offer, or call the Support Desk of the Investment Adviser at (800) 725-9456.

Sincerely,

The Endowment Institutional Fund, L.P.

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**Cover Letter to Offer to Purchase and Letter of Transmittal**  
**Clients of Merrill Lynch Financial Advisors or U.S. Trust Portfolio Managers**

IF YOU DO NOT WANT TO TENDER YOUR LIMITED PARTNERSHIP INTERESTS FOR REPURCHASE AT THIS TIME FOR ANY REASON, INCLUDING IF YOU ARE SUBJECT TO AN AGREEMENT NOT TO TENDER YOUR INTERESTS FOR REPURCHASE DURING AN INITIAL HOLDING PERIOD, PLEASE DISREGARD THIS NOTICE. THIS IS SIMPLY NOTIFICATION OF THE FUND' S TENDER OFFER.

January 23, 2013

Dear Investor of The Endowment Institutional Fund, L.P.:

We are writing to inform you of important dates related to the tender offer by The Endowment Institutional Fund, L.P. (the "Fund"). If you are not interested in selling your limited partnership interests at this time, please disregard this notice and take no action.

**Please note that the sale of your limited partnership interests may be subject to a 2% Early Redemption Fee if you decide to sell your interests in this offer.**

The tender offer period will begin on January 23, 2013 and end on February 21, 2013. The purpose of the tender offer is to provide liquidity to investors who hold limited partnership interests. Limited partnership interests can be repurchased by means of a tender offer only during one of the Fund' s announced tender offers.

Should you wish to sell any of your limited partnership interests during this tender offer period, please contact your Financial Advisor or Portfolio Manager who will provide you a customized Tender Offer Form for your account. The Letter of Transmittal contained in this Offer to Purchase includes a sample Tender Offer Form for your reference only. The Tender Offer Form generated for your account will need to be signed and returned to your Financial Advisor or Portfolio Manager. Upon receiving the signed form, your Financial Advisor or Portfolio Manager will then submit the order. Your Financial Advisor or Portfolio Manager must submit the form by **midnight, Central Standard Time, on February 21, 2013**. If you do not wish to tender limited partnership interests for repurchase for any reason, including if you are subject to an agreement not to tender your interests for repurchase during an initial holding period, simply disregard this notice. **No Action is Required if You Do Not Wish to Tender Your Interests for Repurchase at This Time.**

If you have any questions, please refer to the attached Offer to Purchase document, which contains additional important information about the tender offer, or call your Financial Advisor or Portfolio Manager.

Sincerely,

The Endowment Institutional Fund, L.P.

**Exhibit 99.2**

**Offer to Purchase**

THE ENDOWMENT INSTITUTIONAL FUND, L.P.  
P.O. Box 182663  
Columbus, Ohio 43218-2663

**Offer to Purchase Up to \$2,100,000 of Outstanding  
Limited Partnership Interests at Net Asset Value  
Dated January 23, 2013**

**The Offer and Withdrawal Rights Will Expire at  
Midnight, Central Standard Time, on February 21, 2013,  
Unless the Offer is Extended**

To the Investors of The Endowment Institutional Fund, L.P.:

The Endowment Institutional Fund, L.P., a closed-end, non-diversified, management investment company organized as a Delaware limited partnership (the "Fund"), is offering to purchase on the terms and conditions set forth in this offer to purchase ("Offer to Purchase") and the related Letter of Transmittal (which together with the Offer to Purchase constitutes the "Offer") up to \$2,100,000 of interests (the "Offer Amount") in the Fund or portions thereof pursuant to tenders by investors at a price equal to their estimated net asset value as of March 31, 2013 (the "Valuation Date"). This Offer is currently scheduled to expire at midnight, Central Standard Time, on February 21, 2013 (the "Expiration Date"), but the Fund may extend this date. (As used in this Offer, the term "Interest," or "Interests," as the context requires, shall refer to the interests in the Fund and portions thereof representing limited partnership interests in the Fund and those interests and portions thereof that have been tendered for repurchase. This Offer is being made to all investors of the Fund and is not conditioned on any minimum amount of Interests being tendered, but is subject to certain conditions described below. Interests are not traded on any established trading market and are subject to strict restrictions on transferability pursuant to the Fund's Limited Partnership dated as of December 8, 2009 (the "LP Agreement").

The Fund is one of several "feeder" funds into The Endowment Master Fund, L.P. (the "Master Fund"), which then invests its capital in Investment Funds. The Board of the Master Fund has approved a tender offer for up to \$160,000,000 of capital of its investors ("Master Offer Amount"), including the Fund. The Board of the Fund has approved a tender offer of up to the Offer Amount.

Investors should realize that the value of the Interests tendered in this Offer will likely change between the most recent time net asset value was calculated and communicated to them and the Valuation Date, when the value of the Interests tendered to the Fund will be determined for purposes of calculating the purchase price of such Interests, and such change could be material. The Fund determines the estimated net asset value monthly based on the information it receives from the managers of the Investment Funds in which it invests. Any tendering investors that wish to obtain the estimated net asset value of their interests on this basis should contact the Support Desk of Endowment Advisers, L.P. at (800) 725-9456 Monday through Friday, except holidays, during normal business hours of 9:00 a.m. to 5:00 p.m. (Central Standard Time).

Investors desiring to tender all or any portion of their Interest in the Fund in accordance with the terms of the Offer should complete and sign the appropriate forms in accordance with the procedures in the Offer to Purchase.

**IMPORTANT**

NEITHER THE FUND NOR THE INVESTMENT ADVISER NOR ANY OF THE MANAGERS OR DIRECTORS OF THE FUND MAKE ANY RECOMMENDATION TO ANY INVESTOR AS TO WHETHER TO TENDER OR REFRAIN FROM TENDERING INTERESTS. INVESTORS MUST MAKE THEIR OWN DECISIONS WHETHER TO TENDER INTERESTS, AND, IF SO, THE PORTION OF THEIR INTERESTS TO TENDER.

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BECAUSE EACH INVESTOR' S INVESTMENT DECISION IS A PERSONAL ONE, BASED ON ITS FINANCIAL CIRCUMSTANCES, NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE FUND AS TO WHETHER INVESTORS SHOULD TENDER INTERESTS PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER OTHER THAN THOSE CONTAINED HEREIN OR IN THE LETTER OF TRANSMITTAL. IF GIVEN OR MADE, SUCH RECOMMENDATION AND SUCH INFORMATION AND REPRESENTATIONS MUST NOT BE RELIED ON AS HAVING BEEN AUTHORIZED BY THE FUND.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED ON THE FAIRNESS OR MERITS OF SUCH TRANSACTION OR ON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

Questions and requests for assistance and requests for additional copies of the Offer may be directed to the Fund' s Investment Adviser.

Endowment Advisers, L.P.  
P.O. Box 182663  
Columbus, Ohio 43218-2663  
Phone: (800) 725-9456



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## TABLE OF CONTENTS

SUMMARY TERM SHEET	1
1. Background and Purpose of the Offer	1
2. Offer to Purchase and Price	2
3. Amount of Tender	2
4. Procedure for Tenders	2
5. Withdrawal Rights	3
6. Purchases and Payment	3
7. Certain Conditions of the Offer	5
8. Certain Information About the Fund	5
9. Certain Federal Income Tax Consequences	6
10. Miscellaneous	7
Financial Statements (incorporated by reference)	7

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## SUMMARY TERM SHEET

As we disclosed in your Fund' s private placement memorandum dated January 18, 2013, as may be amended and supplemented from time to time (the "PPM"), the Adviser intends to recommend to the Board and the Board is expected to approve offers to buy your limited partnership interests at their estimated net asset value (that is, the estimated value of the Fund' s assets minus its liabilities, multiplied by the proportionate interest in the Fund you desire to sell via a tender offer process. The current offer will remain open until midnight, Central Standard Time, on February 21, 2013 (the "Expiration Date") with the estimated net asset value calculated for this purpose as of March 31, 2013 (the "Valuation Date"). Capitalized terms used in this tender offer filing but not otherwise defined shall have the meanings ascribed to them in the PPM.

Following this summary is a formal notice of the offer to repurchase your limited partnership interests. The offer remains open until the Expiration Date, unless extended. You have the right to withdraw your tendered Interests any time until the earlier to occur of the date such tendered Interests are accepted by the Fund or the Valuation Date. If you would like to tender your Interests, you should complete a Letter of Transmittal (the two page Tender Offer Form will suffice), enclosed with the Offer to Purchase, and contact your financial advisor for specific return instructions. Allow for additional processing time by your financial intermediary if necessary as the form must ultimately be submitted to Endowment Advisers, L.P. (the "Investment Adviser"), at P.O. Box 182663, Columbus, Ohio 43218-2663, Attention: The Endowment Fund or faxed to Endowment Advisers, L.P. at (866) 624-0077, Attention: The Endowment Fund. If you choose to fax the Letter of Transmittal, you should mail the original Tender Offer Form promptly after you fax it. Properly completed mailed tender forms or the faxed form must be received prior to the Expiration Date. The value of your limited partnership interests will likely change between the most recent time the net asset value was calculated and communicated to you and the Valuation Date, when the value of your investment will be determined for purposes of calculating your purchase price.

If you would like to obtain the estimated net asset value of your limited partnership interests, which the Fund' s administrator calculates monthly based on the information the Fund receives from the managers of the Investment Funds in which the Fund invests, you may contact the Support Desk of the Investment Adviser at (800) 725-9456, Monday through Friday, except holidays, during normal business hours of 9:00 a.m. to 5:00 p.m. (Central Standard Time). Please note that although you have the opportunity to have your limited partnership interests repurchased, we have the right to cancel, amend or postpone this offer prior to the earlier to occur of the Valuation Date (as such may be extended if the Expiration Date is extended) or when the tendered Interests have been accepted by the Fund.

**1. Background and Purpose of the Offer.** The purpose of the Offer is to provide liquidity to investors who hold Interests as contemplated by and in accordance with the procedures set forth in the Fund' s LP Agreement. The LP Agreement, which was provided to each investor in advance of subscribing for Interests, provides that the Board has the discretion to determine whether the Fund will purchase limited partnership interests from investors from time to time pursuant to written tenders. Because there is no secondary trading market for Interests and transfers of Interests are prohibited without prior approval of the Fund, the Board has determined, after consideration of various matters, that the Offer is in the best interests of investors of the Fund to provide liquidity for Interests as contemplated in the LP Agreement. The Board intends to consider the continued desirability of the Fund making an offer to purchase Interests four times each year, but the Fund is not required to make any such offer.

The purchase of Interests pursuant to the Offer will have the effect of increasing the proportionate interest in the Fund of investors who do not tender Interests. Investors who retain their Interests may be subject to increased risks that may possibly result from the reduction in the Fund' s aggregate assets resulting from payment for the Interests tendered as well as potentially increased illiquidity of the Master Fund' s portfolio. Additionally, a reduction in the aggregate assets of the Fund may result in investors who do not tender Interests bearing higher costs to the extent that certain expenses borne by the Fund are relatively fixed and may not decrease if assets decline. These effects may be reduced or eliminated to the extent that additional subscriptions for Interests are made by new and existing investors from time to time, although there can be no assurances that such new or additional subscriptions will occur.

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Interests that are tendered to the Fund in connection with the Offer to Purchase, if accepted for repurchase, will be repurchased, resulting in an increase in the Sharing Ratios of remaining Partners in the Fund (assuming no further issuances of Interests).

**2. Offer to Purchase and Price.** The Fund will purchase, upon the terms and subject to the conditions of the Offer, up to the Offer Amount of those outstanding Interests that are properly tendered by and not withdrawn before the Expiration Date based on the value as of the Valuation Date.

The Fund is one of several “feeder” funds that invests all of its capital into The Endowment Master Fund, L.P. (the “Master Fund”), which then invests its capital in Investment Funds. The Board of the Master Fund has approved the Master Offer Amount, which includes the Fund and the other “feeder funds”. The Board of the Institutional Fund has approved the Offer Amount.

If the Fund elects to extend the tender period, for the purpose of determining the purchase price for tendered Interests, the estimated net asset value of such Interests will be determined approximately one month after the tender offer actually expires. The later of the initial Expiration Date or the latest time and date to which the Offer is extended hereinafter is called the “Expiration Date.” The Fund reserves the right to extend, amend or cancel the Offer as described herein. The purchase price of an Interest tendered will be its estimated net asset value as of the close of business on the Valuation Date.

As of the close of business on November 30, 2012, there was approximately \$43,412,963 outstanding in capital of the Fund held in Interests (based on the estimated net asset value of such Interests). The Fund’s administrator determines its estimated net asset value monthly based on information it receives from the managers of the Investment Funds in which it invests. Investors may obtain this information by contacting the Support Desk of Endowment Advisers, L.P. at (800) 725-9456, Monday through Friday, except holidays, during normal business hours of 9:00 a.m. to 5:00 p.m. (Central Standard Time). Of course, the value of the Interests tendered by the investors likely will change between the most recent time net asset value was calculated and communicated to you and the Valuation Date.

**3. Amount of Tender.** Subject to the limitations set forth below, investors may tender their entire Interest or a portion of their Interest. The Offer is being made to all investors of the Fund and is not conditioned on any minimum amount of Interests being tendered.

If the amount of the Interests that are properly tendered pursuant to the Offer and not withdrawn is less than or equal to the Offer Amount, as adjusted, the Fund will, on the terms and subject to the conditions of the Offer, purchase all of the Interests so tendered unless the Fund elects to cancel or amend the Offer, or postpone acceptance of tenders made pursuant to the Offer. If more than the Offer Amount is duly tendered to the Fund before the expiration of the Offer and not withdrawn, the Fund will, in its sole discretion, either (a) accept the additional Interests permitted to be accepted pursuant to Rule 13e-4(f)(1)(ii) under the Securities Exchange Act of 1934, as amended; (b) extend the Offer, if necessary, and increase the amount of Interests that the Fund is offering to purchase to an amount it believes sufficient to accommodate the excess Interests tendered as well as any Interests tendered during the extended Offer; or (c) accept Interests tendered on or before the Expiration Date for payment on a pro rata basis based on the aggregate estimated net asset value of tendered Interests. The Fund does not presently expect any increase in the amount of Interests offered for repurchase in the event of an oversubscription. At the present time, the Fund is not aware of any intentions of any of the Managers or Directors to have their Interests acquired in this tender offer.

**4. Procedure for Tenders.** Investors wishing to tender Interests pursuant to the Offer should complete and execute the Letter of Transmittal (the two page Tender Offer Form will suffice) and contact their financial advisor as the financial intermediary may have specific instructions that need to be followed. Please allow for additional processing time by your financial intermediary if necessary as the form must ultimately be received by the Investment Adviser, either by mail, to the attention of The Endowment Fund, at P.O. Box 182663, Columbus, Ohio 43218-2663, or by fax, also to the attention of The Endowment Fund, at (866) 624-0077, prior to the Expiration Date. The Fund recommends that all documents be submitted by certified mail, return receipt requested, or by facsimile transmission. An investor choosing to fax a Letter of Transmittal should also send the original completed and executed Letter of Transmittal (the two page Tender Offer Form will suffice) promptly thereafter.



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Investors wishing to confirm receipt of a Letter of Transmittal may contact the Investment Adviser at (800) 725-9456. The method of delivery of any documents is at the election and complete risk of the investor tendering an Interest, including, but not limited to, the failure of the Investment Adviser to receive any Letter of Transmittal or other document submitted by facsimile transmission. All questions as to the validity, form, eligibility (including time of receipt) and acceptance of tenders will be determined by the Fund, in its sole discretion, and such determination shall be final and binding. The Fund reserves the absolute right to reject any or all tenders determined by it not to be in appropriate form or the acceptance of or payment for which would, in the opinion of counsel for the Fund, be unlawful. The Fund also reserves the absolute right to waive any of the conditions of the Offer or any defect in any tender with respect to any particular Interest or any particular investor, and the Fund's interpretation of the terms and conditions of the Offer will be final and binding. Unless waived, any defects or irregularities in connection with tenders must be cured within such time as the Fund shall determine. Tenders will not be deemed to have been made until the defects or irregularities have been cured or waived. Neither the Fund nor the Investment Adviser nor any of the Managers or Directors of the Fund shall be obligated to give notice of any defects or irregularities in tenders, nor shall any of them incur any liability for failure to give such notice.

**5. Withdrawal Rights.** Any investor tendering an Interest pursuant to this Offer may withdraw its Interest at any time until the earlier to occur of the date such tendered Interests are accepted by the Fund or the Valuation Date. To be effective, any notice of withdrawal must be timely received by the Investment Adviser by mail or fax. A form to use to give notice of withdrawal is available by calling the Support Desk of the Investment Adviser at (800) 725-9456. All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Fund, in its sole discretion, and such determination shall be final and binding. Interests properly withdrawn shall not thereafter be deemed to be tendered for purposes of the Offer. However, withdrawn Interests may be re-tendered prior to the Expiration Date by following the procedures for tenders described above.

**6. Purchases and Payment.** For purposes of the Offer, the Fund will be deemed to have accepted Interests that are tendered when it gives written notice to the tendering investor of its election to purchase such Interest. The purchase price of an Interest tendered by any investor will be the estimated net asset value thereof as of the close of business on the Valuation Date. If the Fund elects to extend the tender period, the estimated net asset value of tendered Interests will be determined approximately one month after the tender offer actually expires. The estimated net asset value will be determined after all allocations to capital accounts of the investors required to be made by the LP Agreement have been made.

The initial payment (the "Initial Payment") will be made in an amount equal to at least 95% of the estimated value of the repurchased Interest (or portion thereof), determined as of the Valuation Date. The Initial Payment will be made as of the later of (1) the 30th day after the Valuation Date, or (2) in the sole discretion of the Investment Adviser, if the Fund has requested withdrawals of its capital from any Investment Funds in order to fund the repurchase of Interests, within ten business days after the Fund has received at least 95% of the aggregate amount so requested to be withdrawn by the Fund from the Investment Funds (the "Investment Fund Payment Date").

The second and final payment (the "Final Payment") is expected to be in an amount equal to the excess, if any, of (1) the value of the repurchased Interest (or portion thereof), determined as of the Valuation Date based upon the results of the annual audit of the Fund's financial statements for the fiscal year in which the Valuation Date of such repurchase occurred, over (2) the Initial Payment. The Investment Adviser anticipates that the annual audit of the Fund's financial statements will be completed within 60 days after the end of each fiscal year of the Fund and that the Final Payment will be made as promptly as practicable after the completion of such audit.

Although the amounts required to be paid by the Fund will generally be paid in cash, the Fund may under certain limited circumstances pay all or a portion of the amounts due by an in-kind distribution of securities.

Notwithstanding anything in the foregoing to the contrary, in the event that a Partner has requested the repurchase of a portion of its Interest which would result in such Partner continuing to hold at least 10% of the value of its Interest as of December 31 of the fiscal year ending immediately prior to the fiscal year in which such request was made, the Final Payment in respect of such repurchase

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shall be made on or before the 60th day after the Valuation Date, provided that if the Fund, in the sole discretion of the Investment Adviser, has requested withdrawals of its capital from any Investment Funds in order to fund the repurchase of Interests, such payment may be postponed until 10 business days after the applicable Investment Fund Payment Date. Such payment shall be in an amount equal to the excess, if any, of (1) the value of the repurchased Interest (or portion thereof), determined as of the Valuation Date, based upon information known to the Fund as of the date of the Final Payment, over (2) the Initial Payment. If, based upon the results of the annual audit of the Fund's financial statements for the fiscal year in which the Valuation Date of such repurchase occurred, it is determined that the value at which the Interest was repurchased was incorrect, the Fund shall, as promptly as practicable after the completion of such audit, decrease such Partner's capital account balance by the amount of any overpayment, or increase such Partner's capital account balance by the amount of any underpayment, as applicable.

The repurchase of Interests is subject to regulatory requirements imposed by the Securities and Exchange Commission ("SEC"). The Fund's repurchase procedures are intended to comply with such requirements. However, in the event that the Board determines that modification of the repurchase procedures described above is required or appropriate, the Board will adopt revised repurchase procedures as necessary to ensure the Fund's compliance with applicable regulations or as the Board in its sole discretion deems appropriate. Following the commencement of an offer to repurchase Interests, the Fund may suspend, postpone or terminate such offer in certain circumstances upon the determination of a majority of the Board, including a majority of the Independent Directors, that such suspension, postponement or termination is advisable for the Fund and its Partners, including, without limitation, circumstances as a result of which it is not reasonably practicable for the Fund to dispose of its investments or to determine the value of its net assets, and other unusual circumstances.

Each Partner whose Interest (or portion thereof) has been accepted for repurchase will continue to be a Partner of the Fund until the Valuation Date (and thereafter if its Interest is repurchased in part) and may exercise its voting rights with respect to the repurchased Interest (or portion thereof) until the Valuation Date. Moreover, the capital account maintained in respect of a Partner whose Interest (or portion thereof) has been accepted for repurchase will be adjusted for the net profits or net losses of the Fund through the Valuation Date, and such Partner's capital account shall not be adjusted for the amount withdrawn, as a result of the repurchase, prior to the Valuation Date.

Upon its acceptance of tendered Interests or portions of Interests for repurchase, the Fund will maintain on its books (1) cash, (2) liquid securities or (3) interests in Investment Funds that the Fund has requested be withdrawn (or any combination of them), in an amount equal to the amount of accepted tendered Interests.

Payments for repurchased Interests may require the Fund to liquidate portfolio holdings in Investment Funds earlier than the Investment Adviser otherwise would liquidate such holdings, potentially resulting in losses, reduced tax efficiency and may increase the Fund's portfolio turnover. The Investment Adviser intends to take measures to attempt to avoid or minimize such potential losses and turnover. The Fund may, but need not, maintain cash or the Master Fund may borrow money to meet repurchase requests. Such a practice could increase the Fund's operating expenses and impact the ability of the Fund to achieve its investment objective.

**As approved by the Board, in certain instances, a 2% Early Repurchase Fee will be charged by the Fund (and inure to the benefit of the remaining Partners) with respect to any repurchase of an Interest (or portion thereof) from a Partner at any time prior to the business day immediately preceding the one-year anniversary of the Partner's purchase of such Interest (or portion thereof).** As described in the PPM, the Fund is currently waiving the Early Repurchase Fee. Further, the Board may waive the Early Repurchase Fee as a result of, among other things, a Partner that provides a written letter of intent to reinvest repurchased Interests in another registered feeder fund that invests substantially all of its assets in the Master Fund. If a Partner would like to invest in another such feeder fund, such Partner should contact his, her or its financial intermediary. Partial Interests tendered for repurchase will be treated as having been repurchased on a "first in - first out" basis. Therefore, the portion of an Interest repurchased will be deemed to have been taken from the earliest capital contribution made by such Partner (adjusted for subsequent net profits and net losses) until that capital contribution is decreased to zero, and then from each subsequent capital contribution made by such Partner (adjusted for subsequent net profits and net losses) until such capital contribution is decreased to zero.

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Other than the Early Repurchase Fee, the Fund does not presently intend to impose any charges (other than direct costs and expenses, such as wiring fees) on the repurchase of Interests, although it may allocate to Partners whose Interests are repurchased withdrawal or similar charges imposed by Investment Funds if the Investment Adviser determines to withdraw from one or more Investment Funds as a result of Partner repurchase tenders and such charges are imposed on the Fund.

A Partner who tenders some but not all of the Partner's Interest for repurchase will be required to maintain a minimum capital account balance of \$100,000. Such minimum capital account balance requirement may be waived by the Fund, in its sole discretion. The Fund reserves the right to reduce the amount to be repurchased from a Partner so that the required capital account balance is maintained.

The Fund expects that the purchase price for Interests acquired pursuant to the Offer to Purchase, which will not exceed the Offer Amount (unless the Fund elects to purchase a greater amount), will be derived from: (1) cash on hand; and/or (2) the proceeds of the sale of and/or delivery of securities and portfolio assets held by the Fund. Depending on the dollar amount of Interests tendered and prevailing general economic and market conditions, the Master Fund, in its sole discretion, may decide to seek to borrow money to fund all or a portion of any repurchase.

**7. Certain Conditions of the Offer.** The Fund reserves the right, at any time and from time to time, to extend the period of time during which the Offer is pending by notifying investors of such extension. If the Fund elects to extend the tender period, for the purpose of determining the purchase price for tendered Interests, the estimated net asset value of such Interests will be determined approximately one month after the tender offer actually expires. During any such extension, all Interests previously tendered and not withdrawn will remain subject to the Offer. The Fund also reserves the right, at any time and from time to time, up to and including acceptance of tenders pursuant to the Offer, to: (a) cancel the Offer and in the event of such cancellation, not to purchase or pay for any Interests tendered pursuant to the Offer; (b) amend the Offer; or (c) postpone the acceptance of Interests tendered. If the Fund determines to amend the Offer or to postpone the acceptance of Interests tendered, it will, to the extent necessary, extend the period of time during which the Offer is open as provided above and will promptly notify investors.

Please note that just as you have the opportunity to have your Interests repurchased in the Offer and the right to withdraw your tender on or before the Expiration Date, the Fund has the right to cancel, amend or postpone this offer at any time prior to the earlier to occur of the Valuation Date (as such may be extended if the Expiration Date is extended) or when the tendered Interests have been accepted by the Fund. The Fund may cancel the Offer, amend the Offer or postpone the acceptance of tenders made pursuant to the Offer if: (a) the Fund would not be able to liquidate portfolio securities in a manner that is orderly and consistent with the Fund's investment objectives and policies in order to purchase Interests tendered pursuant to the Offer; (b) there is, in the Directors' judgment, any (i) legal action or proceeding instituted or threatened challenging the Offer or that otherwise would have a material adverse effect on the Fund, (ii) declaration of a banking moratorium by Federal or state authorities or any suspension of payment by banks in the United States or New York State that is material to the Fund, (iii) limitation imposed by Federal or state authorities on the extension of credit by lending institutions, (iv) suspension of trading on any organized exchange or over-the-counter market where the Fund has a material investment, (v) commencement of war, armed hostilities or other international or national calamity directly or indirectly involving the United States that is material to the Fund, (vi) material decrease in the estimated net asset value of the Fund from the estimated net asset value of the Fund as of the commencement of the Offer, or (vii) other event or condition that would have a material adverse effect on the Fund or its investors if Interests tendered pursuant to the Offer were purchased; or (c) the Independent Directors of the Fund determine that it is not in the best interest of the Fund to purchase Interests pursuant to the Offer. However, there can be no assurance that the Fund will exercise its right to extend, amend or cancel the Offer or to postpone acceptance of tenders pursuant to the Offer.

**8. Certain Information About the Fund.** The Fund is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a closed-end, non-diversified, management investment company and is organized as a Delaware limited partnership. The principal executive office of the Fund is located at 4265 San Felipe, 8th Floor, Houston, Texas 77027 and the telephone number is (713) 993-4675. Interests are not traded on any established trading market and are subject to strict restrictions on transferability pursuant to the LP Agreement. The Investment Adviser's investment committee ("Investment Committee") members are Messrs. John A. Blaisdell, Andrew B. Linbeck, Lee G. Partridge and Mark W. Yusko (the "Managers"). Their address is c/o Endowment Advisers, L.P. at 4265 San Felipe, 8th Floor, Houston, Texas 77027 and the telephone number is (713) 993-4675.





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Based on November 30, 2012 estimated values, Mr. John A. Blaisdell, Manager, Director and Co-Principal Executive Officer of the Fund beneficially owns \$1,274,386 of Interests in the Fund and an aggregate of \$1,529,433 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Andrew B. Linbeck, Manager, Director and Co-Principal Executive Officer of the Fund beneficially owns \$2,099,437 of Interests in the Fund and an aggregate of \$2,376,759 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. John E. Price, Principal Financial Officer of the Fund beneficially owns \$123,923 of Interests in the Fund and an aggregate of \$123,923 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. A. Haag Sherman, Director of the Fund beneficially owns \$2,010,118 of Interests in the Fund and an aggregate of \$2,100,603 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Lee G. Partridge, Manager and Chief Investment Officer of the Investment Adviser, does not have any beneficial ownership in the Fund.

Based on November 30, 2012 estimated values, Mr. Mark W. Yusko, Manager of the Investment Adviser, does not have any beneficial ownership in the Fund, but beneficially owns an aggregate of \$1,153,039 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Adam L. Thomas, Secretary of the Fund, does not have any beneficial ownership in the Fund, but beneficially owns an aggregate of \$976,784 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Scott E. Schwinger, Independent Director of the Fund, does not have any beneficial ownership in the Fund, but beneficially owns \$227,985 of the Interests in the fund complex.

The Fund does not have any plans or proposals that relate to or would result in: (a) the acquisition by any person of additional Interests (other than the Fund's intention to accept subscriptions for Interests from time to time in the discretion of the Fund) or the disposition of Interests (except for periodic discretionary solicitations of tender offers); (b) an extraordinary transaction, such as a merger, reorganization or liquidation, involving the Fund; (c) any material change in the present distribution policy or indebtedness or capitalization of the Fund; (d) any change in the identity of the Investment Adviser or the Managers or Directors of the Fund, or in the management of the Fund including, but not limited to, any plans or proposals to change the number or the term of the Managers or Directors of the Fund, to fill any existing vacancy for a Manager or to change any material term of the investment advisory arrangements with the Investment Adviser; (e) a sale or transfer of a material amount of assets of the Fund (other than as the Directors determine may be necessary or appropriate to fund any portion of the purchase price for Interests acquired pursuant to this Offer to Purchase or in connection with the ordinary portfolio transactions of the Fund); (f) any other material change in the Fund's structure or business, including any plans or proposals to make any changes in its fundamental investment policy for which a vote would be required by Section 13 of the 1940 Act; or (g) any changes in the LP Agreement or other actions that may impede the acquisition of control of the Fund by any person.

**9. Certain Federal Income Tax Consequences.** The following discussion is a general summary of the federal income tax consequences of the purchase of Interests by the Fund from investors pursuant to the Offer. Investors should consult their own tax advisers for a complete description of the tax consequences to them of a purchase of their Interests by the Fund pursuant to the Offer.

An investor who tenders its entire Interest to the Fund for repurchase generally will recognize capital gain or loss to the extent of the difference between the proceeds received by such investor and such investor's adjusted tax basis in its Interest. The amount realized will include the investor's allocable share of the Fund's nonrecourse borrowings (as defined for Federal income tax purposes) from the Master Fund, if any. Gain, if any,

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will be recognized by a tendering investor only as and after the total proceeds received by such investor exceed the investor's adjusted tax basis in its Interest. An investor's basis in its Interest generally will be adjusted for Fund income, gain, deduction or loss allocated, for tax purposes, to the investor for periods prior to the purchase of the Interest by the Fund. A loss, if any, will be recognized only after the tendering investor has received full payment. This capital gain or loss will be short-term or long-term depending upon the investor's holding period for its Interest at the time the gain or loss is recognized. United States Treasury Regulations provide that an investor may have a fragmented holding period for its Interest if the investor has made contributions to the Fund at different times. However, a tendering investor will recognize ordinary income to the extent such investor's allocable share of the Fund's "unrealized receivables" or items of Fund inventory exceeds the investor's basis in such unrealized receivables or items of Fund inventory, as determined pursuant to the Treasury Regulations. For these purposes, accrued but untaxed market discount, if any, on securities held by the Fund will be treated as an unrealized receivable with respect to the tendering investor. An investor who tenders less than its entire Interest to the Fund for repurchase will recognize gain (but not loss) in a similar manner only to the extent that the amount of the proceeds received exceeds such investor's adjusted tax basis in its Interest.

Pursuant to the authority granted to it under the LP Agreement, the Investment Adviser intends to specially allocate items of Fund capital gain, including short-term capital gain, to a withdrawing investor to the extent its liquidating distribution would otherwise exceed its adjusted tax basis in its Interest. Such a special allocation may result in the withdrawing investor recognizing capital gain, which may include short-term gain, in the investor's last taxable year in the Fund, thereby reducing the amount of any long-term capital gain recognized during the tax year in which it receives its liquidating distribution upon withdrawal.

**10. Miscellaneous.** The Offer is not being made to, nor will tenders be accepted from, investors in any jurisdiction in which the Offer or its acceptance would not comply with the securities or Blue Sky laws of such jurisdiction. The Fund is not aware of any jurisdiction in which the Offer or tenders pursuant thereto would not be in compliance with the laws of such jurisdiction. However, the Fund reserves the right to exclude investors from the Offer in any jurisdiction in which it is asserted that the Offer cannot lawfully be made. The Fund believes such exclusion is permissible under applicable laws and regulations, provided the Fund makes a good faith effort to comply with any state law deemed applicable to the Offer.

The Fund has filed an Issuer Tender Offer Statement on Schedule TO with the SEC, which includes certain information relating to the Offer summarized herein. A free copy of such statement may be obtained from the Fund by contacting the Investment Adviser (800) 725-9456 or from the SEC's internet web site, <http://www.sec.gov>. For a fee, a copy may be obtained from the Public Reference Room of the SEC at 100 F Street, N.E., Washington, DC 20549. (For more information about its operation call (202) 551-8090.

## **Financial Statements**

The financial statements of the Fund dated December 31, 2011, and the schedule of investments of the Fund dated December 31, 2011, both filed with the SEC on EDGAR on Form N-CSR on March 9, 2012, are hereby incorporated by reference. In addition, the financial statements of the Fund dated June 30, 2012, and the schedule of investments of the Fund dated June 30, 2012, both filed with the SEC on EDGAR on Form N-CSR on September 7, 2012, are hereby incorporated by reference.

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**Offer to Purchase**  
**Clients of Merrill Lynch Financial Advisors or U.S. Trust Portfolio Managers**

THE ENDOWMENT INSTITUTIONAL FUND, L.P.  
P.O. Box 182663  
Columbus, Ohio 43218-2663

**Offer to Purchase Up to \$2,100,000 of Outstanding  
Limited Partnership Interests at Net Asset Value  
Dated January 23, 2013**

**The Offer and Withdrawal Rights Will Expire at  
Midnight, Central Standard Time, on February 21, 2013,  
Unless the Offer is Extended**

To the Investors of The Endowment Institutional Fund, L.P.:

The Endowment Institutional Fund, L.P., a closed-end, non-diversified, management investment company organized as a Delaware limited partnership (the “Fund”), is offering to purchase on the terms and conditions set forth in this offer to purchase (“Offer to Purchase”) and the related Letter of Transmittal (which together with the Offer to Purchase constitutes the “Offer”) up to \$2,100,000 of interests (the “Offer Amount”) in the Fund or portions thereof pursuant to tenders by investors at a price equal to their estimated net asset value as of March 31, 2013 (the “Valuation Date”). This Offer is currently scheduled to expire at midnight, Central Standard Time, on February 21, 2013 (the “Expiration Date”), but the Fund may extend this date. (As used in this Offer, the term “Interest,” or “Interests,” as the context requires, shall refer to the interests in the Fund and portions thereof representing limited partnership interests in the Fund and those interests and portions thereof that have been tendered for repurchase.) This Offer is being made to all investors of the Fund and is not conditioned on any minimum amount of Interests being tendered, but is subject to certain conditions described below. Interests are not traded on any established trading market and are subject to strict restrictions on transferability pursuant to the Fund’s Agreement of Limited Partnership dated as of December 8, 2009 (the “LP Agreement”).

The Fund is one of several “feeder” funds into The Endowment Master Fund, L.P. (the “Master Fund”), which then invests its capital in Investment Funds. The Board of the Master Fund has approved a tender offer for up to \$160,000,000 of capital of its investors (“Master Offer Amount”), including the Fund. The Board of the Fund has approved a tender offer of up to the Offer Amount.

Investors should realize that the value of the Interests tendered in this Offer will likely change between the most recent time net asset value was calculated and communicated to them and the Valuation Date, when the value of the Interests tendered to the Fund will be determined for purposes of calculating the purchase price of such Interests, and such change could be material. The Fund determines the estimated net asset value monthly based on the information it receives from the managers of the Investment Funds in which it invests. Any tendering investors that wish to obtain the estimated net asset value of their interests on this basis should contact the Support Desk of Endowment Advisers, L.P. at (800) 725-9456 Monday through Friday, except holidays, during normal business hours of 9:00 a.m. to 5:00 p.m. (Central Standard Time).

Investors desiring to tender all or any portion of their Interest in the Fund in accordance with the terms of the Offer should complete and sign the appropriate forms in accordance with the procedures in the Offer to Purchase.

**IMPORTANT**

NEITHER THE FUND NOR THE INVESTMENT ADVISER NOR ANY OF THE MANAGERS OR DIRECTORS OF THE FUND MAKE ANY RECOMMENDATION TO ANY INVESTOR AS TO WHETHER TO TENDER OR REFRAIN FROM TENDERING INTERESTS. INVESTORS MUST MAKE THEIR OWN

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DECISIONS WHETHER TO TENDER INTERESTS, AND, IF SO, THE PORTION OF THEIR INTERESTS TO TENDER.

BECAUSE EACH INVESTOR'S INVESTMENT DECISION IS A PERSONAL ONE, BASED ON ITS FINANCIAL CIRCUMSTANCES, NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE FUND AS TO WHETHER INVESTORS SHOULD TENDER INTERESTS PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER OTHER THAN THOSE CONTAINED HEREIN OR IN THE LETTER OF TRANSMITTAL. IF GIVEN OR MADE, SUCH RECOMMENDATION AND SUCH INFORMATION AND REPRESENTATIONS MUST NOT BE RELIED ON AS HAVING BEEN AUTHORIZED BY THE FUND.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED ON THE FAIRNESS OR MERITS OF SUCH TRANSACTION OR ON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

Questions and requests for assistance and requests for additional copies of the Offer may be directed to your Financial Advisor or Portfolio Manager.

Endowment Advisers, L.P.  
P.O. Box 182663  
Columbus, Ohio 43218-2663  
Phone: (800) 725-9456

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## TABLE OF CONTENTS

SUMMARY TERM SHEET	1
1. Background and Purpose of the Offer	1
2. Offer to Purchase and Price	2
3. Amount of Tender	2
4. Procedure for Tenders	2
5. Withdrawal Rights	3
6. Purchases and Payment	3
7. Certain Conditions of the Offer	5
8. Certain Information About the Fund	5
9. Certain Federal Income Tax Consequences	6
10. Miscellaneous	7
Financial Statements (incorporated by reference)	7

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## SUMMARY TERM SHEET

As we disclosed in your Fund' s private placement memorandum dated January 18, 2013, as may be amended and supplemented from time to time (the "PPM"), the Adviser intends to recommend to the Board and the Board is expected to approve offers to buy your limited partnership interests at their estimated net asset value (that is, the estimated value of the Fund' s assets minus its liabilities, multiplied by the proportionate interest in the Fund you desire to sell) via a tender offer process. The current offer will remain open until midnight, Central Standard Time, on February 21, 2013 (the "Expiration Date") with the estimated net asset value calculated for this purpose as of March 31, 2013 (the "Valuation Date"). Capitalized terms used in this tender offer filing but not otherwise defined shall have the meanings ascribed to them in the PPM.

Following this summary is a formal notice of the offer to repurchase your limited partnership interests. The offer remains open until the Expiration Date, unless extended. You have the right to withdraw your tendered Interests any time until the earlier to occur of the date such tendered Interests are accepted by the Fund or the Valuation Date. If you would like to tender your Interests, you should contact your Financial Advisor or Portfolio Manager who will provide you with a customized Tender Offer Form for you to sign and return. The Letter of Transmittal contained in this Offer to Purchase includes a sample Tender Offer Form for your reference only. The Tender Offer Form generated for your account will need to be signed and returned to your Financial Advisor or Portfolio Manager. Upon receiving the signed Tender Offer Form, your Financial Advisor or Portfolio Manager will need to submit the order with the properly completed tender form prior to the Expiration Date. The value of your limited partnership interests will likely change between the most recent time the net asset value was calculated and communicated to you and the Valuation Date, when the value of your investment will be determined for purposes of calculating your purchase price.

If you would like to obtain the estimated net asset value of your limited partnership interests, which the Fund' s administrator calculates monthly based on the information the Fund receives from the managers of the Investment Funds in which the Fund invests, you may contact the Support Desk of the Investment Adviser at (800) 725-9456 Monday through Friday, except holidays, during normal business hours of 9:00 a.m. to 5:00 p.m. (Central Standard Time). Please note that although you have the opportunity to have your limited partnership interests repurchased, we have the right to cancel, amend or postpone this offer at any time prior to the earlier to occur of the Valuation Date (as such may be extended if the Expiration Date is extended) or when the tendered Interests have been accepted by the Fund.

**1. Background and Purpose of the Offer.** The purpose of the Offer is to provide liquidity to investors who hold Interests as contemplated by and in accordance with the procedures set forth in the Fund' s LP Agreement. The LP Agreement, which was provided to each investor in advance of subscribing for Interests, provides that the Board has the discretion to determine whether the Fund will purchase limited partnership interests from investors from time to time pursuant to written tenders. Because there is no secondary trading market for Interests and transfers of Interests are prohibited without prior approval of the Fund, the Board has determined, after consideration of various matters, that the Offer is in the best interests of investors of the Fund to provide liquidity for Interests as contemplated in the LP Agreement. The Board intends to consider the continued desirability of the Fund making an offer to purchase Interests four times each year, but the Fund is not required to make any such offer.

The purchase of Interests pursuant to the Offer will have the effect of increasing the proportionate interest in the Fund of investors who do not tender Interests. Investors who retain their Interests may be subject to increased risks that may possibly result from the reduction in the Fund' s aggregate assets resulting from payment for the Interests tendered as well as potentially increased illiquidity of the Master Fund' s portfolio. Additionally, a reduction in the aggregate assets of the Fund may result in investors who do not tender Interests bearing higher costs to the extent that certain expenses borne by the Fund are relatively fixed and may not decrease if assets decline. These effects may be reduced or eliminated to the extent that additional subscriptions for Interests are made by new and existing investors from time to time, although there can be no assurances that such new or additional subscriptions will occur.

Interests that are tendered to the Fund in connection with the Offer to Purchase, if accepted for repurchase, will be repurchased, resulting in an increase in the Sharing Ratios of remaining Partners in the Fund (assuming no further issuances of Interests).



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**2. Offer to Purchase and Price.** The Fund will purchase, upon the terms and subject to the conditions of the Offer, up to the Offer Amount of those outstanding Interests that are properly tendered by and not withdrawn before the Expiration Date based on the value as of the Valuation Date.

The Fund is one of several “feeder” funds that invests all of its capital into The Endowment Master Fund, L.P. (the “Master Fund”), which then invests its capital in Investment Funds. The Board of the Master Fund has approved the Master Offer Amount, which includes the Fund and the other “feeder funds”. The Board of the Institutional Fund has approved the Offer Amount.

If the Fund elects to extend the tender period, for the purpose of determining the purchase price for tendered Interests, the estimated net asset value of such Interests will be determined approximately one month after the tender offer actually expires. The later of the initial Expiration Date or the latest time and date to which the Offer is extended hereinafter is called the “Expiration Date.” The Fund reserves the right to extend, amend or cancel the Offer as described herein. The purchase price of an Interest tendered will be its estimated net asset value as of the close of business on the Valuation Date.

As of the close of business on November 30, 2012, there was approximately \$43,412,963 outstanding in capital of the Fund held in Interests (based on the estimated net asset value of such Interests). The Fund’s administrator determines its estimated net asset value monthly based on information it receives from the managers of the Investment Funds in which it invests. Investors may obtain this information by contacting the Support Desk of Endowment Advisers, L.P. at (800) 725-9456, Monday through Friday, except holidays, during normal business hours of 9:00 a.m. to 5:00 p.m. (Central Standard Time). Of course, the value of the Interests tendered by the investors likely will change between the most recent time net asset value was calculated and communicated to you and the Valuation Date.

**3. Amount of Tender.** Subject to the limitations set forth below, investors may tender their entire Interest or a portion of their Interest. The Offer is being made to all investors of the Fund and is not conditioned on any minimum amount of Interests being tendered.

If the amount of the Interests that are properly tendered pursuant to the Offer and not withdrawn is less than or equal to the Offer Amount, as adjusted, the Fund will, on the terms and subject to the conditions of the Offer, purchase all of the Interests so tendered unless the Fund elects to cancel or amend the Offer, or postpone acceptance of tenders made pursuant to the Offer. If more than the Offer Amount is duly tendered to the Fund before the expiration of the Offer and not withdrawn, the Fund will, in its sole discretion, either (a) accept the additional Interests permitted to be accepted pursuant to Rule 13e-4(f)(1)(ii) under the Securities Exchange Act of 1934, as amended; (b) extend the Offer, if necessary, and increase the amount of Interests that the Fund is offering to purchase to an amount it believes sufficient to accommodate the excess Interests tendered as well as any Interests tendered during the extended Offer; or (c) accept Interests tendered on or before the Expiration Date for payment on a pro rata basis based on the aggregate estimated net asset value of tendered Interests. The Fund does not presently expect any increase in the amount of Interests offered for repurchase in the event of an oversubscription. At the present time, the Fund is not aware of any intentions of any of the Managers or Directors to have their Interests acquired in this tender offer.

**4. Procedure for Tenders.** Investors wishing to tender Interests pursuant to the Offer should contact their Financial Advisor or Portfolio Manager who will provide a customized Tender Offer Form to be signed and returned. The completed and executed Tender Offer Form must be submitted by the Financial Advisor or Portfolio Manager prior to the Expiration Date. The Fund recommends that all documents be submitted by certified mail, return receipt requested, or by facsimile transmission. An investor choosing to fax a Letter of Transmittal should also send the original completed and executed Letter of Transmittal (the Tender Offer Form will suffice) promptly thereafter.

Investors wishing to confirm receipt of a Letter of Transmittal may contact their Financial Advisor or Portfolio Manager. The method of delivery of any documents is at the election and complete risk of the investor tendering an Interest, including, but not limited to, the failure of the Placement Agent to receive any Letter of Transmittal or other document submitted by facsimile transmission. All questions as to the validity, form, eligibility (including time of receipt) and acceptance of tenders will be determined by the Fund, in its sole discretion, and such determination shall be final and binding. The Fund reserves the absolute right to reject any or all tenders determined





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by it not to be in appropriate form or the acceptance of or payment for which would, in the opinion of counsel for the Fund, be unlawful. The Fund also reserves the absolute right to waive any of the conditions of the Offer or any defect in any tender with respect to any particular Interest or any particular investor, and the Fund's interpretation of the terms and conditions of the Offer will be final and binding. Unless waived, any defects or irregularities in connection with tenders must be cured within such time as the Fund shall determine. Tenders will not be deemed to have been made until the defects or irregularities have been cured or waived. Neither the Fund nor the Placement Agent nor the Investment Adviser nor any of the Managers or Directors of the Fund shall be obligated to give notice of any defects or irregularities in tenders, nor shall any of them incur any liability for failure to give such notice.

**5. Withdrawal Rights.** Any investor tendering an Interest pursuant to this Offer may withdraw its Interest at any time until the earlier to occur of the date such tendered Interests are accepted by the Fund or the Valuation Date. To be effective, any notice of withdrawal must be timely received by the Placement Agent. A form to use to give notice of withdrawal is available by calling the Support Desk of the Investment Adviser at (800) 725-9456. All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Fund, in its sole discretion, and such determination shall be final and binding. Interests properly withdrawn shall not thereafter be deemed to be tendered for purposes of the Offer. However, withdrawn Interests may be re-tendered prior to the Expiration Date by following the procedures for tenders described above.

**6. Purchases and Payment.** For purposes of the Offer, the Fund will be deemed to have accepted Interests that are tendered when it gives written notice to the tendering investor of its election to purchase such Interest. The purchase price of an Interest tendered by any investor will be the estimated net asset value thereof as of the close of business on the Valuation Date. If the Fund elects to extend the tender period, the estimated net asset value of tendered Interests will be determined approximately one month after the tender offer actually expires. The estimated net asset value will be determined after all allocations to capital accounts of the investors required to be made by the LP Agreement have been made.

The initial payment (the "Initial Payment") will be made in an amount equal to at least 95% of the estimated value of the repurchased Interest (or portion thereof), determined as of the Valuation Date. The Initial Payment will be made as of the later of (1) the 30th day after the Valuation Date, or (2) in the sole discretion of the Investment Adviser, if the Fund has requested withdrawals of its capital from any Investment Funds in order to fund the repurchase of Interests, within ten business days after the Fund has received at least 95% of the aggregate amount so requested to be withdrawn by the Fund from the Investment Funds (the "Investment Fund Payment Date").

The second and final payment (the "Final Payment") is expected to be in an amount equal to the excess, if any, of (1) the value of the repurchased Interest (or portion thereof), determined as of the Valuation Date based upon the results of the annual audit of the Fund's financial statements for the fiscal year in which the Valuation Date of such repurchase occurred, over (2) the Initial Payment. The Investment Adviser anticipates that the annual audit of the Fund's financial statements will be completed within 60 days after the end of each fiscal year of the Fund and that the Final Payment will be made as promptly as practicable after the completion of such audit.

Although the amounts required to be paid by the Fund will generally be paid in cash, the Fund may under certain limited circumstances pay all or a portion of the amounts due by an in-kind distribution of securities.

Notwithstanding anything in the foregoing to the contrary, in the event that a Partner has requested the repurchase of a portion of its Interest which would result in such Partner continuing to hold at least 10% of the value of its Interest as of December 31 of the fiscal year ending immediately prior to the fiscal year in which such request was made, the Final Payment in respect of such repurchase shall be made on or before the 60th day after the Valuation Date, provided that if the Fund, in the sole discretion of the Investment Adviser, has requested withdrawals of its capital from any Investment Funds in order to fund the repurchase of Interests, such payment may be postponed until 10 business days after the applicable Investment Fund Payment Date. Such payment shall be in an amount equal to the excess, if any, of (1) the value of the repurchased Interest (or portion thereof), determined as of the Valuation Date, based upon information known to the Fund as of the

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date of the Final Payment, over (2) the Initial Payment. If, based upon the results of the annual audit of the Fund' s financial statements for the fiscal year in which the Valuation Date of such repurchase occurred, it is determined that the value at which the Interest was repurchased was incorrect, the Fund shall, as promptly as practicable after the completion of such audit, decrease such Partner' s capital account balance by the amount of any overpayment, or increase such Partner' s capital account balance by the amount of any underpayment, as applicable.

The repurchase of Interests is subject to regulatory requirements imposed by the Securities and Exchange Commission ("SEC"). The Fund' s repurchase procedures are intended to comply with such requirements. However, in the event that the Board determines that modification of the repurchase procedures described above is required or appropriate, the Board will adopt revised repurchase procedures as necessary to ensure the Fund' s compliance with applicable regulations or as the Board in its sole discretion deems appropriate. Following the commencement of an offer to repurchase Interests, the Fund may suspend, postpone or terminate such offer in certain circumstances upon the determination of a majority of the Board, including a majority of the Independent Directors, that such suspension, postponement or termination is advisable for the Fund and its Partners, including, without limitation, circumstances as a result of which it is not reasonably practicable for the Fund to dispose of its investments or to determine the value of its net assets, and other unusual circumstances.

Each Partner whose Interest (or portion thereof) has been accepted for repurchase will continue to be a Partner of the Fund until the Valuation Date (and thereafter if its Interest is repurchased in part) and may exercise its voting rights with respect to the repurchased Interest (or portion thereof) until the Valuation Date. Moreover, the capital account maintained in respect of a Partner whose Interest (or portion thereof) has been accepted for repurchase will be adjusted for the net profits or net losses of the Fund through the Valuation Date, and such Partner' s capital account shall not be adjusted for the amount withdrawn, as a result of the repurchase, prior to the Valuation Date.

Upon its acceptance of tendered Interests or portions of Interests for repurchase, the Fund will maintain on its books (1) cash, (2) liquid securities or (3) interests in Investment Funds that the Fund has requested be withdrawn (or any combination of them), in an amount equal to the amount of accepted tendered Interests.

Payments for repurchased Interests may require the Fund to liquidate portfolio holdings in Investment Funds earlier than the Investment Adviser otherwise would liquidate such holdings, potentially resulting in losses, reduced tax efficiency and may increase the Fund' s portfolio turnover. The Investment Adviser intends to take measures to attempt to avoid or minimize such potential losses and turnover. The Fund may, but need not, maintain cash or the Master Fund may borrow money to meet repurchase requests. Such a practice could increase the Fund' s operating expenses and impact the ability of the Fund to achieve its investment objective.

**As approved by the Board, in certain instances, a 2% Early Repurchase Fee will be charged by the Fund (and inure to the benefit of the remaining Partners) with respect to any repurchase of an Interest (or portion thereof) from a Partner at any time prior to the business day immediately preceding the one-year anniversary of the Partner' s purchase of such Interest (or portion thereof).** As described in the PPM, the Fund is currently waiving the Early Repurchase Fee. Further, the Board may waive the Early Repurchase Fee as a result of, among other things, a Partner that provides a written letter of intent to reinvest repurchased Interests in another registered feeder fund that invests substantially all of its assets in the Master Fund. If a Partner would like to invest in another such feeder fund, such Partner should contact his, her or its financial intermediary. Partial Interests tendered for repurchase will be treated as having been repurchased on a "first in - first out" basis. Therefore, the portion of an Interest repurchased will be deemed to have been taken from the earliest capital contribution made by such Partner (adjusted for subsequent net profits and net losses) until that capital contribution is decreased to zero, and then from each subsequent capital contribution made by such Partner (adjusted for subsequent net profits and net losses) until such capital contribution is decreased to zero.

Other than the Early Repurchase Fee, the Fund does not presently intend to impose any charges (other than direct costs and expenses, such as wiring fees) on the repurchase of Interests, although it may allocate to Partners whose Interests are repurchased withdrawal or similar charges imposed by Investment Funds if the Investment Adviser determines to withdraw from one or more Investment Funds as a result of Partner repurchase tenders and such charges are imposed on the Fund.

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A Partner who tenders some but not all of the Partner's Interest for repurchase will be required to maintain a minimum capital account balance of \$100,000. Such minimum capital account balance requirement may be waived by the Fund, in its sole discretion. The Fund reserves the right to reduce the amount to be repurchased from a Partner so that the required capital account balance is maintained.

The Fund expects that the purchase price for Interests acquired pursuant to the Offer to Purchase, which will not exceed the Offer Amount (unless the Fund elects to purchase a greater amount), will be derived from: (1) cash on hand; and/or (2) the proceeds of the sale of and/or delivery of securities and portfolio assets held by the Fund. Depending on the dollar amount of Interests tendered and prevailing general economic and market conditions, the Master Fund, in its sole discretion, may decide to seek to borrow money to fund all or a portion of any repurchase.

**7. Certain Conditions of the Offer.** The Fund reserves the right, at any time and from time to time, to extend the period of time during which the Offer is pending by notifying investors of such extension. If the Fund elects to extend the tender period, for the purpose of determining the purchase price for tendered Interests, the estimated net asset value of such Interests will be determined approximately one month after the tender offer actually expires. During any such extension, all Interests previously tendered and not withdrawn will remain subject to the Offer. The Fund also reserves the right, at any time and from time to time, up to and including acceptance of tenders pursuant to the Offer, to: (a) cancel the Offer and in the event of such cancellation, not to purchase or pay for any Interests tendered pursuant to the Offer; (b) amend the Offer; or (c) postpone the acceptance of Interests tendered. If the Fund determines to amend the Offer or to postpone the acceptance of Interests tendered, it will, to the extent necessary, extend the period of time during which the Offer is open as provided above and will promptly notify investors.

Please note that just as you have the opportunity to have your Interests repurchased in the Offer and the right to withdraw your tender on or before the Expiration Date, the Fund has the right to cancel, amend or postpone this offer at any time prior to the earlier to occur of the Valuation Date (as such may be extended if the Expiration Date is extended) or when the tendered Interests have been accepted by the Fund. The Fund may cancel the Offer, amend the Offer or postpone the acceptance of tenders made pursuant to the Offer if: (a) the Fund would not be able to liquidate portfolio securities in a manner that is orderly and consistent with the Fund's investment objectives and policies in order to purchase Interests tendered pursuant to the Offer; (b) there is, in the Directors' judgment, any (i) legal action or proceeding instituted or threatened challenging the Offer or that otherwise would have a material adverse effect on the Fund, (ii) declaration of a banking moratorium by Federal or state authorities or any suspension of payment by banks in the United States or New York State that is material to the Fund, (iii) limitation imposed by Federal or state authorities on the extension of credit by lending institutions, (iv) suspension of trading on any organized exchange or over-the-counter market where the Fund has a material investment, (v) commencement of war, armed hostilities or other international or national calamity directly or indirectly involving the United States that is material to the Fund, (vi) material decrease in the estimated net asset value of the Fund from the estimated net asset value of the Fund as of the commencement of the Offer, or (vii) other event or condition that would have a material adverse effect on the Fund or its investors if Interests tendered pursuant to the Offer were purchased; or (c) the Independent Directors of the Fund determine that it is not in the best interest of the Fund to purchase Interests pursuant to the Offer. However, there can be no assurance that the Fund will exercise its right to extend, amend or cancel the Offer or to postpone acceptance of tenders pursuant to the Offer.

**8. Certain Information About the Fund.** The Fund is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a closed-end, non-diversified, management investment company and is organized as a Delaware limited partnership. The principal executive office of the Fund is located at 4265 San Felipe, 8th Floor, Houston, Texas 77027 and the telephone number is (713) 993-4675. Interests are not traded on any established trading market and are subject to strict restrictions on transferability pursuant to the LP Agreement. The Investment Adviser's investment committee ("Investment Committee") members are Messrs. John A. Blaisdell, Andrew B. Linbeck, Lee G. Partridge and Mark W. Yusko (the "Managers"). Their address is c/o Endowment Advisers, L.P. at 4265 San Felipe, 8th Floor, Houston, Texas 77027 and the telephone number is (713) 993-4675.

Based on November 30, 2012 estimated values, Mr. John A. Blaisdell, Manager, Director and Co-Principal Executive Officer of the Fund beneficially owns \$1,274,386 of Interests in the Fund and an aggregate of \$1,529,433 of the Interests in the fund complex.

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Based on November 30, 2012 estimated values, Mr. Andrew B. Linbeck, Manager, Director and Co-Principal Executive Officer of the Fund beneficially owns \$2,099,437 of Interests in the Fund and an aggregate of \$2,376,759 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. John E. Price, Principal Financial Officer of the Fund beneficially owns \$123,923 of Interests in the Fund and an aggregate of \$123,923 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. A. Haag Sherman, Director of the Fund beneficially owns \$2,010,118 of Interests in the Fund and an aggregate of \$2,100,603 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Lee G. Partridge, Manager and Chief Investment Officer of the Investment Adviser, does not have any beneficial ownership in the Fund.

Based on November 30, 2012 estimated values, Mr. Mark W. Yusko, Manager of the Investment Adviser, does not have any beneficial ownership in the Fund, but beneficially owns an aggregate of \$1,153,039 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Adam L. Thomas, Secretary of the Fund, does not have any beneficial ownership in the Fund, but beneficially owns an aggregate of \$976,784 of the Interests in the fund complex.

Based on November 30, 2012 estimated values, Mr. Scott E. Schwinger, Independent Director of the Fund, does not have any beneficial ownership in the Fund, but beneficially owns \$227,985 of the Interests in the fund complex.

The Fund does not have any plans or proposals that relate to or would result in: (a) the acquisition by any person of additional Interests (other than the Fund's intention to accept subscriptions for Interests from time to time in the discretion of the Fund) or the disposition of Interests (except for periodic discretionary solicitations of tender offers); (b) an extraordinary transaction, such as a merger, reorganization or liquidation, involving the Fund; (c) any material change in the present distribution policy or indebtedness or capitalization of the Fund; (d) any change in the identity of the Investment Adviser or the Managers or Directors of the Fund, or in the management of the Fund including, but not limited to, any plans or proposals to change the number or the term of the Managers or Directors of the Fund, to fill any existing vacancy for a Manager or to change any material term of the investment advisory arrangements with the Investment Adviser; (e) a sale or transfer of a material amount of assets of the Fund (other than as the Directors determine may be necessary or appropriate to fund any portion of the purchase price for Interests acquired pursuant to this Offer to Purchase or in connection with the ordinary portfolio transactions of the Fund); (f) any other material change in the Fund's structure or business, including any plans or proposals to make any changes in its fundamental investment policy for which a vote would be required by Section 13 of the 1940 Act; or (g) any changes in the LP Agreement or other actions that may impede the acquisition of control of the Fund by any person.

**9. Certain Federal Income Tax Consequences.** The following discussion is a general summary of the federal income tax consequences of the purchase of Interests by the Fund from investors pursuant to the Offer. Investors should consult their own tax advisers for a complete description of the tax consequences to them of a purchase of their Interests by the Fund pursuant to the Offer.

An investor who tenders its entire Interest to the Fund for repurchase generally will recognize capital gain or loss to the extent of the difference between the proceeds received by such investor and such investor's adjusted tax basis in its Interest. The amount realized will include the investor's allocable share of the Fund's nonrecourse borrowings (as defined for Federal income tax purposes) from the Master Fund, if any. Gain, if any, will be recognized by a tendering investor only as and after the total proceeds received by such investor exceed the investor's adjusted tax basis in its Interest. An investor's basis in its Interest generally will be adjusted for Fund income, gain, deduction or loss allocated, for tax purposes, to the investor for periods prior to the purchase of the Interest by the Fund. A loss, if any, will be recognized only after the tendering investor has received full payment.

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This capital gain or loss will be short-term or long-term depending upon the investor's holding period for its Interest at the time the gain or loss is recognized. United States Treasury Regulations provide that an investor may have a fragmented holding period for its Interest if the investor has made contributions to the Fund at different times. However, a tendering investor will recognize ordinary income to the extent such investor's allocable share of the Fund's "unrealized receivables" or items of Fund inventory exceeds the investor's basis in such unrealized receivables or items of Fund inventory, as determined pursuant to the Treasury Regulations. For these purposes, accrued but untaxed market discount, if any, on securities held by the Fund will be treated as an unrealized receivable with respect to the tendering investor. An investor who tenders less than its entire Interest to the Fund for repurchase will recognize gain (but not loss) in a similar manner only to the extent that the amount of the proceeds received exceeds such investor's adjusted tax basis in its Interest.

Pursuant to the authority granted to it under the LP Agreement, the Investment Adviser intends to specially allocate items of Fund capital gain, including short-term capital gain, to a withdrawing investor to the extent its liquidating distribution would otherwise exceed its adjusted tax basis in its Interest. Such a special allocation may result in the withdrawing investor recognizing capital gain, which may include short-term gain, in the investor's last taxable year in the Fund, thereby reducing the amount of any long-term capital gain recognized during the tax year in which it receives its liquidating distribution upon withdrawal.

**10. Miscellaneous.** The Offer is not being made to, nor will tenders be accepted from, investors in any jurisdiction in which the Offer or its acceptance would not comply with the securities or Blue Sky laws of such jurisdiction. The Fund is not aware of any jurisdiction in which the Offer or tenders pursuant thereto would not be in compliance with the laws of such jurisdiction. However, the Fund reserves the right to exclude investors from the Offer in any jurisdiction in which it is asserted that the Offer cannot lawfully be made. The Fund believes such exclusion is permissible under applicable laws and regulations, provided the Fund makes a good faith effort to comply with any state law deemed applicable to the Offer.

The Fund has filed an Issuer Tender Offer Statement on Schedule TO with the SEC, which includes certain information relating to the Offer summarized herein. A free copy of such statement may be obtained from the Fund by contacting the Investment Adviser at (800) 725-9456 or from the SEC's internet web site, <http://www.sec.gov>. For a fee, a copy may be obtained from the Public Reference Room of the SEC at 100 F Street, N.E., Washington, DC 20549. (For more information about its operation call (202) 551-8090.)

## **Financial Statements**

The financial statements of the Fund dated December 31, 2011, and the schedule of investments dated December 31, 2011, both filed with the SEC on EDGAR on Form N-CSR on March 9, 2012, are hereby incorporated by reference. In addition, the financial statements of the Fund dated June 30, 2012, and the schedule of investments of the Fund dated June 30, 2012, both filed with the SEC on EDGAR on Form N-CSR on September 7, 2012, are hereby incorporated by reference.

**Exhibit 99.3**

**Form of Letter of Transmittal**

**LETTER OF TRANSMITTAL  
REGARDING INTERESTS IN THE ENDOWMENT INSTITUTIONAL FUND, L.P.  
TENDERED PURSUANT TO THE OFFER TO PURCHASE  
DATED JANUARY 23, 2013**

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE ON FEBRUARY 21, 2013  
AND THIS LETTER OF TRANSMITTAL MUST BE RECEIVED BY  
ENDOWMENT ADVISERS, L.P., EITHER BY MAIL OR BY FAX, BY MIDNIGHT,  
CENTRAL STANDARD TIME, ON FEBRUARY 21, 2013, UNLESS THE OFFER IS EXTENDED.

COMPLETE THE TENDER OFFER FORM AND  
CONTACT YOUR FINANCIAL INTERMEDIARY FOR SPECIFIC INSTRUCTIONS

Ladies and Gentlemen:

The undersigned hereby tenders to The Endowment Institutional Fund, L.P., a closed-end, non-diversified, management investment company organized under the laws of the State of Delaware (the "Fund"), the limited partnership interest in the Fund or portion thereof held by the undersigned, described and specified below, on the terms and conditions set forth in the offer to purchase, dated January 23, 2013 ("Offer to Purchase"), receipt of which is hereby acknowledged, and in this Letter of Transmittal (which together constituted the "Offer"). THE TENDER AND THIS LETTER OF TRANSMITTAL ARE SUBJECT TO ALL THE TERMS AND CONDITIONS SET FORTH IN THE OFFER TO PURCHASE, INCLUDING, BUT NOT LIMITED TO, THE ABSOLUTE RIGHT OF THE FUND TO REJECT ANY AND ALL TENDERS DETERMINED BY IT, IN ITS SOLE DISCRETION, NOT TO BE IN THE APPROPRIATE FORM.

The undersigned hereby sells to the Fund the limited partnership interest in the Fund or portion thereof tendered hereby pursuant to the Offer.

The undersigned hereby warrants that the undersigned has full authority to sell the limited partnership interest in the Fund or portion thereof tendered hereby and that the Fund will acquire good title thereto, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations relating to the sale thereof, and not subject to any adverse claim, when and to the extent the same are purchased by it. Upon request, the undersigned will execute and deliver any additional documents necessary to complete the sale in accordance with the terms of the Offer. The undersigned recognizes that under certain circumstances set forth in the Offer, the Fund may not be required to purchase any of the limited partnership interests in the Fund or portions thereof tendered hereby.

Payment of the purchase price for the limited partnership interest in the Fund or portion thereof of the undersigned, as described in Section 6 of the Offer to Purchase, shall be wired to an account designated by the undersigned or sent to the undersigned at its mailing address as listed in the Fund's records, unless such investor advises the Fund in writing of a change in its mailing address. The undersigned recognizes that the amount of the Initial Payment will be based on the unaudited estimated net asset value as of March 31, 2013 of the limited partnership interest or portion thereof tendered.

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned and the obligation of the undersigned hereunder shall be binding on the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in Section 5 of the Offer to Purchase, this tender is irrevocable.

**TENDER OFFER FORM**

**Tender Date: March 31, 2013**

**TENDER OFFER EXPIRATION DATE: 12 Midnight CST, February 21, 2013**

**PARTS 1, 2, 3, AND 4 MUST BE COMPLETED AND IN GOOD ORDER FOR PROCESSING**

**PLEASE INFORM THE FINANCIAL INTERMEDIARY WHO SERVICES THIS HOLDING THAT YOU WISH TO SUBMIT A TENDER REQUEST AS THEY MAY HAVE SPECIFIC INSTRUCTIONS THAT NEED TO BE FOLLOWED. ALLOW FOR ADDITIONAL PROCESSING TIME BY YOUR FINANCIAL INTERMEDIARY IF NECESSARY AS THE FORM MUST ULTIMATELY BE RECEIVED BY THE FUND PRIOR TO THE EXPIRATION DATE. IF INSTRUCTED TO SEND DIRECTLY TO THE FUND, PLEASE FAX OR MAIL TO:**

*Regular Mail*

THE ENDOWMENT FUND  
PO BOX 182663  
Columbus, OH 43218-2663

*Overnight Mail*

THE ENDOWMENT FUND  
Attn: Salient Operations  
3435 Stelzer Road, Suite 1000  
Columbus, OH 43219

**FOR ADDITIONAL INFORMATION:**

Phone: (800) 725-9456  
Fax: (866) 624-0077

ALL OF THE BELOW INFORMATION IS REQUIRED IN ORDER TO PROCESS YOUR REQUEST

**PART 1 - NAME (AS IT APPEARS ON YOUR ENDOWMENT FUND STATEMENT) AND CONTACT INFORMATION**

Fund Name: \_\_\_\_\_

Fund Account #: \_\_\_\_\_

Account Name/Registration: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Financial Intermediary Firm Name: \_\_\_\_\_

Financial Intermediary Account #: \_\_\_\_\_

Financial Advisor Name: \_\_\_\_\_

Financial Advisor Telephone #: \_\_\_\_\_

**PART 2 - REQUESTED TENDER AMOUNT**

**Please select repurchase type by checking one of the boxes below. If you are requesting a partial repurchase, please provide a dollar amount.**

- Full Repurchase (will be subject to 5% holdback until annual audit is completed)
- One Time Partial Repurchase\*      \$ \_\_\_\_\_
- Recurring Partial Repurchase\*      \$ \_\_\_\_\_  
(Subject to Tender Offers)



\* If the requested partial repurchase would put the account balance below the required minimum balance, the Fund may reduce the amount to be repurchased such that the required minimum balance is maintained, unless you indicate otherwise by checking the following box:

Change request to Full Repurchase if amount requested to be repurchased would need to be reduced to maintain minimum account balance

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**TENDER OFFER FORM (PAGE 2)**

**THE ENDOWMENT FUND ACCOUNT #:** \_\_\_\_\_ (Should be the same as on page 1)

**PART 3 - PAYMENT**

If you invest in the fund through a financial intermediary, that financial intermediary may require alternate payment and/or delivery instructions, notwithstanding your request herein. Please contact your financial intermediary before submitting your tender request.

Please select one of the following delivery options:

- Wire to Custodian Account on Record (MANDATORY FOR IRA HOLDERS)
- Wire to Financial Intermediary Account on Record (Customary for Non-IRA Holders)

**If neither of the above options apply, please provide wiring instructions below (wire fee will apply):**

**Bank Name:** \_\_\_\_\_

**ABA Routing Number:** \_\_\_\_\_

(Please contact your bank to verify ABA number needed for a wire transfer)

**For Credit to:** \_\_\_\_\_

Name(s) on Bank Account

**Bank Account Number:** \_\_\_\_\_

**For Further Credit to:** \_\_\_\_\_

Name(s) on Investor Account

**Account # at Financial Intermediary:** \_\_\_\_\_

**HOLDBACK PAYMENTS:** Holdback payments will be delivered after the Fund' s audit is complete at the end of the Fiscal Year to the same wire instruction the tender proceeds are delivered to. If alternate payment instructions are needed for the holdback, please contact the Support Desk at 1.800.725.9456 for instructions.

**PART 4 - SIGNATURE(S)**

The undersigned subscriber acknowledges that this request is subject to all the terms and conditions set forth in the Fund' s Private Placement Memorandum and all capitalized terms used herein have the meaning as defined in the Fund' s Private Placement Memorandum. This request is irrevocable. The undersigned represents that the undersigned is the beneficial owner of the Interests in the Fund to which this repurchase request relates, or that the person signing this request is an authorized representative of the tendering shareholder.

In the case of joint accounts, each joint holder must sign this repurchase request. Requests on behalf of a foundation, partnership or any other entity should be accompanied by evidence of the authority of the person(s) signing.

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Signature	Print Name of Authorized Signatory (and Title if applicable)	Date
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Signature	Print Name of Authorized Signatory (and Title if applicable)	Date
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**LETTER OF TRANSMITTAL  
REGARDING INTERESTS IN  
THE ENDOWMENT INSTITUTIONAL FUND, L.P.**

**TENDERED PURSUANT TO THE OFFER TO PURCHASE  
DATED JANUARY 23, 2013**

CONTACT YOUR FINANCIAL ADVISOR OR PORTFOLIO MANAGER TO OBTAIN A CUSTOMIZED TENDER OFFER FORM FOR YOUR ACCOUNT. THE CUSTOMIZED TENDER OFFER FORM PROVIDED MUST BE SIGNED AND RETURNED TO YOUR FINANCIAL ADVISOR OR PORTFOLIO MANAGER.

THE TENDER OFFER FORM MUST BE PROCESSED BY YOUR FINANCIAL ADVISOR OR PORTFOLIO MANAGER BY FEBRUARY 21, 2013. THE OFFER WILL EXPIRE AT MIDNIGHT, CENTRAL STANDARD TIME, ON FEBRUARY 21, 2013, UNLESS THE OFFER IS EXTENDED.

Ladies and Gentlemen:

The undersigned hereby tenders to The Endowment Institutional Fund, L.P., a closed-end, non-diversified, management investment company organized under the laws of the State of Delaware (the "Fund"), the limited partnership interest in the Fund or portion thereof held by the undersigned, described and specified below, on the terms and conditions set forth in the offer to purchase, dated January 23, 2013 ("Offer to Purchase"), receipt of which is hereby acknowledged, and in this Letter of Transmittal (which together constituted the "Offer"). THE TENDER AND THIS LETTER OF TRANSMITTAL ARE SUBJECT TO ALL THE TERMS AND CONDITIONS SET FORTH IN THE OFFER TO PURCHASE, INCLUDING, BUT NOT LIMITED TO, THE ABSOLUTE RIGHT OF THE FUND TO REJECT ANY AND ALL TENDERS DETERMINED BY IT, IN ITS SOLE DISCRETION, NOT TO BE IN THE APPROPRIATE FORM.

The undersigned hereby sells to the Fund the limited partnership interest in the Fund or portion thereof tendered hereby pursuant to the Offer.

The undersigned hereby warrants that the undersigned has full authority to sell the limited partnership interest in the Fund or portion thereof tendered hereby and that the Fund will acquire good title thereto, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations relating to the sale thereof, and not subject to any adverse claim, when and to the extent the same are purchased by it. Upon request, the undersigned will execute and deliver any additional documents necessary to complete the sale in accordance with the terms of the Offer. The undersigned recognizes that under certain circumstances set forth in the Offer, the Fund may not be required to purchase any of the limited partnership interests in the Fund or portions thereof tendered hereby.

Payment of the purchase price for the limited partnership interest in the Fund or portion thereof of the undersigned, as described in Section 6 of the Offer to Purchase, shall be wired to an account designated by the undersigned or sent to the undersigned at its mailing address as listed in the Fund's records, unless such investor advises the Fund in writing of a change in its mailing address. The undersigned recognizes that the amount of the Initial Payment will be based on the unaudited estimated net asset value as of March 31, 2013 of the limited partnership interest or portion thereof tendered.

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned and the obligation of the undersigned hereunder shall be binding on the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in Section 5 of the Offer to Purchase, this tender is irrevocable.

Document #:  
Account #:

Investor Name:

*Requested Tender or Redemption Order Form*

**1. INFORMATION**

**a. Investor Information**

Investor Name(s):

Account Number:

Distribution Channel:

Phone Number:

E-Mail Address:

Account Registration:

**b. Financial Advisor or Portfolio Manager Information**

FA / PM Name:

Production Number / Common Associate ID:

Wire Call / Location:

Phone Number:

E-Mail Address:

**2. REQUESTED TENDER OR REDEMPTION DETAILS**

**a. Fund Information**

Fund Name:

**b. Order Information**

Effective Date:

Full Tender / Redemption:

Partial Tender / Redemption:  Units:  OR Dollars:

**3. PAYMENT**

**a. Cash Payment**

Cash payment due pursuant to this request will be made directly to Merrill Lynch, Pierce, Fenner & Smith, Inc. or U.S. Trust, as indicated above, who will facilitate the distribution of proceeds into the undersigned's account.

Document #:  
Account #:

Investor Name:

#### 4. SIGNATURE(S)

The undersigned subscriber acknowledges that this request is subject to all the terms and conditions set forth in the Fund's Private Placement Memorandum and all capitalized terms used herein have the meaning as defined in the Fund's Private Placement Memorandum. This request is irrevocable. The undersigned represents that the undersigned is the beneficial owner of the Interests in the Fund to which this tender or redemption request relates, or that the person signing this request is an authorized representative of the tendering shareholder.

In the case of joint accounts, each joint holder must sign this tender or redemption request. Requests on behalf of a foundation, partnership or any other entity should be accompanied by evidence of the authority of the person(s) signing.

##### a. Individual or Joint Investors (Including spouses invested jointly)

Subscriber Name:  
(Print clearly)

Subscriber Signature:  \_\_\_\_\_ Date: \_\_\_\_\_

Joint Subscriber Name:  
(If any, print clearly)

Joint Subscriber Signature:  \_\_\_\_\_ Date: \_\_\_\_\_

##### Entity Investors (Including IRAs/IRRAs, trusts, endowments, foundations, corporations and partnerships)

If more than two Authorizing Signatures are required, please attach a separate Authorizing Signature Page. Include Name, Title, Signature and Date.

Entity Name:  
(Print clearly)

Authorizing Signature Name:  
(Print clearly)

Authorizing Signature Title:  
(Print clearly)

Authorizing Signature:  \_\_\_\_\_ Date: \_\_\_\_\_

Authorizing Signature Name:  
(If any, print clearly)

Authorizing Signature Title:  
(If any, print clearly)

Authorizing Signature:  \_\_\_\_\_ Date: \_\_\_\_\_

##### b. Financial Advisor or Portfolio Manager

FA/PM Name:  
(Print clearly)

FA/PM Signature:  \_\_\_\_\_ Date: \_\_\_\_\_

Investors should retain a copy of this form for their records.

##### FOR FINANCIAL ADVISORS/PORTFOLIO MANAGERS:

Please verify or complete all of the required fields and update on the document if necessary. To complete this order, you must scan the signed and completed form and upload within the AI Processing Center. Please note that this order is not considered complete until the AI Dashboard shows Document Approved. All documents must be submitted and approved prior to the deadline.