



Caymus Equity Partners, LLC
One Paces West
2727 Paces Ferry Road SE, Suite 1650
Atlanta, GA 30339
<https://www.caymusequity.com/>

FORM ADV PART 2

March 28, 2024

This brochure provides information about the qualifications and business practices of Caymus Equity Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (404) 995-8300. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Caymus Equity Partners, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This brochure contains information about the investment advisory business of Caymus Equity Partners, LLC (this “Brochure”).

Caymus Equity Partners, LLC is currently applying for SEC registration, therefore, there are no material changes at this time.

Item 3 – Table of Contents

	<u>Page</u>
Item 2 – Material Changes.....	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business.....	4
Item 5 – Fees and Compensation.....	4
Item 6 – Performance-Based Fees and Side-by-Side Management.....	7
Item 7 – Types of Clients.....	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Item 9 – Disciplinary Information	15
Item 10 – Other Financial Industry Activities and Affiliations	15
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	15
Item 12 – Brokerage Practices	17
Item 13 – Review of Accounts.....	17
Item 14 – Client Referrals and Other Compensation.....	17
Item 15 – Custody.....	17
Item 16 – Investment Discretion.....	18
Item 17 – Voting Client Securities.....	18
Item 18 – Financial Information	18

Item 4 – Advisory Business

Structure; History and Ownership

Caymus Equity Partners, LLC, a Delaware limited liability company (together with our affiliated adviser Caymus Equity Management II LLC, “Caymus Equity” or the “Firm”) is a private equity investor, manager and adviser with its principal place of business in Atlanta, Georgia. Geoffrey L. Faux founded the Firm in 2001. Today, Caymus Equity is principally owned and managed by Geoffrey L. Faux and J. Oliver Maggard (the “Managing Partners”).

Caymus Equity Partners LLC serves as an investment manager and provides discretionary advisory services to related investment vehicles including the private investment partnerships Caymus Equity Partners Fund II, LP and, through its affiliated adviser Caymus Equity Management II LLC, various special purpose vehicles, (collectively the “Funds”). The general partners of the Funds (each, a “General Partner”), are owned, directly and indirectly, by the Managing Partners and other Caymus Equity professionals. Unless, and then only to the extent that, the context requires otherwise, references to “Caymus Equity” or the “Firm” includes the General Partners.

Type of Advisory Services

We provide discretionary investment management services regarding the investment in equity and equity-related investments in private companies, although we may advise our clients regarding investments in debt if appropriate under the circumstances. We provide this advice to the Funds and to various acquisition vehicles through which the Funds pool their capital to invest in portfolio companies. From time to time, when Caymus Equity determines it is in the best interest of the respective Fund, a Fund investor or an outside party may be offered an opportunity to invest alongside the Fund. These are referred to as “co-investors” or “co-investments.” These co-investments can allow a Fund to make investments that might not otherwise be available or a good fit for the Fund’s portfolio or they may afford the opportunity to include an investor that can enhance the value of an investment. Terms for these co-investors may be varied and are negotiated by the Fund’s General Partner.

Assets Under Management

As of December 31, 2023 we managed approximately \$300 Million of assets on a discretionary basis. We do not manage any assets on a non-discretionary basis.

Item 5 – Fees and Compensation

A. Fees Charged

Investors in the Funds will be charged management fees and a performance-based fee, if applicable, under the terms of each Fund’s offering documents. Below we describe, in general terms, the fee structure for our services to Funds and their related entities. For more specific information, investors should consult the applicable entity’s offering documents.

Management Fee

Some of the Funds pay Caymus Equity a management fee. This management fee can vary according to investor, though the governing documents of Fund II call for a 2.0% management fee that is initially based upon capital commitments and then changes according to the stage of the Fund’s lifecycle.

Performance-Based Fee

In most cases, the Funds pay a 20% performance-based fee according to terms described more specifically in their respective offering documents. Terms generally require investors receive an 8% return on their invested capital before the Funds' General Partner is entitled to an allocation of 20% of the Fund's profits. There are some Funds that have variable performance fees based on the level of performance, and there are some Funds that do not pay any performance-based fees. For any Fund with a performance based fee, that fee is subject to a "clawback" which means that once each of the Funds has wound up its investments, if Caymus Equity collects more performance-based fee than it should have been entitled, must restore the overage to the Funds.

B. Fee Payment

Management Fees are charged quarterly, in advance, and are invoiced to the Funds. Funds remit Management Fees to Caymus Equity and Management Fee expenses are recorded on the books of the respective Fund.

C. Other Fees

In addition to management and performance compensation, each Fund (and indirectly, its limited partners) is required to pay all fees, costs and expenses relating to the Fund's activities, investments and business. These fees are described in each Fund's offering documents. While there is likely to be some variation between Fund offering documents, expenses charged include those associated with making or selling portfolio investments, including investment expenses and investment related travel. Investment related travel may include travel on a private aircraft when Caymus Equity believes that this cost is justified by the greater efficiency and security provided by the use of private air travel, especially for destinations which commercial aircraft do not efficiently reach. In addition to expenses related to researching, implementing and monitoring investments, Funds are also charged legal and accounting fees, taxes, Fund administration fees, commissions and brokerage fees, registration expenses, the cost of directors' and officers' liability insurance and other expenses such as litigation or broken deal expenses, as set forth in more detail in the offering materials and/or governing documents of each such Fund.

Each Fund (and indirectly its limited partners) is also responsible for the fees, costs and expenses relating to the organization of such Fund, including travel, printing, legal, filing and accounting fees and expenses, and certain regulatory expenses up to a certain amount, as described in the offering materials and/or governing documents of such Fund. Any such organizational expenses paid by a Fund in excess of the specified amount for each Fund will be applied to offset or reduce management fees owed by such Fund, (except with respect to the co-investment vehicles). A Fund is also required to pay any placement agent fees that are incurred in connection with the marketing and offering of interests in such Fund, provided, that any such payments will be applied to offset the management fee payable by the Fund, as described under Item 14 – Client Referrals and Other Compensation.

Caymus Equity will be responsible for all of its ordinary administrative and overhead expenses, including compensation for employees' salaries, rent and utilities. The Funds will be responsible for all costs and expenses relating to the operation of the Funds that are not reimbursed by third parties, as set forth in more detail in each Fund's governing documents.

Third-Party Expenses

To the extent practicable, any third-party expenses relating to consummated investments will be charged to the portfolio company, which means that the Funds and therefore its investors, are paying these fees indirectly. If such expenses are not charged to the relevant portfolio company, then they will be paid directly by the Funds and included in the cost of the investment. Any third-party expenses relating to unconsummated investments will be borne by the Funds.

Related Services

In addition, Caymus Equity and its affiliates may perform management, advisory, transaction-related, financial advisory and other services (“Related Services”) for, and receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds, including fees in connection with mergers, acquisitions, add-on acquisitions, refinancings, public offerings, sales and similar transactions. These fees may be substantial. Fees for Related Services are determined, in part, by the investment professionals and may create a short term incentive to complete transactions. Also, fees for Related Services are not always based on an exit or sale of a Fund investment. Accordingly, Caymus Equity and its affiliates may receive fees for Related Services when a Fund does not ultimately profit from the investment.

Specifically with regard to transaction fees, Caymus Equity is affiliated through common control with Caymus Securities LLC, a Financial Industry Regulatory Authority, Inc. (“FINRA”) member broker-dealer. Caymus Securities LLC receives transaction fees related to purchases and sales of portfolio companies. When Caymus Equity engages Caymus Securities LLC to provide assistance with portfolio company transactions, there is a material conflict of interest because the ultimate owners of Caymus Equity and Caymus Securities LLC have a financial interest in Caymus Equity engaging Caymus Securities LLC as opposed to another broker dealer.

Although fees for Related Services are in addition to the Management Fee, Caymus Equity will, in some circumstances, reduce the amount of Management Fees paid by the applicable Fund in connection with the receipt of such fees. For example, Fund II has a provision that requires a 100% offset of fees for Related Services against Management Fees. However, other Funds could have variable offsets or no offset. In addition, to the extent any fees from Related Services exceed the amount of the Management Fee for a Fund, no further offsets will be made beyond the full amount of the Management Fee.

Investors should carefully review the organizational documents for the applicable Fund for specifics on that Fund’s Management Fee offset provision, if applicable. As some Funds do not pay Management Fees, any such reduction will not benefit such Funds. Additionally, a portfolio company may reimburse Caymus Equity for expenses (including, without limitation, travel expenses, which may include expenses for chartered or first class travel) incurred by Caymus Equity in connection with its performance of services for such portfolio company, and such reimbursements are not subject to the sharing arrangements described above.

D. Pro-rata Fees

Due to the nature of the Funds, investors are committed to investing a specified amount into a Fund at Caymus Equity’s discretion. Limited Partners will not generally be permitted to withdraw from a Fund or become an investor in a Fund after the final Fund close. Accordingly, there will be no need to calculate pro-rata fees.

E. Compensation for the Sale of Securities

Caymus Equity is affiliated with Caymus Securities, LLC, a Delaware limited liability company, and a registered broker-dealer with FINRA (“Caymus Securities”). However, none of the employees of Caymus Equity will receive any compensation for executing trades on behalf of the Funds aside from Caymus Equity’s receipt of fees described above.

F. Co-Investment Vehicles

Co-investment vehicles and co-investors will bear their pro rata share of any expenses associated with consummated investments and do not bear broken-deal expenses unless otherwise set forth in the

applicable organizational documents of the co-investment vehicles or other agreements related to the co-investments. In addition, such co-investors who are underlying investors in an applicable Fund are generally not charged any management fees or carried interest in respect of their commitments to the applicable co-investment vehicle, but some investors who are not underlying investors in an applicable Fund may be charged such fees and carried interest. The portion of any Related Services fees received by Caymus Equity in respect of the co-investment vehicles' applicable portfolio company or prospective portfolio company, which would otherwise offset such management fees, will be retained by Caymus Equity and will not be applied to reduce the management fees paid by Limited Partners in respect of their capital commitments to the other relevant Funds.

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

We receive performance-based compensation which is tied to the performance of the Funds. Simultaneously, we manage co-investment vehicles, certain investors in which may not be subject to performance-based compensation or may be subject to individualized performance-compensation rates. Although we may theoretically have an incentive to allocate more profitable investment opportunities to clients who pay the highest performance-based compensation rates, as a practical matter such conflicts of interest rarely arise. Generally, once we identify an investment opportunity that fits our investment strategy, we determine how much is appropriate for a Fund to invest in the opportunity. Because we occasionally seek investments that are too large for a Fund to invest in alone, we invite individuals and entities with which we have relationships (including members of our investment team, investors in the Funds and investors in prior investment vehicles managed by us) to co-invest with us through the co-investment vehicles to make up the difference between the size of the opportunity and a Fund's investment. When prospective co-investors' interest in the opportunity exceeds the portion not preliminarily allocated to a Fund, we may reduce the allocation to a Fund in favor of the prospective co-investors if we determine that it is in the best interest of a Fund to do so. Where such conflicts of interest do arise, we allocate investment opportunities among our clients based on the propriety of the investment for each of our clients and the best interests of our clients as a whole, without regard to our own interests.

Item 7 – Types of Clients

Our clients are the Funds and the co-investment vehicles. The Funds' investors are typically high net worth individuals, family offices, insurance companies, and fund of funds. Investors in the co-investment vehicles are usually the same or similar investors in a Fund (including members of our investment team).

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

Investment Objective and Strategy

Our objective is to make equity and equity-related investments in U.S. lower middle market private companies that provide an attractive long-term appreciation opportunity, with a primary focus on change of control equity investments in private companies.

Investment Approach

The Firm's objective is to generate attractive risk-adjusted returns for its investors with lower volatility and financial risks relative to other private equity strategies. The Firm seeks to develop a lower volatility investment portfolio by employing meaningful equity and only moderate amounts of outside debt financing. This structure is designed to allow the Firm's investments to generate a combination of quarterly cash returns and longer-term upside gains.

Deal sourcing has been and will continue to be a distinguishing aspect of Caymus Equity's value-add

approach. This process, developed and refined over an eleven-year history, relies upon a dedicated business development professional, proactive research and an extensive database of targeted deal sources. All of Caymus Equity's professionals are directly involved in marketing and deal generation efforts, which are coordinated by a dedicated business development professional. Caymus Equity's experience is that operating historically as an independent sponsor presents a different set of challenges than a firm managing a dedicated fund.

Caymus Equity's management team seeks to develop relationships with a broad range of potential transaction sources to generate investment opportunities. Transaction sources typically include national and regional middle-market investment banks, smaller business brokerage firms, attorneys, lenders, consultants and accountants, as well as current and former operating executives, limited partners and owners of portfolio companies. Additionally, Caymus Equity seeks investment opportunities by attending industry trade shows, association gatherings and making "cold calls" to target certain industries.

While the majority of investment opportunities sourced from the larger middle-market investment banks are reviewed, Caymus Equity has found that its direct sourcing efforts are more productive. For example, smaller sell-side organizations do not have the resources to manage broad auction processes and typically approach a more limited set of potential acquirers. These organizations focus more on management and family-owned companies where Caymus Equity unique collaborative partnership approach resonates the most. Limited partners and operating executives with whom Caymus Equity has worked in the past frequently introduce opportunities that they believe fit well with Caymus Equity's approach.

Due Diligence and Negotiation

Caymus Equity believes that the development of a coherent investment thesis that balances the merits, risks and opportunities for a potential investment is the core guiding principle for an effective due diligence process. A disciplined due diligence process that is driven by this core thesis eliminates investment opportunities that should not be pursued and provides the facts and context necessary to (a) negotiate a reasonable price and other terms as well as the purchase agreement, with the seller, (b) work with management of the target company to develop a strategic plan to promote organic growth, (c) evaluate the importance of add-on acquisitions to the investment case and (d) network with industry or subject-matter experts that would be additive to the management of the target portfolio or add-on company.

In pursuing an acquisition, Caymus Equity strives to both be the partner of choice for management in competitive processes, while also providing adequate protection to its investors. The two objectives might seem to be conflicting interests at times, though Caymus Equity believes that the proper alignment of interests of all parties is the critical driver of success in an investment.

Caymus Equity seeks to make control investments in equity securities of family and management-owned businesses in the lower middle market. Those investments typically will be preferred stock with a preferred return as well as a majority of the common stock or profit interests. Seller rollover and/or management investment is an important element in Caymus Equity's investment strategy and will be expected at varying levels in each prospective acquisition. Seller rollover both confirms the seller's belief of the future opportunities of the business, and when the seller is part of the management team, provides a motivational tool for Caymus Equity to incentivize and reward future success of the business.

Risks Associated with Our Investment Strategy

Strategic Management

To help develop and execute strategic growth plans, pursue value-added opportunities identified during due diligence and build a more durable and attractive business, Caymus Equity focuses on working with portfolio companies' existing management professionals and augmenting them as needed with new hires or outside resources. Caymus Equity believes that portfolio company management teams need to have the authority and accountability to run the company day-to-day. Therefore, Caymus Equity primarily seeks to help set goals, create accountability, and guide management teams to implement proven processes that have succeeded in larger organizations and other Caymus Equity portfolio companies.

Exit

As part of the due diligence process, Caymus Equity works to identify the likely buyers (or types of buyers) of a target portfolio company. During the investment hold period, Caymus Equity networks with investment banks and industry experts and attends tradeshows to develop a list of potential buyers. Generally, Caymus Equity expects that portfolio company investments will be exited through third-party private sales to a strategic or financial buyer, typically through an organized auction process run by a sell-side investment banking firm.

Risk of Loss

All investing carries with it the risk of loss, including loss of principal, which investors should be prepared to bear. Following is a group of what the Firm believes are the most salient risks at this time. However, for a more complete list of risk factors, investors should carefully review each Fund's offering documents.

Dependence on Key Personnel

The success of a Fund depends in substantial part on the skill and expertise of Caymus Equity and other key members of the Caymus Equity team. There can be no assurance that Caymus Equity or other key members of the investment team will continue to be employed by Caymus Equity throughout the life of a Fund. To the extent a Fund is unable to retain the services of key members of the team, a Fund may be unable to identify, acquire and/or grow suitable investments.

Leverage

A Fund may leverage its investments with non-recourse debt financing, in which case a third-party lender could be entitled to the cash flow generated by such investment prior to a Fund receiving a return of or on its investment. Although the use of leverage may enhance returns and increase the number of investments that can be made, it involves a heightened degree of risk, is inherently more sensitive to adverse economic factors (such as a significant rise in interest rates, a downturn in the economy, deterioration in the condition of such investments, declines in revenues and increases in expenses) and can exaggerate the financial effect of any increase or decrease in the value of such investments.

Bridge Financings

From time to time, a Fund may lend to portfolio investments on a short-term, unsecured basis or otherwise acquire on an interim basis equity or other interests of portfolio investments in anticipation of a future issuance of equity or long-term debt interests or other refinancing or syndication ("Bridge Financing"). Any such investment may include interests that the General Partner may not have caused a Fund to acquire on a stand-alone basis (including, without limitation, because the risk/return profile or other characteristics of such interests may not be desirable or appropriate for a Fund), and the General Partner may seek to reduce a Fund's exposure to such interests through disposition, refinancing, co-investment or another transaction. In these situations, a Fund's strategy may depend, in part, on its ability to sell, refinance or otherwise reduce its exposure to investments after initially agreeing to consummate them. However, for reasons not always in a Fund's control, such long-term interests issuance or other refinancing or syndication may not occur, and such bridge loans and interim acquisitions may remain outstanding. Moreover, there can be no assurance in such instances that the terms of any such transaction will be attractive, including because

there may not be sufficient interest in the interests, or Limited Partners or third parties may not accept all or a portion of the amount offered for co-investment. If a Fund is unable to complete such an anticipated transaction, its investments will be less diversified than they otherwise may have been, and a Fund may have greater exposure to certain investments, regions and sub-sectors than intended or desired, including to interests that the General Partner would not have acquired on a stand-alone basis or to an investment that exceeds the amount that is permitted to be invested in a single investment that does not involve such Bridge Financings. In addition, to the extent that a Fund is unable to successfully complete a disposition, refinancing, co-investment or other transaction relating to such bridge loans and interim investments, it may incur broken-deal and related costs associated with the pursuit of such transaction.

Any such loan or interim investment made by a Fund involves the risk of loss of the entire amount of such loan or interim investment. Generally, in the case of a Fund reducing an investment involving Bridge Financings (including through disposition or co-investment), such transaction will be completed at a price negotiated by the General Partner and the purchaser taking into account the then-relevant facts and circumstances, which may include a Fund's cost of such investment (and an allocable portion of costs and expenses) and other market events and forces. There can be no assurance that such transaction price will be equal to or more than a Fund's cost of such investment or that it will necessarily or accurately reflect the then-fair value of such investment, all costs and expenses associated therewith, or any interest or other carrying cost that would typically be associated with a loan. In addition, with respect to the making of any such Bridge Financings in the form of loans, a Fund may be subject to various laws and regulations applicable to lenders, and the holding of such loans could potentially subject a Fund to various "lender liability" risks. In such event, the interest rate on such loans or the terms of such interim investments may not adequately reflect the risk associated with the position taken by a Fund.

Third-Party Involvement

A Fund may co-invest with third parties through joint ventures or other entities. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a co-investor or partner of a Fund may become bankrupt or may at any time have economic or business interests or goals that are inconsistent with those of a Fund, which may necessitate unwinding of the vehicle or triggering any buy-sell provisions of the governing document of such vehicle. In addition, a Fund may be liable for actions of its co-investors or partners.

Absence of Regulatory Oversight

While a Fund may be considered similar in some ways to an investment company, it is not required and does not intend to register as such under the Investment Company Act and, accordingly, Limited Partners are not accorded the protections of the Investment Company Act. Neither the General Partner nor the Firm is registered as a broker-dealer under the Securities Exchange Act of 1934, or with FINRA and is consequently not subject to the record-keeping and specific business practice provisions of the Securities Exchange Act of 1934 and the rules of FINRA. All sales of interests to Limited Partners will be handled by Caymus Securities, but it will not be compensated for its services.

General Economic Conditions, Political Risks and Catastrophic Events

General economic conditions may affect a Fund's activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value and number of investments made by a Fund or considered for prospective investment. Portfolio company investments may also be subject to catastrophic events and other *force majeure* events, such as fires, earthquakes, adverse weather conditions, changes in law, eminent domain, riots, terrorist attacks, pandemics and similar risks. These events could result in the partial or total loss of a portfolio company investment or significant down time resulting in lost revenues, among other potentially detrimental effects.

Russia-Ukraine Conflict

There is currently an ongoing military conflict between Russia and the Ukraine which, in a relatively short period of time, has caused disruption to global financial systems, trade and transport, among other things.

In response, multiple other countries have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. However, the ultimate impact of the Russia-Ukraine conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of a Fund or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

The Russia-Ukraine conflict may have a significant adverse impact and result in significant losses to a Fund. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which a Fund intend to pursue, all of which could adversely affect a Fund's ability to fulfill its investment objectives.

Public Health Emergencies; COVID-19

Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19, have resulted, and are resulting, in market volatility and disruption, and in the future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to a Fund.

Currently, there is an ongoing outbreak of COVID-19, which the World Health Organization formally declared in March 2020 to constitute a global "pandemic." This outbreak has caused a worldwide public health emergency, which has strained, and is straining, healthcare resources and has resulted, and is resulting, in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including "stay-at-home" and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. In many jurisdictions, restrictive measures have been re-imposed to address subsequent waves of infection. As a result, COVID-19 has significantly diminished global economic production and activity of all kinds and has contributed to both volatility and a severe decline in all financial markets. Among other things, these unprecedented developments have resulted in material reductions in demand across most categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, steep increases in unemployment levels in the United States and several other countries, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to a Fund. The extent of the impact on a Fund' and its portfolio investments' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy a Fund intends to pursue, all of which could adversely affect a Fund' ability to fulfill its investment objectives. They may also impair the ability of portfolio investments or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults

with uncertain consequences, including the potential for defaults by borrowers under debt instruments held by a Fund. In addition, the operations of a Fund, its portfolio investments, Caymus Equity may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

The spread of COVID-19 among the Firm's personnel and its service providers would also significantly affect the General Partner's and the Firm's ability to properly oversee the affairs of a Fund (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of a Fund's investment activities or operations.

Cybersecurity Risk

Caymus Equity, the Funds, the Funds' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds, and its Limited Partners, despite the efforts of the Firm and service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to a Fund and its Limited Partners. Such threats may include both intentional and unintentional events including, but not limited to, processing errors, human errors, technical errors including computer glitches and system malfunctions, inadequate or failed internal or external processes, market-wide technical-related disruptions, unauthorized access to digital systems (through "hacking" or malicious software coding), computer viruses, and cyber-attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality (including denial of service attacks). Cybersecurity incidents, cyberattacks and other malicious internet-based activity have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency and magnitude in the future. As part of their business, the General Partner and the Firm process, store and transmit large amounts of electronic information, including information relating to the transactions of a Fund and personally identifiable information of the Limited Partners. Similarly, service providers of the General Partner or a Fund, especially any administrator, may process, store and transmit such information. Unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of the Firm, a Fund's service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, service providers or other users of the Firm's systems to disclose sensitive information in order to gain access to the Firm's data or that of the Limited Partners. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems or networks change frequently, may be difficult to detect for long periods of time and generally are not recognized until launched against a target. Therefore, companies as well as their third-party partners (including vendors and portfolio investments) may be unable to anticipate these techniques, react in a timely manner or implement adequate preventive measures. A successful penetration or circumvention of the security of the Firm's systems could result in the loss or theft of a Limited Partner's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. There have been reports of alleged foreign government-sponsored hacking attempts on American corporate intellectual property, and a Fund and its portfolio investments may be at risk of cyberattacks. Any of these such incidents could cause a Fund, the Firm or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

Privacy, Data Protection and Information Security Compliance Risk.

The General Partner, the Firm, and a Fund (and its portfolio companies) are, and will from time to time be, subject to various laws and regulations related to privacy, data protection and information security in the jurisdictions in which they do business (collectively, “Privacy Laws”). As the Privacy Laws are enacted, implemented, interpreted, applied, amended and replaced, compliance costs may increase and may require the dedication of additional time and resources, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

As Privacy Laws are enacted, implemented, interpreted, applied, amended and replaced compliance costs may increase and may require the dedication of additional time and resources, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

Side Letters

The Funds, or the General Partner on behalf of a Fund, reserves the right to enter into a number of side letters with one or more Limited Partners (“Side Letters”) providing such Limited Partners with different or preferential rights or terms other than those described herein and may be more favorable than those offered to any other Limited Partner. Such rights or terms in any such side letter or other similar agreement may include, without limitation, (i) reduced or excused fee and other economic arrangements with respect to such Limited Partners; (ii) excuse rights applicable to particular investments (which may increase the percentage interest of other Limited Partners in, and contribution obligations of other Limited Partners with respect to, such investments); (iii) reporting obligations of the General Partner; (iv) waiver of certain confidentiality obligations; (v) consent of the General Partner to certain transfers by such Limited Partner; (vi) withdrawal or other liquidity rights; (vii) special rights with respect to co-investment allocation and participation, including acknowledgement of an investor’s desire to be offered co-investment and/or secondary opportunities, priority co-investment rights or targeted co-investment amounts; (viii) limits on indemnification obligations; (ix) rights or terms necessary in light of particular legal, public policy or regulatory characteristics of a Limited Partner; (x) agreement to various sovereign immunity, jurisdiction and venue provisions applicable to certain governmental, sovereign, or other types of investors on behalf of Caymus Equity (which could limit the ability to initiate or maintain legal proceedings against certain Limited Partners in certain jurisdictions); or (xi) the right of the General Partner to waive any requirements of Limited Partners to execute acknowledgements or other documents in connection with any subscription line or other credit facility. None of the Funds, the General Partner or their affiliates will be, to the fullest extent permitted by applicable law, under obligation to give the Limited Partners notice of any side letters entered into.

Uncertain Economic, Social, and Political Environment. Consumer, corporate, and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity or military conflicts, localized or global financial crises, political elections, or other sources of political, social, or economic unrest. Such erosion of confidence may lead to extend a localized or global economic downturn. Furthermore, such confidence may be adversely affected by local, regional, or global health crises including the rapid and pandemic spread of novel viruses commonly known as SARS, MERS, and COVID-19. Such health crises could exacerbate political, social, and economic risk previously mentioned and result in significant breakdowns, delays, and other disruptions on a local, regional, and global scale, which are likely to have adverse effects on the operating performance of affected portfolio companies or investments. A climate of uncertainty, including the spread of infections viruses or diseases, has the potential to reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners, and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn is likely to have an adverse effect on the economy generally and on the ability of Funds to execute their strategies and to receive attractive earnings on the dispositions of investments. This would likely slow the rate of future investments by the Funds and result in longer holding periods for investments. Such uncertainty and general economic downturn would likely have an adverse effect on Fund investments.

Enhanced Scrutiny of the Private Equity Industry Specifically. Recently proposed legislation in the United States would impose highly significant restrictions and burdens on private fund managers, the funds they sponsor, and their investors. These proposals would, among other things, (a) remove the limited liability status of investors in a private fund that acquires 20% or more of the voting securities of a portfolio company (a “Controlling Interest”) and hold the investors jointly and severally liable for debts and obligations of such portfolio company, (b) prohibit indemnification by a portfolio company of a private fund that holds a Controlling Interest in the portfolio company, as well as indemnification of the private fund’s manager, its affiliates and their respective employees, and (c) prohibit any dividend recapitalization within 24 months of the date that a private fund acquires a Controlling Interest in a portfolio company. If these proposals were to be enacted, even if only in part, they would materially and adversely affect the ability of the Funds, the General Partners, or any of their respective affiliates to engage in the investment activities and other operations that they are intended and expected to engage in. This could result in a Fund being unable to meet its investment objectives or could require a Fund to make, hold, manage, and exit investments and otherwise operate in a manner that involves greater potential liability, risk, and expense with lower potential returns for investors.

Such changes could potentially result in an overall shift in the legal, tax, or regulatory regimes in which the Funds, the General Partners, or any of their respective affiliates will operate. In addition to increased uncertainty regarding the future of such legal, tax, and regulatory regimes, any significant changes in economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry, tax law, immigration policy, or government entitlement programs during the existence of the Funds could have a material adverse impact on the Funds and their investments. The effect of any future regulatory changes on the Funds, the General Partner, or any of their respective affiliates could be substantial and potentially adverse.

Corporate Transparency Act. On January 1, 2024, the beneficial ownership information reporting regulations of the U.S. Department of the Treasury’s Financial Crimes Enforcement Network (“FinCEN”) promulgated pursuant to the Corporate Transparency Act, 31 U.S.C. § 5336 (the “CTA”) went into effect, requiring entities created in, or registered to do business in, the United States, including privately held corporations, limited liability companies and statutory trusts (collectively, the “Reporting Companies”) to submit certain information relating to their “beneficial owners” (which is defined broadly for CTA purposes) to FinCEN, unless such Reporting Companies can qualify for one of the exemptions listed in the CTA. The Funds, the General Partner, and each of their respective affiliates, any alternative investment vehicle, any holding vehicle, and each general partner, manager, or other control Person of any of the foregoing Persons, and each existing or prospective investment are expected to be Reporting Companies subject to the CTA, unless an exemption applies. The scope and application of the CTA, and FinCEN’s interpretation thereof, may be uncertain and remain so until further clarification may be published by FinCEN. Each prospective investor should consult its own legal advisors regarding such matters and other effects of the CTA and implementing regulations. State governments have also proposed reporting regimes for entities formed, or registered to do business, in their jurisdictions, which may require such entities to disclose certain information with respect to their beneficial owners.

CFIUS/Investment Clearance Considerations. Certain investments by the Funds that involve the acquisition or divestiture of a business connected with or related to certain emerging and foundational technologies may be subject to review and approval by the Committee on Foreign Investment in the United States (or any successor thereto) or any member agency thereof acting in its capacity as member agency (“CFIUS”) or non-U.S. investment clearance regulators, depending on the beneficial ownership and control of interests in the Funds. If CFIUS or another regulator reviews one or more of the Funds’ proposed or existing investments, or the disposition or incremental capitalization of an investment, there can be no assurance that will be able to maintain, or proceed with, such transactions on the terms acceptable to the Funds. CFIUS or another regulator may seek to impose limitations on or prohibit one or more of the Funds’ investment, financing, or disposition transactions. Such limitations or restrictions may prevent the Funds from maintaining, pursuing, or exiting investments, which could adversely affect the Funds’ performance

with respect to such investments (if consummated) and thus a Fund's performance as a whole. The General Partner may be required to gather information from the Limited Partners (including information with respect to the Limited Partners' beneficial owners) in order to make any required filings. There can be no assurance that the relevant company will be able to provide sufficient diligence materials to the Funds without increasing the risk of a CIFIUS filing. In addition, other countries have implemented or are in various stages of implementing regulations in order to address similar concerns with respect to foreign investment in such countries. Such non-U.S. national security/investment clearance regulations could present similar other issues for the Funds in respect of its investment activities in such jurisdictions and could negatively impact the Funds and its investment activities and the Partners.

Item 9 – Disciplinary Information

Neither Caymus Equity nor its Managing Partners have ever been sanctioned or reprimanded by any regulator or self-regulatory organization, nor has any such person been successfully sued by any client or by any local state or federal authority on behalf of a client.

Item 10 – Other Financial Industry Activities and Affiliations

Caymus Equity Partners, LLC currently has an affiliate, Caymus Securities, LLC, which is a registered broker-dealer with FINRA. Caymus Securities, an entity under common control as Caymus Equity, may receive compensation based on transactions related to Funds. We believe this to be a material conflict of interest. We attempt to mitigate this conflict by disclosing it to our clients in this Brochure. Further, all supervised persons of Caymus Equity are required to read and follow the firm's Code of Ethics, which reminds our advisors of their fiduciary duty to place the client interests ahead of their own.

Neither Caymus Equity nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Affiliates of Caymus Equity serve as general partner or in a similar capacity. For a description of the conflicts of interest created by the relationship among Caymus Equity and the General Partners, see "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading" below.

Caymus Equity does not recommend or select other investment advisers for the Funds.

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

Code of Ethics

We have established a Code of Ethics pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended, as part of our overall compliance program. The Code of Ethics includes policies and procedures relating to personal securities trading by Firm personnel and protection against the misuse of material nonpublic information. The Code of Ethics is designed to prevent, among other things, any improper conduct whenever any potential conflict of interest may exist with respect to any fund or investment portfolio. In addition, the Code of Ethics requires the Firm and/or all supervised persons of the Firm to safeguard and prevent dissemination of non-public information, to refrain from engaging in self-interested transactions without prior approval, to develop adequate internal accounting controls and maintain proper books and records, and to refrain from insider trading. The Code of Ethics also outlines the duties of care and loyalty that the Firm and its supervised persons are required to follow with respect

to clients, to act in the best interests of clients and to render impartial advice to clients. A copy of the Code of Ethics is available upon written request.

Participation or Interest in Client Transactions and Personal Trading

The existence of the carried interest may create an incentive for us to make more speculative investments than we would make in the absence of performance-based compensation. However, we believe that this incentive is mitigated by our significant capital commitments and those of the Managing Partners, Founder and the members of our management team.

The Managing Partners and Founder, entities controlled by them, and other related parties invest in and co-invest along with our clients. We deal with the potential conflict of interest that such investments may present by (i) giving a Fund first priority with respect to investment opportunities, (ii) acting in a Fund's best interests and (iii) establishing and utilizing the Advisory Boards.

We do not permit our Managing Partners, Founder or employees to invest in any of the securities in which we have invested our clients' assets except as investors in the co-investment vehicles.

Conflicts of Interest

Co-Investments

From time to time, Caymus Equity offers to one or more persons (which may include, in Caymus Equity's sole discretion, one or more investors, Caymus Equity affiliates or commingled funds, accounts, programs or investment vehicles managed by a Caymus Equity affiliate) the opportunity to co-invest with a Fund in investment opportunities. Co-investment opportunities offered to investors will be allocated as determined by Caymus Equity in their discretion, and there is no guarantee for any investor that it will be offered co-investment opportunities. As a general matter, Caymus Equity, in determining the allocation of co-investment opportunities, generally expect to take into account various facts and circumstances deemed relevant by Caymus Equity, including among others, whether a potential co-investor has expressed interest in evaluating co-investment opportunities, whether a potential co-investor has a history of participating in co-investment opportunities, the size of the potential co-investor's interest to be held in the underlying portfolio company as a result of the applicable Fund's investment (which is likely to be based on the size of the potential investor's capital commitment and/or investment in the applicable Fund), and such other factors that Caymus Equity deems relevant under the circumstances.

In such circumstances, the size of the investment opportunity otherwise available to the Fund will be less than it would otherwise have been. Certain co-investments with a Fund may be on different (and more favorable) terms (including, for example, management fees, performance-based fees, carried interest, use of leverage and control rights) than those applicable to the Fund and may have interests or requirements that conflict with and adversely impact a Fund (for example, with respect to their liquidity requirements, available capital, the timing of acquisitions, disposals, control rights, or discretion with respect to whether to make the investment in the first instance). In addition, the Fund may not be in a position to unilaterally control an opportunity or exercise certain rights associated with the Fund's interest in an opportunity. If a co-investing party removes its general partner or manager or terminates prior to the Fund, the ability of the Fund to exercise certain rights associated with its interest in an opportunity may require the cooperation of a successor general partner/manager or other persons. Potential conflicts may be inherent in, or arise from, Caymus Equity's discretion in determining when to make such opportunities available. In addition, once such co-investments are made, the Fund's interests and those of the co-investors may subsequently diverge as market conditions shift or other opportunities become available.

Co-investment fees realized by Caymus Equity and the costs that the co-investor bears, including the extent to which a co-investor would share in any broken deal costs, are negotiated by Caymus Equity on a case-by-case basis. This may result in a Fund bearing all such broken-deal costs.

Item 12 – Brokerage Practices

The Funds do not often deal with any financial intermediary such as a broker-dealer, and commissions are not often payable in connection with such investments because the Funds' investment strategy does not focus on the acquisition of public securities. To the limited extent that Caymus Equity transacts in public securities for the Funds, Caymus Equity intends to follow the brokerage practices described below.

If Caymus Equity transacts in publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to affect such securities transactions. In such event, Caymus Equity will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Caymus Equity will consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; (iv) gross compensation paid to the broker; and (v) the financial strength of the broker.

Caymus Equity has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or "posted" commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting Fund transactions to the extent consistent with the interests of such Funds. Although Caymus Equity intends to generally seek competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

To the extent that Caymus Equity transacts in public securities for the Funds, Caymus Equity may aggregate transactions among the Funds when expected to be in the best interest of all participants and in compliance with the applicable Funds' Governing Fund Documents. If and when applicable, Caymus Equity will allocate aggregated transactions in accordance with the applicable Funds' Governing Fund Documents and on terms and conditions that are substantially the same, unless specific legal, tax, regulatory or other restrictions apply.

Item 13 – Review of Accounts

Our clients primarily make control equity and equity-related investments in small and mid-sized, U.S. based private companies, for which we then take an active role in managing the board and setting strategic direction. In this regard, our investment personnel are constantly reviewing our clients' investments. However, because of the private equity and opportunistic nature of these investments, we do not review our clients' accounts for purposes of rebalancing. Our clients receive periodic reports on their investments.

Item 14 – Client Referrals and Other Compensation

We pay placement agents a portion of our management fees with respect to those investors introduced to our clients by such agents. We do not receive any economic benefit from any person that is not a client for providing investment advice or other services to our clients. We do receive fees from the companies in which our clients invest. See Item 5 "Fees and Compensation – Fees" above.

Item 15 – Custody

The General Partners of the Funds are related persons to Caymus Equity. As the General Partners have access to the assets of the Funds, and provide certain managerial services to the Funds, the General

Partners, and through them, the Advisor, have custody of client funds. The Funds are subject to an annual audit by a Public Company Accounting Oversight Board registered accounting firm, and audited financial statements are distributed to the Funds' Limited Partners within 120 days of the applicable fiscal year end. The audited financial statements will be prepared in accordance with generally accepted accounting principles. Limited Partners should carefully review these statements, and should compare these statements to other Fund information provided by the Advisor.

Item 16 – Investment Discretion

We maintain discretionary authority over all of our clients' accounts. Aside from the investment limitations set forth in our Funds' offering documents, we do not permit our clients to limit our investment discretion with respect to the assets we manage.

Item 17 – Voting Client Securities

We have adopted a proxy voting policy designed to ensure that we comply with the requirements of Rule 206(4)-6 and Rule 204-2 promulgated pursuant to the Investment Advisers Act of 1940, as amended, and fulfill our obligation thereunder with respect to proxy voting, disclosure and recordkeeping. Because of the nature of our investment advisory activities, it is unlikely that we will be in a position to vote proxies on behalf of any of our clients. In the event that we are in a position to do so, our objective is to ensure that our proxy voting activities on behalf of our clients are conducted in a manner consistent, under all circumstances, with the best interest of our clients. If we determine that we have, or may be perceived to have, a conflict of interest when voting a proxy, we will address matters involving such conflicts of interest on a case-by-case basis and may consult with the Advisory Board to ensure proper handling of conflicts.

Investors may obtain a copy of our proxy voting policies and procedures, and information regarding how we voted particular proxies on behalf of the accounts, on request.

Item 18 – Financial Information

This item is not applicable.