

**FIRM BROCHURE**  
**(PART 2A OF FORM ADV)**

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This brochure (“Brochure”) provides information about the qualifications and business practices of PPC Enterprises LLC (the “Adviser” or “PPC”). If you have any questions about the contents of this Brochure, please contact Kevin M. Byrne at (609) 558-2996 or by email at [kbyrne@ppcenterprises.com](mailto:kbyrne@ppcenterprises.com). The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “SEC”) or by any state securities authority. PPC may refer to itself as a “registered investment adviser” which does not imply a certain level of skill or training.

Additional information about PPC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

The following is a discussion of the material changes to PPC’s Brochure since its last annual updating amendment filed with the SEC on March 30, 2023.

### *Assets Under Management*

- PPC has updated its disclosures under *Item 4 — Advisory Business* to include information regarding regulatory assets under management as of December 31, 2023.

### *Investment Team*

- PPC has updated its disclosures under *Item 4 — Advisory Business* and *Item 10 — Other Financial and Industry Activities and Affiliations* to include information regarding changes in the investment team.

### *Fees and Compensation*

- PPC has updated its disclosures under *Item 5 — Fees and Compensation* to include information regarding the management fees that will be, and are expected to be, payable by the Special Members (as defined below) Series A of Public Pension Capital, LLC (the “Company”) and Series A of PPC AV 1, LLC for the budget year that commenced on April 1, 2023 and for the budget year that will commence on April 1, 2024 and changes relating to the allocation of such Management Fees.

### *Material, Significant or Unusual Risks Relating to Investment Strategies*

- PPC has updated its disclosures under *Item 8 — Methods of Analysis, Investment Strategies and Risk of Loss — Material, Significant or Unusual Risks Relating to Investment Strategies* to include risk factors regarding the ongoing novel coronavirus outbreak, the military conflict between Israel and Hamas and Russia and Ukraine, inflation, elevated interest rates and volatility in the banking system.

### *Relationship with The Tokarz Group Advisors and Other Entities Conflicts of Interests*

- PPC has updated its disclosures under *Item 4 — Advisory Business*, *Item 6 - Performance-Based Fees and Side-By-Side Management*, *Item 10 — Other Financial and Industry Activities and Affiliations*, and *Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading — Conflicts of Interest* to include information regarding its relationship with The Tokarz Group Advisors and other entities.

### *Compensation to Non-Supervised Persons for Client Referrals*

- PPC has updated its disclosures under *Item 14 – Client Referrals and Other Compensation* to include information regarding a fund solicitation agreement with Invicta Capital, LLC.

PPC will amend its Brochure at least annually. Upon making material changes to the Brochure, PPC will identify and describe those changes as compared to the previous version of the Brochure and will provide the date of the last annual update of its Brochure. A summary of the material changes will appear in this item or as a separate document accompanying the Brochure.

## **IMPORTANT NOTE ABOUT THIS BROCHURE**

*This Brochure is not:*

- *an offer or agreement to provide advisory services to any person;*
- *an offer to sell interests (or a solicitation of an offer to buy interests) in the Fund (as defined in this Brochure) advised by PPC; or*
- *a complete discussion of the features, risks or conflicts associated with the Fund advised by PPC.*

*As required by the Investment Advisers Act of 1940, as amended (the “Advisers Act”), PPC provides this Brochure to current and prospective clients. PPC may also, in its discretion, provide this Brochure to current or prospective investors in the Fund, together with other relevant offering materials, such as the Fund’s private placement memorandum (the “PPM”), prior to, or in connection with, such persons’ investment in the Fund.*

*Although this Brochure describes the investment advisory services of PPC, persons who receive this Brochure (whether or not from PPC) should be aware that it is designed solely to provide information about PPC as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in the offering materials for the Fund.*

*More complete information about the Fund advised by PPC is included in the offering materials for the Fund, which may be provided to current and eligible prospective investors only by PPC or its authorized agents. If there is any conflict between information conveyed in this Brochure and that conveyed in any offering materials, the information contained in this Brochure will govern and control.*

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## Item 4 – Advisory Business

### 1. The Adviser

PPC Enterprises LLC, a Delaware limited liability company, commenced operations in 2011 and has its principal office in New York, NY. This Brochure provides an overview of the Adviser. Perry Golkin and Michael T. Tokarz (the “Co-Founders”) are the founders of the Adviser and Perry Golkin is the principal owner of the Adviser. Additional information related to the ownership of the Adviser can be found on Schedule A of PPC’s Form ADV Part 1.

The Adviser provides investment management services exclusively to entities that qualify as “accredited investors” under Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”). The Fund is not required to register with the SEC as an investment company in accordance with the exemptions set forth in Sections 3(c)(1) and 3(c)(7) of the Investment Company Act of 1940, as amended (the “Investment Company Act”).

The Adviser provides advisory services to Series A of the Company and Series A of PPC AV 1, LLC, an alternative vehicle of the Company formed November 4, 2016 (“PPC AV 1” and, together with the Company, the “Fund”) and intends to provide advisory services to any additional series that may be established in accordance with the limited liability company agreements of the Company and PPC AV 1 (each, an “LLC Agreement”), any other alternative vehicle or co-investment vehicle that may be formed by the Company’s and PPC AV 1’s managing member, PPC MM, L.P., a Delaware limited partnership (the “Managing Member”), or its affiliates for the purpose of co-investing alongside any series of the Company in accordance with the LLC Agreement.

Neither the Company nor PPC AV 1 intends to make any investments on their own behalf. Instead, their assets and its associated liabilities will be divided into separate series of interests through which it will conduct its business. Each series will be separate and distinct from the Company and PPC AV 1 and from each other series, and the interest of any member in a series will be separate and distinct from a member’s interest in any other series. Initially, both the Company and PPC AV 1 will have only one series, each called “Series A.” Unless and until other series are established in accordance with the LLC Agreements under the limited circumstances provided therein, all investments by the Company and PPC AV 1 will be made on behalf of their respective Series A and will be assets of such series, and all liabilities incurred by the Company, PPC AV 1 or their respective Series A will be liabilities of the relevant Series A. The establishment of a new series of the Company and PPC AV 1 may only occur in connection with the reduction in the capital commitment of one of the Company’s founding Special Members or such Special Member’s (as defined below) withdrawal from Series A.

Unless otherwise indicated by the context, the terms “Members,” “Special Members,” “series,” “Series A,” and “interests” as used in this Brochure, shall refer to the Members, Special Members, series, Series A and interests of the Company and PPC AV 1 as a whole.

As of December 31, 2023, the Fund had \$1.481 billion in aggregate capital commitments. As of December 31, 2023, PPC had approximately \$2,048,906,142 in regulatory assets under management in respect of which PPC or an affiliate of PPC has full investment discretion, subject

to the Fund's established investment guidelines. PPC does not manage any client assets on a non-discretionary basis.

**a. Investment Team and Relationship with TTGA**

PPC's investment team (the "Investment Team") is led by Mr. Golkin, who is the chief executive officer of the Adviser (the "CEO") and Mr. Tokarz. In addition to Messrs. Golkin and Tokarz, the Investment Team includes Max Alper, James Lynch, John Morgan, Scott Schuenke, Peter Seidenberg, Thomas Uger, Asif Zaman and other investment professionals of PPC who, as described below, provide investment advisory services to the Fund as needed. The Investment Team has significant private equity, investment banking, corporate finance, entrepreneurial leadership, acquisition integration, intellectual property, operations and turnaround experience. Additional senior and junior investment professionals and industry experts are expected to join the Investment Team as PPC grows its operations.

Mr. Tokarz, a Co-Founder, is also a manager of The Tokarz Group Advisers ("TTGA"), a registered investment adviser that provides advisory services to the MVC Private Equity Fund, L.P. (the "MVC PE Fund") and its subsidiaries and portfolio company. Please refer to *Item 8 – Conflicts of Interest* for more information regarding TTGA and the MVC PE Fund.

Mr. Tokarz provides investment advisory services to assist the Adviser in its management of the Fund, including the referral to the Adviser and the Fund of potential investments within the Fund's investment focus, pursuant to an employee sharing and administrative services agreement between PPC and TTGA. In addition, certain employees of PPC provide investment advisory and administrative services to TTGA. TTGA has an existence independent of PPC. For purposes of this Brochure, references to "PPC" and the "Adviser" do not include references to TTGA.

**2. Description of Advisory Services**

**a. Advisory Services**

PPC provides investment advisory services to (i) Series A of the Company pursuant to an investment management agreement, dated as of May 16, 2014, as amended, by and among the Company, for itself and on behalf of each series thereof, the Managing Member and PPC and (ii) Series A of PPC AV 1 pursuant to an investment management agreement, dated as of December 31, 2016, by and among PPC AV 1, for itself and on behalf of each series thereof, the Managing Member and PPC. If any additional series or alternative vehicle is established in accordance with the LLC Agreements or any co-investment vehicle is formed for the purpose of co-investing alongside any series of the Company or PPC AV 1 in accordance with their respective LLC Agreement, then PPC also intends to provide investment advisory services to any such series, alternative vehicle and co-investment vehicle. The Adviser's services are furnished pursuant to a management agreement with the Managing Member and the applicable series, alternative vehicle or co-investment vehicle, as the case may be. Pursuant to the management agreements, the Adviser identifies and makes recommendations regarding prospective investments and exit strategies and other liquidity options and provides such other management, advisory and strategic assistance as the Fund may request from time to time.

The Adviser tailors its advisory services to the specific investment objectives and restrictions of the Fund pursuant to the investment guidelines and restrictions set forth in the PPM, the LLC Agreements, the subscription agreements between the Fund and each investor and other governing documents (collectively, the “Governing Documents”).

Information about the Fund and its investment objectives, strategies, restrictions and risks associated with an investment are described in the Governing Documents, which are made available to investors only through PPC and its authorized agents. *See Item 8 — Methods of Analysis, Investment Strategies and Risk of Loss and Item 16 — Investment Discretion.*

The Company and PPC AV 1 both have two classes of members: managing members and special members (collectively, the “Members”). The special members of the Company and PPC AV 1 (excluding members of the Investment Team and any of their affiliates and affiliates of the Managing Member and the Adviser) are referred to herein as the “Special Members.” The Special Members are U.S. public pension plans (e.g., state and local governmental public pension plans) and other long-term investors. Investment strategies and guidelines are not tailored to the individualized needs of any particular investor in the Fund.

Subject to the terms of the LLC Agreements, Special Members are permitted to opt out of a particular investment if their participation in such investment constitutes a violation of law or if the applicable LLC Agreement otherwise permits such opt-out. Investments in the Fund involve significant risks and should be regarded as long-term in nature, forming only one portion of an investor’s diversified investment portfolio. There can be no assurance that the investment objectives of any client will be achieved. *See Item 8 — Methods of Analysis, Investment Strategies and Risk of Loss — Material, Significant or Unusual Risks Relating to Investment Strategies.*

The investment committee of the Fund (the “Investment Committee”) is responsible for approving all of the Fund’s investment opportunities. The composition of the Investment Committee is subject to change and currently consists of Messrs. Golkin, Tokarz, Alper and Uger.

#### **b. Investment Strategies and Types of Investments**

The Fund’s investment objective is to make equity or equity-oriented investments (including debt or hybrid debt/equity investments expected to offer equity-like returns) in small or middle- market companies located in the United States and Canada. The Fund is currently focused on investments in the following industries: business and financial services; industrial services (including specialty chemicals and ingredients); and healthcare services.

The Fund also opportunistically pursues transactions in additional industries in which the Investment Team has experience and in which the Adviser believes that opportunities exist to profit from the applicable market dynamics in those industries.

The Fund seeks to invest in stable businesses having clear value propositions, recurring revenue and non-discretionary demand characteristics. The Fund will target investments with large addressable markets that are growing and fragmented in nature. PPC targets management teams and owners looking for partners to transform the underlying business.



The Fund currently focuses on making investments in companies that are expected to require, either at the time of the Fund's initial investment therein or over time, between \$25 million and \$150 million (or possibly higher if unfunded commitments in excess of \$500 million are received from Special Members) in aggregate equity capital from the Fund.

The Fund primarily invests in private companies, although it may invest in public companies subject to any limits set forth in the Fund's Governing Documents. The Fund also may hold public company investments because of a sale of all or a portion of the Fund's investments in a portfolio company, such as when a portfolio company conducts an initial public offering or is sold to a public company and the Fund receives public company stock in connection with the sale.

Following an investment in a portfolio company, PPC personnel may serve on the portfolio company's board of directors, or otherwise act to influence the management of the companies until the Fund exits the investment. *See Item 10 — Other Financial and Industry Activities and Affiliations.*

PPC provides investment management services exclusively to the Fund and, if formed, certain alternative vehicles or co-investment vehicles, and offers no other advisory services. However, certain PPC employees may provide services to TTGA and Navigate Capital Management LP ("Navigate"). *See Item 11— Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.* PPC does not perform any type of financial planning, quantitative analysis, tax planning or market timing services for any client. It also does not participate in wrap fee programs.

## Item 5 – Fees and Compensation

### 1. Fees and Compensation

PPC charges an annual management fee with respect to each budget year of the Fund (from April 1 through March 31) determined in accordance with the budget process described in the Governing Documents. The management fee is payable in four equal installments on April 15, July 15, October 15 and January 15 for the three-month periods commencing on April 1, July 1, October 1, and January 1 of such budget year. For the budget year that commenced on April 1, 2023, PPC received an annual net management fee (net of any fee offsets) of approximately \$16,668,821. The annual management fee in respect of the budget year that begins on April 1, 2024 is expected to be approximately 1.313% of the aggregate undrawn capital commitments of the Special Members of Series A of the Company and Series A of PPC AV 1 (other than affiliates of the Fund) *plus* all capital contributions made by such persons in respect of investments in current portfolio companies owned by Series A of the Company and Series A of PPC AV 1 for not more than eight years as of that date, which totals ~\$1.319 billion in aggregate.

The budget process involves the participation of the Fund’s board of investors (described in *Item 11 — Code of Ethics, Participation or Interest in Client Transactions and Personal Trading — Board of Investors*).

The Special Members are responsible for paying to the Fund (or, at the Managing Member’s direction, the Adviser), when due, their shares of the annual management fee. The management fee will be allocated among all the Special Members *pro rata*, with each Special Member’s share thereof being based upon their relative undrawn capital commitments to all series of the Fund *plus* capital invested in portfolio companies owned by the Fund for not more than eight years. PPC provides at least ten business days prior written notice to the Special Members specifying the amount and due date for each such payment. Each Special Member’s obligation to pay management fees is in addition to its obligation to make capital contributions in respect of its capital commitments to the Fund; no payment of management fees is considered a capital contribution by a Special Member to the Fund nor applied to reduce a Special Member’s undrawn capital commitments. Fund investors do not have the ability to choose to be billed directly for fees incurred.

Investors should carefully review the Governing Documents in conjunction with this Brochure for complete information about fees and compensation to PPC.

Similar advisory services may be available from other investment advisers for higher, similar or lower fees.

#### **a. Management Fee Offsets**

Throughout the term of a Fund investment, PPC and its supervised persons may receive cash fees in connection with the business of the Fund, including fees received from portfolio companies or

proposed portfolio companies, break-up fees, closing fees, commitment fees, monitoring fees and transaction fees.

To the extent that any such fees are allocable to PPC's activities on behalf of the Fund, such fees will be applied on a dollar-for-dollar basis to reduce the management fees otherwise payable by the Fund to PPC. In the event that any such fees exceed the management fee payable in respect of the immediately succeeding budget year, such excess will be applied against future management fees (in the order payable until fully used) but will not be carried back to prior periods. To the extent any such excess amount remains unapplied following the dissolution of the Fund or of the applicable series, the Adviser will pay each Special Member of the Fund or series, as applicable, its proportionate share of such unapplied excess amount.

#### **b. Performance-based Compensation**

In addition to the payment of ongoing management fees, the Fund (and indirectly the Special Members) is also required to pay the Managing Member, an affiliate of the Adviser, performance fees based upon a percentage of each Special Member's return on invested capital. For additional details about such performance-based compensation, please refer to *Item 6 — Performance-Based Fees and Side-by-Side Management*.

Management fees, performance-based compensation, and/or any other compensation payable to PPC or its affiliates by the Fund are generally negotiated with the Fund or its underlying investors and may depend on, among other factors, the amount of capital committed to the Fund.

#### **2. Other Fees and Expenses**

PPC will be responsible for and will pay (except to the extent paid by a portfolio company or any other person) all expenses incurred in the ordinary course of business of the Fund, the Managing Member or the Adviser, including, without limitation, the following:

- ◆ the compensation of all employees of the Fund, the Managing Member and the Adviser and payroll taxes relating thereto;
- ◆ the costs of rent and general office overhead of the Managing Member and the Adviser;
- ◆ the costs of monitoring investments;
- ◆ domestic and foreign taxes payable by the Fund and all other taxes, stamp and other duties and other governmental charges payable by or on behalf of the Fund;
- ◆ fees and disbursements of outside auditors relating to any audit of, or accounting services with respect to, the books and records of the Fund, the Managing Member or the Adviser;
- ◆ fees and disbursements of attorneys, consultants, accountants, third party appraisers, third party loan reviews, fund administration service providers and valuation experts and other professionals;

- ◆ interest expenses on borrowings permitted by the terms of the LLC Agreement and all expenses incurred in negotiating, entering into, effecting, maintaining, varying and terminating any borrowing or guarantee permitted to be incurred by the LLC Agreement;
- ◆ broken deal expenses;
- ◆ expenses of members of the Board (as defined herein);
- ◆ expenses incurred in connection with meetings of the Fund;
- ◆ all insurance premiums or similar expenses incurred by the Fund, the Managing Member or the Adviser in connection with the activities and management of the Fund;
- ◆ all costs and expenses incurred in relation to obtaining waivers, consents or approvals pursuant to the LLC Agreements and all reasonable costs and expenses of, and/or incidental to, the preparation of amendments to the LLC Agreements;
- ◆ the costs of registration of the Adviser as an investment adviser under, and ongoing compliance with, the Advisers Act;
- ◆ all expenses incurred in relation to the registration of any securities of a portfolio company or the custody of the documents of title thereto (including, without limitation, bank charges, insurance of documents of title against loss in shipment, transit or otherwise, and charges made by agents of the Managing Member or the Adviser retaining documents in safe custody);
- ◆ the costs of forming any alternative investment vehicle; and
- ◆ all other costs incurred in connection with the administration of the Fund, the Managing Member or the Adviser.

Each series will be responsible for and will pay (except to the extent paid by a portfolio company or any other person (other than PPC)) or reimburse PPC for, all extraordinary expenses of such series (*i.e.*, those expenses which are not incurred in the ordinary course of such series' business). The Special Members and the Managing Member of the series (and any other members thereof, including the Investment Team and affiliates of the Managing Member and the Adviser) will be responsible for paying their *pro rata* share of such expenses, which will be paid either from (i) capital contributions to such series, (ii) investment proceeds or short-term investment income of such series or (iii) reserves established for such series by the Managing Member, as determined by the Managing Member.

Additional Special Members admitted to the Fund after April 1, 2015, and Special Members that increase their capital commitments after April 1, 2015 (and any other members so admitted or who so increase their capital commitments), are not required to pay any portion of the organizational expenses or management fees previously paid by the Special Members, but will

be required to pay, in addition to their own expenses, any expenses incurred by the Fund in connection with their admission to the Fund or the increase in capital commitments.

Each Special Member will be entitled to a refund from the series of 10% of any payments made by it to such series in respect of management fees for each budget year. Each such refund will be paid in three equal installments on the fifth, sixth and seventh anniversaries of September 30 of the budget year to which such management fees relate.

All costs and taxes associated with any corporation established by the Fund for the use of Special Members that do not want to hold investments through the Fund that may result in items of gross income taken into account for purposes of calculating unrelated business taxable income as defined in Section 512 and Section 514 of the U.S. Internal Revenue Code of 1986, as amended (the “IRS Code”) or income “effectively connected with the conduct of a trade or business” within the meaning of Sections 864, 871 and 882 of the IRS Code (including any gain taxable under Section 897 of the IRS Code) will be borne solely by those Special Members that have elected to invest through such corporation.

**a. Excused Investments**

The Fund does not have a fixed “investment period” during which capital may be called to fund new investments. Instead, effective as of a Special Member’s adjustment date (as defined in the Governing Documents), such Special Member may reduce or cancel its undrawn capital commitment to a series other than with respect to its pro rata share of (i) the purchase price for investments that are subject to a binding commitment of such series as of such adjustment date that are consummated within 12 months thereafter, (ii) follow-on investments made by such series within two years after such adjustment date and (iii) extraordinary expenses of such series.

**b. Transaction Costs**

All fees, costs and expenses incurred by or on behalf of a series in connection with the origination, identification, investigation, negotiation, consummation, distribution or disposition of an investment by such series, to the extent such investment or disposition is consummated, will be considered to be part of the purchase or sale price of such investment and generally will be borne proportionately by such series (and the Special Members participating in such investment or disposition) and any participating co-investors.

For discussion of PPC’s practices relating to brokerage fees, commissions and other related transaction costs and expenses, please refer to *Item 12 — Brokerage Practices*.

**c. Indemnification**

It should be recognized that portfolio companies may have standard indemnification obligations relating to any legal or other proceedings brought against any officers, directors and other parties involved with a particular portfolio company (each, an “Indemnatee”) alleging improper conduct by the Indemnatee in connection with his or her actions for or on behalf of the portfolio company. Such indemnification provisions may include an obligation by the portfolio company to pay or reimburse the Indemnatee for its legal and related expenses in advance of a final decision in such

proceedings. However, if that decision finds that the Indemnitee did not meet certain standards of conduct then the Indemnitee would be required to repay such amounts.

In addition, in the absence of a Breach of the Standard of Conduct (as defined below), to the fullest extent permitted by law, and provided they have acted in a manner in which they in good faith believe to be in or not opposed to the best interests of the Fund, neither the Managing Member nor its affiliates (including the Adviser) nor their respective officers, directors, employees, managers, agents, stockholders, members or partners, nor any person who serves at the specific request of the Managing Member on behalf of the Fund, any feeder fund or any alternative vehicle as a partner, member, officer, director, employee or agent of any other entity (in each case, a “Managing Member Indemnitee”), will be liable to any Special Member or the Fund (i) for any mistake in judgment, (ii) for any action or inaction taken or omitted for a purpose which the Managing Member Indemnitee reasonably believed to be in furtherance of or not opposed to the best interests of the Fund or for any action taken or omitted to be taken for the Managing Member Indemnitee’s own account which the Managing Member Indemnitee was expressly permitted or required to take or omit pursuant to the LLC Agreement, or (iii) for any loss due to the mistake, action, inaction, negligence, dishonesty, fraud or bad faith of any broker or other agent, *provided* such broker or other agent shall have been selected, engaged or retained and monitored by the Managing Member or other Managing Member Indemnitee with reasonable care.

Each Managing Member Indemnitee or other person entitled to indemnification will be indemnified by the relevant series of the Company and held harmless against all losses, damages and expenses (including attorneys’ fees, judgments, fines and amounts paid in settlement) actually and reasonably incurred in connection with any action, suit or proceeding as result of such person’s actions or omissions (or alleged actions or omissions) on behalf of such series, or any related alternative vehicle or otherwise arising out of or in connection with the Fund and its portfolio companies, provided such person did not commit a Breach of the Standard of Conduct.

As used herein, “Breach of the Standard of Conduct” means any act or omission by any Managing Member Indemnitee or any other person which has been determined by a final decision (after one appeal or the expiration of time to appeal) of a court of competent jurisdiction to constitute (i) gross negligence, willful misconduct or fraud with respect to the affairs of the Fund, (ii) a material violation of U.S. federal or state securities laws, (iii) a material breach of the applicable LLC Agreement or the investment management agreements, or (iv) any criminal activity by the Managing Member or the Adviser with respect to the affairs of the Fund.

Each series of the Company will pay the expenses incurred by any such indemnified person in defending a civil or criminal action in advance of the final disposition of such action to the extent related to such indemnified person’s actions on behalf of such series (or to the extent such expenses are otherwise allocable to such series), provided the indemnified person undertakes to repay such expenses if it, he or she is adjudicated not to be entitled to indemnification and provided, further, that expenses shall not be advanced by such series if such expenses were incurred in connection with a claim brought by, or joined in by, a majority in interest of the Special Members of such series.

The Managing Member may call capital from the Members of a series or require the Members to return up to 50% of prior distributions made by such series in order to satisfy the foregoing indemnification obligations of such series.

### 3. Co-Investments

Participating co-investors may be charged management fees and expenses on co-investment amounts as if they invested such additional amounts in the Fund (but they will not be charged a profit participation on such co-investment amounts). If the Managing Member intends to charge such fees and expenses, it will notify the Special Members at the time it notifies them of the co-investment opportunity. Additionally, participating co-investors generally will be charged their proportionate share of transaction costs, as described under “Transaction Costs” above.

Investors should carefully review the Governing Documents of any co-investment in conjunction with this Brochure for complete information about fees and compensation to PPC.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

### **1. Performance-Based Fees**

As discussed in *Item 5 — Fees and Compensation*, the Managing Member is eligible to receive performance-based compensation from the Fund. Any performance-based compensation will be paid in accordance with Section 205(3) of the Advisers Act and the rules promulgated thereunder, which specify certain qualification thresholds for clients of PPC being assessed such a fee.

The Managing Member's performance-based compensation consists of a carried interest in each investment to the extent that distributions of investment proceeds from such investment exceed the aggregate capital contributions made by the Special Members with respect thereto *plus* a required minimum annual compounded return in respect thereof, as described in the Governing Documents. In calculating the Managing Member's carried interest with respect to any investment, neither management fees nor extraordinary expenses with respect to other investments funded by the Special Members nor (except with respect to the limited loss recapture mechanism described in the Governing Documents) realized or unrealized losses resulting from other investments made by the Fund will be taken into account. Special Members will, however, be entitled to a refund of a portion of the management fees paid by them. See *Item 5 — Fees and Compensation*, under "Other Fees and Expenses." The Managing Member's carried interest in each investment will be based on the rate of return, compounded annually, achieved by each Special Member on the capital contributions with respect to such investment, and will be equal to between 5% and 10% of the profits with respect to such investment, assuming the Special Member's rate of return is between 4% and 8% or 8% or greater, respectively. The performance-based compensation paid to the Managing Member is separate and distinct from the management fees charged by the Adviser for advisory services to the Fund.

The Managing Member's right to receive the carried interest will be shared with the Investment Team in amounts to be determined by the Co-Founders.

### **2. Mitigating Conflicts of Interest Associated with Carried Interest in General**

The Managing Member's carried interest may create a potential incentive for the Managing Member to make more speculative investments for the Fund than it would otherwise make in the absence of such performance-based compensation. For instance, a carried interest generally entitles the Managing Member to a percentage of net profits of the Fund, subject to certain terms and conditions set forth in the Governing Documents. However, conflicts of interest associated with a carried interest are mitigated by: (i) the current capital commitment of the Managing Member (and, indirectly, principals and investment professionals of the Adviser and the Managing Member, and affiliates and related persons of the foregoing) to the Fund of at least (A) 5% of the total capital commitments of the Special Members to the Fund (up to \$1 billion) and (B) \$100 million, so long as the total capital commitments of the Special Members to the Fund equals an amount between \$1 billion and \$2.5 billion, and (ii) the ability of a Special Member to recapture a certain portion of its realized losses from a portion of the carried interest otherwise payable to the Managing Member.



3. Mitigating Conflicts of Interest Associated with Profits Interest in the MVC PE Fund

Mr. Tokarz will hold a carried interest in one or more of the portfolio company investments of the Fund, as well as a profits interest in the MVC PE Fund. The MVC PE Fund is managed by an entity that functions independently of PPC. The profits interest may create a potential incentive for Mr. Tokarz to favor the MVC PE Fund over the Fund if favoring such entity could potentially result in a higher profits interest. PPC's policies prohibit the allocation of investment opportunities based on anticipated compensation or profits to PPC, any affiliate or their professionals. For further discussion of PPC's policies, see *Item 11 — Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*.

## Item 7 – Types of Clients

### 1. Types of Clients and Investment Vehicles

As noted in *Item 4 — Advisory Business*, the Adviser provides discretionary investment advisory services exclusively to the Fund and intends to provide services to certain alternative and co-investment vehicles. The Fund is, and any such alternate or co-investment vehicle will be, a pooled investment vehicle operating as a private investment fund exempt from registration under the Investment Company Act. Each investor in the Fund must meet the eligibility provisions outlined in *Item 4* above.

### 2. Feeder Funds and Alternative Investment Vehicles

One or more feeder funds may be formed for the purpose of facilitating an investment in the Fund by the investors in such feeder fund. Such feeder funds would themselves be Special Members of the Fund whose interests are held by the investors who elect to participate in the Fund through such feeder fund.

The Company currently has one alternative vehicle, PPC AV 1, which was established with the consent of the Board and otherwise pursuant to the Company LLC Agreement on November 4, 2016 in order to address certain tax requirements of one of the Special Members.

Additional alternative investment vehicles may be developed by PPC in the future in order to facilitate certain investments by the Fund or other investors.

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

### **1. Methods of Analysis and Investment Strategies**

PPC seeks to make a broad range of private investments on behalf of the Fund in a variety of industries. PPC seeks portfolio companies with attractive growth characteristics, often associated with value added services and products. These companies will typically have strong market position or a sustainable competitive advantage, as well as reliable cash flow, and where PPC believes its active involvement will lead to value creation. Prospective investments are evaluated by the Investment Team based upon criteria that may be modified from time to time. The Investment Team performs deep fundamental research in each of its industry groups to support all investments. The criteria currently guiding the Investment Team in evaluating a new investment in a prospective portfolio company include, but are not limited to:

- Control equity investments in companies in the lower middle-market;
- Highly qualified management teams with proven records;
- Companies with clear value propositions, recurring revenue, and non-discretionary demand characteristics;
- Attractive growth characteristics with large addressable markets;
- Stable free cash flow generation and defensible market niche;
- Investments in companies within the United States and Canada;
- Investments in companies that are expected to require, either at the time of initial investment or over time, between \$25 million and \$150 million (or possibly higher if unfunded commitments in excess of \$500 million are received from Special Members) in aggregate equity capital from the Fund;
- Sustainable competitive advantage and favorable industry dynamics;
- Limited downside risk in the business;
- Identified expansion opportunities; and/or
- Underperforming companies relative to their potential due to complexity, lack of capital or structural impediments.

### **2. Material, Significant or Unusual Risks Relating to Investment Strategies**

PPC's investment activities involve a high degree of risk with no certainty of any return of contributed Special Member capital. There can be no assurance that the Fund will meet its investment objective or successfully carry out its investment program. Investment in the Fund should be undertaken only by investors capable of evaluating the risks of the Fund and bearing

the risk it represents. The Fund and investors in the Fund should be prepared to bear a complete loss of capital with respect to both principal invested and unrealized capital gains.

The following summary of material risks attendant to investments in the Fund is not a complete list of all investment and operating risks associated with such investments, a more detailed discussion of which is set forth in the Governing Documents of the Fund. The risk sets below are categorized according to: (i) adviser selection risks; (ii) portfolio strategy risks; (iii) private equity risks; and (iv) general investment risks.

**a. Adviser Selection Risks**

*Dependence on Key Personnel; No Right to Participate in Management of the Fund* – The success of the Fund will be highly dependent on the financial and managerial expertise of the Co-Founders and the other members of the Investment Team. There can be no assurance that the Co-Founders or such other persons will continue to be associated with or be available to PPC throughout the life of the Fund. The loss of the services of one or more of such persons could have an adverse impact on the Fund's ability to realize its investment objective. Special Members in the Fund will not participate in the management of the Fund and will instead be relying on PPC to conduct the business of the Fund as permitted by the LLC Agreement.

**b. Portfolio Strategy Risks**

*Unspecified Investments* – Special Members acquiring interests in the Fund must rely upon the ability of the Co-Founders and the other members of the Investment Team to identify and execute investments consistent with the Fund's investment objective and policies. The Fund may be unable to find a sufficient number of attractive opportunities to meet its investment objective. The availability of investment opportunities will depend, in part, upon general market conditions and upon conditions in the private equity markets that may affect the number of investment opportunities generally available. Although PPC believes that significant opportunities currently exist, there can be no assurance that PPC will be able to identify, select and invest in a sufficient number of opportunities to permit the Fund to invest all of its committed capital, to diversify its portfolio investments or to meet its investment objective. Special Members will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the portfolio investments to be made by the Fund and, accordingly, will be dependent upon the judgment and ability of the Co-Founders and the other members of the Investment Team to identify suitable investments.

*Competitive Investment Environment* – The activity of identifying, completing and realizing on attractive investments of the type pursued by the Fund is a highly competitive one (and may become more competitive over time) and involves a high degree of uncertainty. The Fund will compete for investment opportunities with, among other entities, other private investment vehicles as well as institutional investors. While the Investment Team has established deal flow and connections within the private equity community and believes that it is well positioned to secure an attractive flow of investment opportunities, there can be no assurance that the Fund will be able to identify a sufficient number of attractive investment opportunities to fully invest its committed capital.

*No Assurance of Investment Return* – PPC cannot provide assurance that the Fund will generate returns for its investors or that the returns will be commensurate with the risks of the types of investments pursued by the Fund. The Fund may experience a complete loss of capital. Therefore, an investment in the Fund should only be considered by persons who can afford a loss of their entire investment. PPC cannot provide assurance that the Fund will achieve its investment objective or that the Special Members will receive distributions from the Fund.

*Limited Portfolio Diversification* – The Fund may participate in a limited number of investments and there can be no assurances concerning the diversification of the Fund’s assets. Without the approval of the Board, the Fund will not invest in any one portfolio company more than the greater of (i) 20% of the Fund’s aggregate undrawn capital commitments, determined as of the first day of the budget year in which the Fund makes its first investment in such portfolio company (which amount may be increased in any subsequent year by an amount equal to 20% of any new capital commitments to the Fund) and (ii) \$80 million. However, at times the Fund may have only a very small number of concentrated holdings. Therefore, the aggregate return of the Fund may be adversely affected by the negative performance of a relatively few investments and may not enjoy the reduced risks of a broadly diversified portfolio. The Fund does not have fixed guidelines for diversification by industry, and investments may be concentrated in only a few industries.

*Investment in Restructurings* – The Fund may make investments in restructurings of its portfolio companies that have experienced or are experiencing financial difficulties. These financial difficulties may never be overcome and may cause such companies to become subject to bankruptcy proceedings. As such, these investments could subject the Fund to certain additional potential liabilities that may exceed the amount of the Fund’s original investment therein. For instance, under certain circumstances, payments to the Fund (and distributions by the Fund to the Special Members) may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy and insolvency laws. Investments in restructurings also may be adversely affected by statutes relating to, among other things, lender liability and the court’s discretionary power to disallow, subordinate or disenfranchise particular claims.

*Regulated Industries* – Certain of the industries in which the Fund intends to invest – in particular, financial services, healthcare and specialty chemicals and ingredients – are highly regulated and subject to extensive legal and regulatory restrictions and limitations and, in certain cases, to supervision, examination and enforcement by regulatory authorities. Failure to comply with these laws, rules or regulations, some of which are subject to interpretation, could result in a variety of adverse consequences to investments made by the Fund in these industries or to the Fund generally. In addition, the regulatory frameworks applicable to investing in companies operating in these industries are subject to change at any time, which could adversely impact the Fund’s ability to locate or close investments in these industries and/or the value of investments then held by the Fund.

### **c. Private Equity Risks**

*Investments Longer Than Holding Periods* – Although PPC expects that Fund investments will be realized prior to the end of the ten-year holding periods (subject to extension) described in the Governing Documents or be suitable for in-kind distribution at dissolution, the Fund may have to

sell, distribute or otherwise dispose of its investments at a disadvantageous time. As a result, the Fund may sell, distribute or otherwise dispose of its investments for a price which is less than the price that could have been obtained if the investments were held for a longer period of time.

*Follow-On Investments* – The Fund may be called upon to provide additional funding to, or have the opportunity to increase its investment in, its portfolio companies. There can be no assurance that the Fund will wish to make follow-on investments or that it will have sufficient financial resources to do so. Any decision not to make a follow-on investment or the inability of the Fund to make such an investment may have a substantial negative impact on a portfolio company in need of such an investment and may diminish the Fund's ability to influence the portfolio company's future development and the value of the Fund's investment in such portfolio company.

*Contingent Liabilities on Disposition of Investments* – In connection with the disposition of an investment in a portfolio company, the Fund may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. The Fund may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate, incorrect or misleading. These arrangements may result in the incurrence of contingent liabilities for which PPC may establish reserves and escrows. In that regard, distributions may be delayed or withheld until such reserve is no longer needed or the escrow period expires.

*Financial Leverage* – The Fund's portfolio companies may make extensive use of financial leverage from a number of sources including banks, investment banks, public debt markets, mezzanine funds and bridge loan funds. The use of debt would expose these companies to financial risk, including the inability to meet debt obligations as they mature and possible bankruptcy. Such risks will be heightened in an environment of increasing interest rates or an overall decline in economic conditions within the United States and the global economy.

*Bridge Investments* – The Fund may provide interim or bridge financing in connection with one or more of its investments. While such securities are outstanding, the Fund will bear the risk of changes in the capital markets that may adversely affect the ability of a portfolio company to refinance such bridge investments. If the portfolio company is unable to complete a refinancing of the bridge loan, for example, the Fund could have a long-term investment in a junior security or that junior security might be converted to equity.

*Hedging Policies/Risks* – The Fund may, in some circumstances, directly or indirectly, employ hedging techniques in connection with its portfolio investments designed to reduce the risks of currency exposure and manage interest rate duration. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, currency exchange rates or other events relating to such hedging transactions may result in a poorer overall performance for the Fund than if it had not entered into such hedging transactions.

*Provision of Managerial Assistance* – The Fund may obtain rights to participate substantially in and to influence substantially the conduct of the management of its portfolio companies. The Fund may designate directors (and non-executive chairmen) to serve on the boards of directors of its portfolio companies. The designation of directors or other measures could expose the assets

of the Fund to claims by a portfolio company, its security holders and its creditors. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liability. If these liabilities were to occur, the Fund and its members may be adversely affected. While it is expected that the Fund will be managed in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

*Minority Interests in Portfolio Companies* – The Fund may be a minority investor in a portfolio company and, as such, may have limited rights to participate in and to influence the conduct of the management of the portfolio company. In addition, other majority or control investors in these portfolio companies may have interests conflicting with those of the Fund and Special Members. Consequently, the Fund and PPC may not always be in a position to protect the Fund's interest effectively.

*Joint Investments* – The Fund may enter into partnerships or joint ventures with other parties to make investments. Such investments may involve risks not present in direct company investments, including, for example, the possibility that a co-investor might become bankrupt, or may at any time have economic or business interests or goals that are inconsistent with those of the Fund, or that such co-investor may be in a position to take action contrary to the Fund's objectives. In addition, the Fund may be liable for actions of its co-investor. While PPC will review the qualifications and previous experience of any proposed co-investor or partner, it does not expect in all cases to obtain financial information from, or to undertake private investigations with respect to, prospective co-ventures or partners.

#### **d. General Investment Risks**

*No Market for Interests in Fund and Restrictions on Transfer* – A Special Member may not sell assign, transfer, pledge or otherwise dispose of its interest in the Fund other than with the prior written consent of the Managing Member, which may be given or withheld in the Managing Member's sole and absolute discretion, and the approval of the Board. Voluntary withdrawals from the Fund will not be permitted except under the limited circumstances set forth in the Governing Documents. The Special Member interests have not been, and are not contemplated to be, registered under the Securities Act, any state securities laws or the securities laws of any other jurisdiction, and may not be transferred unless registered under applicable federal, state and/or other securities laws or unless an exemption from registration under such laws is available. There is currently no public market for interests in the Fund and it is unlikely one will develop. Accordingly, it may be difficult to obtain reliable information about the value of the interests. Consequently, Special Members may not be able to liquidate their investments prior to the end of the Fund's term and, therefore, must be prepared to bear the risks of owning their interests and contributing capital for an extended period of time.

*Future Changes in Applicable Law* – The Fund's ability to implement its investment program, as well as the ability of the Fund to conduct its operations and objectives, is based on laws and regulations that are subject to change through legislative, judicial or administrative action. Future legislative, judicial or administrative action could adversely affect the Fund's ability to implement its investment program, as well as the ability of the Fund to conduct its operations and achieve its investment objective.

*Economic Conditions* – The success of the Fund may depend on general economic conditions over which the Fund and the companies in which it invests can exercise no control. Interest rates (which have meaningfully increased over the past year), 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 the Fund or considered for prospective investment. Difficult market or economic conditions may reduce the value or hamper the performance of the Fund’s investments. The Fund and the businesses of the companies in which we invest are materially affected by conditions in the global financial markets and economic conditions throughout the world, such as rising interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, national and international political circumstances (including wars, terrorist acts or security operations), natural disasters, public health crises (such as the recent outbreak of a novel coronavirus) and other events outside of our control.

*The Fund and its investments may be adversely affected by the recent volatility in the banking system.* – An investment in the Fund is subject to the risk that one of the banks, brokers, hedging counterparties, lenders or other custodians (each, a “Financial Institution”) of some or all of the Fund’s assets fails to timely perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank (“SVB”) and Signature Bank in March 2023 (each, a “Distress Event”). On Friday March 10, 2023, the U.S. Federal Deposit Insurance Corporation (the “FDIC”) was appointed receiver for SVB. On Sunday March 12, 2023, the FDIC was appointed receiver for Signature Bank to protect depositors. On Sunday March 12, 2023, the U.S. Department of Treasury (the “Treasury”), the FDIC and the Board of Governors of the Federal Reserve System (“Federal Reserve”) jointly announced that, upon recommendation from the board of the FDIC and the Federal Reserve, and in consultation with the President of the United States, Treasury Secretary Yellen approved actions enabling the FDIC to complete its resolution of SVB and Signature Bank in order to protect all of those banks’ depositors. On March 19, 2023, at the urging of Swiss authorities, UBS Group announced plans to acquire Credit Suisse Group. Subject to regulatory approval, UBS Group would absorb Credit Suisse Group and succeed to all assets and all liabilities of Credit Suisse Group.

The Fund maintains substantially all of its cash and cash equivalents in accounts with major U.S. Financial Institutions, and its deposits at certain of these institutions may exceed the insured limits, where applicable. Distress Events may impact the viability of the institutions listed above and other banking and financial services institutions. In the event of failure of any of the Financial Institutions where the Fund maintains its cash and cash equivalents, there can be no assurance that it would be able to access uninsured funds in a timely manner or at all. Any inability to access, or delay in accessing, these funds could adversely affect the business and financial position of the Fund. The closing of SVB and Signature Bank, the acquisition of Credit Suisse Group by UBS Group at the request of Swiss regulators, and any additional closures or resolution measures that may occur within the banking system, domestically and internationally, as well as the placement into receivership by the FDIC or other regulators, including foreign regulators, or bankruptcy, of any banks or other Financial Institutions, or a crisis of confidence in the industry by investors and consumers generally, in each case, will negatively impact the availability of certain financial services to the Fund and may require the Fund to establish new bank relationships.



If a Distress Event leads to a loss of access to the Managing Member's or the Fund's deposits, borrowing facilities or other services, such loss may have an overall negative impact on the Fund's internal rate of return.

It is also possible that the Fund will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital, or otherwise) in a case of loss of access to services or otherwise during a Distress Event. Although the Managing Member expects to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. The Fund is subject to similar risks if a Financial Institution utilized by investors in the Fund or by suppliers, vendors, service providers or other counterparties of the Fund becomes subject to a Distress Event, which could have a material adverse effect on the Fund.

Distress Events may significantly increase the Fund's costs, negatively impact its ability to execute on pending transactions, including with respect to the ability to draw down amounts under credit facilities, and divert our time, attention and resources away from the pursuit of the Fund's investment strategies. Furthermore, Distress Events may also increase counterparty risk, including raising the likelihood of defaults or bankruptcies by counterparties and tenants that rely on such bank relationships. Depending on ongoing developments, regulatory guidance and timing, such events may significantly exacerbate the normal risks associated with the Fund and result in adverse changes to, among other things: (i) general economic and market conditions; (ii) interest rates, currency exchange rates, and expenses associated with currency management transactions; (iii) demand for investments; (iv) availability of credit in certain markets; and (v) laws, regulations and governmental policies. In addition, such events may lead to financial system and participant regulatory reform, and such increased regulatory oversight may impose additional administrative burden and costs on the Fund. The foregoing could materially adversely impact operations of the Fund and its investments and the Fund's financing and overall cash flow, acquisition, development and leverage strategies and investment returns. It is currently unclear what the ultimate effect of the situation will be on the banking sector, private equity industry, real estate market and global financial markets as a whole.

*Regulatory Oversight* – The Fund is not and will not be registered under the Investment Company Act. The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies (including, for example, limitations on the ability of registered investment companies to enter into transactions with affiliated parties), none of which will be applicable to the Fund.

*Conflicts of Interest* – The Fund's investments are subject to various conflicts of interest, including those between various investors in the Fund and between PPC and the Fund. These conflicts are more fully discussed in *Item 10 — Other Financial and Industry Activities and Affiliations*, in *Item 11 — Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*, and in the Fund's Governing Documents.

*The ongoing COVID-19 pandemic or the future outbreak of any other highly infectious or contagious diseases could adversely affect the Fund and its investments.* – Outbreaks of disease, epidemics and public health issues, such as the outbreak of the novel coronavirus disease 2019 (“COVID-19”) globally, continue to adversely impact global commercial activity and has contributed to significant volatility in financial markets. COVID-19 has negatively affected (and may continue to negatively affect or materially impact) the global economy, global equity markets and supply chains (including as a result of quarantines and other government-directed or mandated measures or actions to stop the spread of outbreaks). The effects of COVID-19 have contributed to increased volatility in global markets and have affected and will likely continue to affect certain countries, companies, industries and market sectors more dramatically than others.

Any outbreak of disease epidemics or pandemics including COVID-19, severe acute respiratory syndrome, avian influenza, Ebola, H1N1/09 or other new or existing infectious diseases, together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, could meaningfully disrupt the global economy in 2023 and beyond and affect the Fund’s ability to fulfill its investment objectives. Due to the evolving and highly uncertain nature of current or future pandemics, it is not possible to estimate their impact precisely, and they may impact the performance of the Fund. For example, the Managing Member’s ability to operate effectively, including the ability of its personnel or its service providers and other contractors to function, communicate and travel to the extent necessary to carry out the Fund’s investment strategies and objectives and the Managing Member’s business and to satisfy its obligations to the Fund, its investors, and pursuant to applicable law may be impaired. The spread of COVID-19 or other new or existing infectious diseases among the Managing Member and its personnel and its service providers would also significantly affect the Managing Member’s ability to properly oversee the affairs of the 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 the Fund’s investment activities or operations.

In connection with the impacts of the current pandemic and any future such public health crisis, the Fund is expected to incur heightened legal expenses which could similarly have an adverse impact to the Fund’s returns. For example, but not by limitation, the Fund and its investments may be subject to heightened litigation and its resulting costs, which costs may be significant and are expected to be borne by the Fund and its investments. There is also a heightened risk of cyber and other security vulnerabilities during the current public health emergency and any future one, which could result in adverse effects to the Fund or its investments in the form of economic harm, data loss or other negative outcomes. Further, extreme market volatility may leave the Fund unable to react to market events in a prudent manner consistent with historical practices in dealing with more orderly markets.

*Russia’s invasion of Ukraine could cause material economic repercussions in the U.S. and globally.* – Russia’s 2022 invasion of Ukraine, the resulting displacement of persons both within Ukraine and to neighboring countries, and the associated international sanctions could have a negative impact on the economy and business activity globally, and therefore could adversely affect the performance of the Fund’s investments. Furthermore, given the ongoing nature of the conflict between the two nations and its escalation (such as Russia’s recent partial mobilization of military reserves and the possibility of significant cyberwarfare against military and civilian targets globally), it is difficult to predict the conflict’s ultimate impact on global economic and market

conditions. As a result, the situation creates material uncertainty and risk with respect to the Fund's investment performance and operations and the Fund's ability to achieve its investment objectives.

*The ongoing Israel-Hamas War could result in lasting implications for the global economy, largely via its effect on energy markets with the potential for the war to spread throughout the region, the world's most important energy producer.* – On October 7, 2023, Hamas militants and members of other terrorist organizations infiltrated Israel's southern border from the Gaza Strip and conducted a series of terror attacks on civilian and military targets. The militants launched extensive rocket attacks on the Israeli population and industrial centers located along the Israeli border with the Gaza Strip. Shortly following the attack, Israel's security cabinet declared war against Hamas. The intensity and duration of Israel's war against Hamas is difficult to predict, as are the war's ultimate impact on global economic and market conditions. As a result, the situation creates material uncertainty and risk with respect to the Fund's investment performance and operations and the Fund's ability to achieve its investment objectives.

*The Fund and its investments may be adversely affected by the continuing effects of inflation and elevated interest rates.* – While domestic and international markets experienced moderation of inflationary pressures in fiscal year 2023 and inflation rates in the U.S., as well as in other countries, and are expected to continue to moderate from elevated levels throughout 2024, global inflation rates remain above historical levels and the pandemic-fueled price surge remains and is only now gradually coming under control. While core consumer prices have moderated significantly on a year-over-year basis, food, energy and service cost increases are still above the Federal Reserve's target inflation rate of 2% and may result in a delay in the lowering of interest rates to later in 2024, coupled with reduced government spending and volatility in financial markets, may have the effect of further increasing economic uncertainty and heightening these risks. Interest rate increases or other government actions taken to reduce inflation could also result in recessionary pressures in many parts of the world. Interest rate risk poses a significant market risk and the Fund and its investments may also be impacted by inflation. If a portfolio company is unable to pass any increases in its costs along to its customers, it could adversely affect its results and ability to pay interest and principal on any loans, particularly if interest rates rise further in response to inflation. In addition, any projected future decreases in a portfolio company's operating results due to inflation could adversely impact the fair value of such investment. Any decreases in the fair value of the Fund's investments could result in future unrealized losses and therefore reduce the Fund's net assets resulting from operations.

The continued after-effects of the COVID-19 pandemic, the war between Russia and Ukraine, Israel's war against Hamas, inflation and/or future additional geopolitical conditions are highly uncertain, and their impact cannot be predicted. With a fragile economic environment, and the potential for additional market volatility in 2024 is a risk for which investors must account. These on-going global events could have material adverse effects on the performance of the Fund and its investments. To the extent the Fund may overweight its investments in certain companies, industries or market sectors, such positions will increase the Fund's exposure to risk of loss from adverse developments affecting those companies, industries or sectors. One of the investments in the Fund's portfolio, HTH, a holding company focused on aggregating and integrating technology providers to the hospitality industry, was directly and negatively impacted by declines in hotel

occupancy during the pandemic. While the hospitality industry has seen some recovery in the past year, the outcome of this investment will depend on the extent and timing of such recovery.

Although we and our portfolio companies have business continuity plans and other safeguards in place, that, if and when they were needed, have been effective to date, there is no assurance that they will continue to be effective. Although the ultimate impact of these factors is still unknown at this time, the continued fragile and uncertain economic conditions generally, inflation and rising interest rates and a prolonged negative impact on certain businesses due to COVID-19 could result in a material adverse effect to the Fund and its investments. With regard to the war between Russia and Ukraine and Israel's war against Hamas, we continue to closely monitor these situations and gauge their potential impact on each of our investments.

#### **e. Risks Relating to the Credit Facility**

*Loan Borrowings* – The Fund may incur debt under its credit facility to finance a portion of its investments. The use of such borrowing generally magnifies both the Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of borrowing is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast. During times when credit markets are unfavorable, it may be difficult to obtain the desired degree of borrowing. To the extent that the Fund is unable to secure the amount of borrowing it is seeking, this may affect not only the number of investments the Fund can make, but could also have an adverse effect on the value of the investments and on the returns to investors. Although borrowings by the Fund may enhance overall returns, they may further diminish returns (or increase losses) to the extent returns during the borrowing are less than the interest costs and expenses of such borrowings. The interest expense and other costs of any such borrowings may also decrease net returns of the Fund.

Borrowings by the Fund under its credit facility are secured by the capital commitments of the Fund's Members. Upon borrowing under its credit facility, the Fund's ability to make scheduled payments on, or to refinance, its debt and other obligations will depend on the Fund's financial and operating performance, which, in turn, is subject to the Fund's ability to implement its strategic initiatives, prevailing economic conditions and certain financial, business and other factors beyond the Fund's control. If the Fund's cash flow and capital resources are insufficient to fund its debt service and other obligations, the Fund will be forced to call the undrawn capital commitments of its Members in order to repay the Fund's debt. Neither the Managing Member nor the Manager can provide assurance that the Fund's operating performance, cash flow and capital resources will be sufficient to pay its debt obligations when they become due.

A breach of any of the covenants or restrictions contained in the Fund's credit facility or any future financing agreements could result in an event of default under those agreements. Such a default could allow the lenders under the Fund's financing agreements to discontinue lending, to accelerate the related debt as well as any other debt to which a cross-acceleration or cross-default provision applies and/or to declare all borrowings outstanding thereunder to be due and payable. In addition, the lenders could terminate any commitments they have to provide the Fund with further funds.

Neither the Managing Member nor the Manager can provide assurance that the Fund will be able to remain in compliance with the covenants to which it is subject in the future and, if the Fund fails to do so, that it will be able to obtain waivers from its lenders or amend such covenants.

## **Item 9 – Disciplinary Information**

Registered investment advisers must disclose facts about any legal or disciplinary events that would be material to a client's evaluation of the adviser's business or the integrity of the adviser's management. PPC has no legal or disciplinary events of any kind to report.

## Item 10 – Other Financial Industry Activities and Affiliations

Neither PPC nor any member of its Investment Team is registered as, or has an application pending as, a securities broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor.

### 1. Outside Business Activities

#### a. **TTGA**

As discussed in *Item 4 — Advisory Business*, Mr. Tokarz, a Co-Founder of PPC, is also a manager of TTGA, a registered investment adviser that provides advisory services to the MVC PE Fund. The involvement of Mr. Tokarz in the investment decisions of the MVC PE Fund and the Fund may create a conflict the duties he owes as an officer and manager of TTGA and the duties he owes to the Fund. PPC has and will continue to work closely with the Board to ensure that all conflicts and potential conflicts are properly managed.

### 2. Involvement in Portfolio Companies and Other Outside Business Activities

After fulfilling his obligations to the MVC PE Fund, Mr. Tokarz will focus a substantial majority of his business time on the Fund. Mr. Golkin will devote substantially all of his business time and attention to the business and affairs of the Fund, and Messrs. Alper, Lynch, Uger and Zaman will spend a substantial portion of their business time on the Fund. In addition, PPC personnel also will often become actively involved in portfolio company operations throughout the investment cycle for such company. PPC personnel's involvement with portfolio company operations may introduce a conflict of interest between the fiduciary duty he or she owes as a member of a portfolio company board and the fiduciary duty he or she owes to the Fund.

The outside business activities of PPC personnel also may create conflicts of interest. Mr. Golkin currently serves on the corporate boards of several private companies and is also a trustee at the University of Pennsylvania and on the boards of its law school, health system and endowment. Mr. Tokarz currently serves on the corporate boards of several public and private companies.

As a result of such service and the involvement of Mr. Tokarz with TTGA, PPC personnel may become aware, from time to time, of material non-public information about a portfolio company or other entity for which a Co-Founder or supervised person serves on the board of directors or that they otherwise assist, or about other public companies affiliated with or that otherwise do business with such companies. Such knowledge of material nonpublic information is likely to be attributed to PPC and may create a conflict of interest between the portfolio company or other entity for which material nonpublic information is obtained and the Fund. PPC monitors perceived and actual conflicts of interests arising from these relationships. PPC's Code of Ethics and related internal controls with respect to insider trading seek to prevent the potential misuse of such material nonpublic information. See the discussion under *Item 11 — Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*.

In addition, a conflict of interest may arise concerning the allocation of management time, services and functions with respect to these persons between the Fund on the one hand, and these other entities, on the other hand. PPC has policies and procedures designed to address these conflict situations and monitors perceived and actual conflicts of interests arising from these relationships.

### 3. Parallel Investment Entities

The Managing Member may organize and/or manage one or more parallel investment entities to facilitate participation by certain investors in investment opportunities to accommodate legal, tax, regulatory or other similar considerations of such investors. Such parallel investment entities may co-invest in each investment opportunity selected by the Managing Member on substantially the same economic terms and conditions and with such differences in the form of such co-investment as may be required by the legal, tax, regulatory or other similar considerations referred to above. Investors should refer to *Item 11 — Code of Ethics, Participation or Interest in Client Transactions and Personal Trading* under “Conflicts of Interest” and the specific provisions of the Governing Documents of the Fund for more detailed discussion regarding the allocation of investment opportunities among the Fund and parallel investment entities.

To date the Managing Member has only organized Series A of PPC AV 1. Series A of PPC AV 1 was established with the consent of the Board and otherwise pursuant to the Company’s LLC Agreement to address certain tax requirements of one of the Special Members.



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

### **1. Code of Ethics and Fiduciary Duty**

PPC strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty, and trust. In seeking to meet these standards, the Adviser has adopted a Code of Ethics (the “Code”) setting forth the fiduciary standards of business conduct and compliance with applicable laws that are expected of PPC’s supervised persons and addresses conflicts that may arise from personal trading conducted by PPC’s “access persons,” as that term is defined in Rule 204A-1 under the Advisers Act. The Code is the primary policy document of PPC which defines the expectation and requirement of professional and ethical conduct by all employees. The Code incorporates the following general principles that all access persons are expected to uphold:

- access persons must at all times place the interests of clients first;
- all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an access person’s position of trust and responsibility must be avoided;
- access persons must not take any inappropriate advantage of their positions;
- information concerning the identity of securities and financial circumstances of the Fund, including the Fund’s investors, must be kept confidential (unless otherwise permitted to be disclosed under a contractual arrangement or by law); and
- independence in the investment decision-making process must be always maintained.

The Code also places restrictions on personal trades by access persons, including the requirement that they disclose their personal securities holdings and transactions to PPC on a periodic basis, and requires that access persons pre-clear certain types of personal securities transactions. Investors may request a copy of the Code by contacting the Chief Compliance Officer of PPC at the address, email or telephone number listed on the first page of this document.

### **2. Insider Trading Policies**

In addition to the foregoing principles set forth in the Code, PPC imposes restrictions relating to its and its access persons’ use of material nonpublic information. These restrictions are set forth in the Code and are designed to prevent the misuse of material nonpublic information. All of PPC’s access persons are required to certify their compliance with the Code and the insider trading policies on a periodic basis.

PPC’s insider trading policies prohibit PPC and its access persons from trading for the Fund or themselves, or recommending trading, in securities of a company while in possession of material

nonpublic information about such company. The insider trading policies also prohibit PPC's access persons from disclosing material nonpublic information to any person not entitled to receive it. PPC may have access to material nonpublic information due to its various activities on behalf of itself or the Fund that may restrict it from acting for the Fund to acquire or dispose of securities, resulting in limited liquidity for the Fund. PPC seeks to minimize those cases whenever possible, consistent with applicable law and PPC's insider trading policies, but there can be no assurance that such efforts will be successful and that such restrictions will not occur.

### 3. Outside Business Activities

PPC's supervised persons may not be employed by, or accept compensation from, any person or entity other than PPC and its affiliates (including portfolio companies), to the extent that such employment or activity conflicts with PPC's ability to serve its clients.

PPC monitors the outside business activities of supervised persons by requiring each supervised person to submit for pre-approval by the Chief Compliance Officer all proposed business activities that are not directly associated with the supervised person's professional responsibilities at PPC. Investment professionals providing services under independent contractor agreements do not need authorization from the Chief Compliance Officer to continue their employment with their employer. For additional information on PPC's supervised persons outside business activities, see *Item 10 — Other Financial and Industry Activities and Affiliations*.

### 4. Gifts and Entertainment

PPC's access persons may receive gifts or attend business meals, sporting events and other entertainment events related to company business at the expense of a giver, provided that the gift or entertainment is not lavish or extravagant in nature. PPC's gifts and entertainment policy implements internal controls to monitor the behavior of access persons, which include:

- requiring access persons to report gifts and entertainment above certain *de minimis* amounts to the Chief Compliance Officer;
- prohibiting acceptance of a gift if all gifts the access person has received from the vendor in a calendar year exceed the \$500 calendar year limit set forth in the Code; and
- maintaining a gift and entertainment log to ensure that PPC is informed of the activities of all access persons.

### 5. Political Contributions

PPC has adopted a political contributions policy prohibiting all access persons, their immediate family members and members of their household from making any political contributions. This policy is intended to facilitate compliance with rules regarding the political activities of registered investment advisers doing business with government entities (referred to as "pay-to-play" rules).

PPC further prohibits its access persons from using third party solicitors, attorneys or family members to circumvent the rule by making an indirect contribution to, or from hiring or agreeing to pay a third party to solicit, a government entity for advisory business on behalf of PPC.

## 6. Board of Investors

The Fund has a separate board of investors (the “Board”), which as of the date hereof consists of the CEO (or his designee) and representatives of certain of the Special Members. The Board participates in certain governance matters relating to the Fund, including determining the appropriateness of any action or inaction on the part of the Fund in any situation that poses, or may pose, a material conflict of interest. The Board also has the right to review and, in certain cases, approve or disapprove certain matters, including the Fund’s annual budget, including the management fee and other expenses, as well as the admission of additional Special Members and thus the overall size of the Fund, as set forth in the Governing Documents. Except as described herein, the Board will have no role with respect to Fund investments or exit decisions, provided that the Board may establish guidelines with respect to Fund investments (it being understood that such guidelines will be consistent with the purpose and focus of the Fund and the investment limitations described in the Governing Documents). Board decisions are generally made by vote of a majority of the votes cast by a quorum of its members at a duly called meeting. The CEO (or his designee) will not participate in any vote of the Board relating to a potential or actual conflict of interest.

The CEO may be removed by the Board with a vote of two-thirds of its members (not including the CEO). The management team will propose a successor CEO within 60 days following any such removal, and any such successor must be approved by the Board.

At any time, a supermajority of the Special Members may elect to remove the Managing Member for any reason or no reason by delivering notice of their election to the Managing Member. Upon the effective date of the removal, the Managing Member will cease to have any rights, powers, obligations or duties to the Fund, the management agreements between PPC, the Managing Member and the Fund will terminate and PPC shall cease to provide investment advisory services to the Fund.

As appropriate, PPC will work closely with the Board to ensure that all potential conflicts of interest are properly managed. Investors should refer to the specific provisions of the Governing Documents for more detailed discussion regarding the responsibilities and authority of the Board.

## 7. Conflicts of Interest

### **a. Co-Investments**

Subject to the Governing Documents of the Fund, including the exception described below, if the Managing Member determines that a co-investment opportunity is available, the Managing Member will initially offer such opportunity to the Special Members on a pro rata basis in accordance with their undrawn capital commitments. Any co-investment opportunity not taken up by the Special Members may be offered to any other person by the Managing Member. Participating co-investors may be charged management fees and expenses on co-investment amounts as if they invested such additional amounts in the Fund (but they will not be charged a

profit participation on such co-investment amounts). If the Managing Member intends to charge such fees and expenses, it will notify the Special Members at the time it notifies them of the co-investment opportunity.

Notwithstanding the foregoing, the Managing Member may offer up to 5% of the capital to be invested in all investments proposed to be made by the Fund with respect to any budget year to a co-investment vehicle established by the Managing Member or its affiliates the participants in which may include any person (other than the Managing Member, the Adviser, certain principals and investment professionals, affiliates and persons related to the foregoing) approved by the Managing Member; provided that (i) prior to the first day of such budget year, the Managing Member is required to fix the “Annual Co-Investment Percentage” (as defined below) of any such co-investment vehicle and to notify the Special Members thereof, and (ii) such co-investment vehicle will be required to participate in all investments that are committed to during such budget year based on its Annual Co-Investment Percentage during such budget year. Any co-investment by any such co-investment vehicle shall be on no more favorable economic terms and conditions (including the purchase price) than the Fund’s investment except that the Managing Member will not be required to charge a management fee on, or include a carried interest with respect to, such investment by the co-investment vehicle. As used in this paragraph, the term “Annual Co-Investment Percentage” means the percentage, expressed as a ratio, which (A) the aggregate capital commitments of the partners or members to the co-investment vehicle with respect to the relevant budget year, not to exceed \$2.5 million, bear to (B) the sum of (x) the amount determined pursuant to clause (A) and (y) the total undrawn capital commitments of all Members to the Fund as of the first day of such budget year.

PPC is committed to allocating investment opportunities on a fair and equitable basis and has established policies and procedures to address the allocation of investment opportunities.

#### **b. Interests in the Fund; Other Arrangements**

Through the limited liability company structure, affiliates and access persons of PPC may have indirect beneficial interests in the securities owned by the Fund and will share in any profits and losses generated by Fund investments. In certain situations, related persons of PPC may purchase interests in the portfolio investments held by the Fund through the Managing Member and feeder funds established to facilitate employees’ participation in the Fund. Additionally certain members of the Investment Team may invest directly in the Fund. Employees may only participate in discussions or authorizations to buy or sell a Fund security if the employee’s only interest in the security is: (i) held indirectly through the Managing Member, the Fund, a feeder fund or (ii) related to service as a director or executive of a portfolio company to facilitate PPC’s ability to monitor Fund investments in the portfolio company. These activities are subject to the Compliance Manual and the Code.

PPC will always endeavor to act in the best interests of the Fund. Investors should be aware, however, that the receipt of compensation and other amounts by the Adviser, its access persons and the Managing Member (including through the Managing Member’s carried interest) creates a potential conflict of interest with respect to such transactions. Where actual or potential conflicts of interest among the Adviser, the Managing Member, related persons and the Fund are identified,

procedures contained in the Governing Documents may provide for submission of the proposed transaction to the Board for review and resolution. See “Board of Investors” above.

**c. TTGA and Navigate**

TTGA previously provided advisory services to TTGA SBIC Pioneer Fund I, LP (the “Pioneer Fund”). Mr. Tokarz retired as one of the Principals of TTGA SBIC Pioneer GP, LLC effective July 1, 2023. As such, TTGA with the approval of the Small Business Administration, assigned the Management Services Agreement for the Pioneer Fund to Navigate. Certain employees of PPC continue to provide administrative support to Navigate with respect to the Pioneer Fund.

As the investment period of the MVC PE Fund has expired and the MVC PE Fund will not make any additional follow-on investments as it is currently in the process of disposing of its sole remaining investment, neither PPC nor the Managing Member believes there will be any material conflicts of interest with respect to the allocation of investment opportunities between the Fund and the MVC PE Fund.

The involvement of Mr. Tokarz in the investment decisions with respect to the MVC PE Fund, as well as the investment decisions with respect to the Fund, have the potential to create a conflict of interest between any fiduciary duty he owes to the MVC PE Fund as a member and officer of TTGA and the fiduciary duty Mr. Tokarz owes to the Fund.

In addition, certain employees of PPC have other responsibilities, not only to PPC and the Fund, but also to TTGA and Navigate, and they may devote a significant portion of their time those entities. These other activities may introduce a conflict between the duties such individuals may have to PPC and the Fund, on the one hand, and the duties they may owe to those other entities, on the other hand. PPC will work closely with the Board to ensure that all conflicts and potential conflicts are properly managed.

**d. Series of the Fund**

The Adviser intends to provide advisory services to one or more series of the Company and PPC AV 1 and to any alternative vehicles and co-investment vehicles of the same. The Company has only Series A, which was established on May 9, 2014, and PPC AV 1 has only Series A, which was established on November 4, 2016. Unless and until other series are established in accordance with the LLC Agreements under the limited circumstances provided therein, all investments by the Company and PPC AV 1 will be made by on behalf of their respective Series A and will be assets of such series, and all liabilities incurred by the Company, PPC AV 1 or their respective Series A will be liabilities of the relevant Series A. The establishment of a new series of the Company and PPC AV 1 may only occur in connection with the reduction in the capital commitment of one of the Company’s founding Special Members or such Special Member’s withdrawal from Series A. Following any such reduction or withdrawal, all investments by the Company and PPC AV 1 that are follow-on investments in portfolio companies in which their respective Series A had previously invested or which were committed to by such Series A prior to the effective date of such reduction or withdrawal will be made by such Series A, and all other investments by the Company and PPC AV 1 will be made by or on behalf of their respective new series. As a result, the Adviser does not expect there will be an issue relating to the allocation of investments between the new series and

Series A. PPC is focused on monitoring the allocation of investment opportunities in the above contexts and will endeavor to work with the Investment Team to resolve any conflict with respect to investment opportunities between two series in a manner that it deems equitable under the circumstances, consistent with its fiduciary duties to each series of the Fund.

**e. Side Letters**

In special circumstances the Managing Member may enter into side letters or other arrangements with an investor in connection with the investor's admission into the Fund, without the approval of any other investor. The arrangements may have the effect of establishing rights under, or supplementing or modifying the terms of, the Governing Documents of the Fund with respect to the investor, in a manner more favorable to such investor than those applicable to other investors. For example, a side letter may include rights or terms necessary to address specific legal, regulatory or public policy restrictions of an investor or may impose additional reporting obligations on the Managing Member. PPC has established policies and procedures to address the execution of side letters with certain of its investors.

## **Item 12 – Brokerage Practices**

### **1. Broker Selection and Best Execution**

Typically, the purchase or sale of a security for the Fund will involve a privately negotiated transaction with the issuer, prospective seller or prospective purchaser(s) of the security, and generally will not involve the services of a traditional broker or dealer as is customary in the transaction of registered securities. In the rare instances in which PPC provides advice regarding transactions in exchange-listed securities or stocks traded in the over-the-counter markets (e.g., when awaiting deployment of capital into portfolio investments or liquidating the Fund's positions in securities originally obtained by the Fund in a private placement that convert or otherwise become registered), PPC will seek to obtain, best execution for the Fund in selecting the broker(s) to be utilized and the commissions to be charged to the Fund.

In assessing the overall best execution terms available for a transaction, the full range and quality of a broker's or dealer's services are considered, including execution capability, experience in private equity transactions, network of contacts and relationships, research services (such as reports and analyses of markets, industries, companies, and economic trends), commission rates (or their equivalents), reputation and integrity, financial responsibility, and responsiveness. Broker or dealer arrangements are guided by contractual agreements in part to protect the integrity and confidentiality of Fund investment activity and to seek assurances as to proper qualifications of such brokers or dealers.

In accordance with this duty to obtain best execution for client transactions, PPC maintains policies and procedures to review the quality of executions, which include periodic reviews by its investment professionals of the execution quality obtained for client transactions.

### **2. Soft Dollar Usage**

PPC generally does not utilize the services of a broker-dealer to effect transactions on behalf of the Fund. As a matter of policy, if PPC engages in transactions on behalf of the Fund that require orders to be placed with a broker-dealer, PPC will not use "soft dollar" commissions to obtain brokerage or research services on behalf of PPC or the Fund.

### **3. Aggregation of Securities Transactions**

PPC provides investment advisory services to a select and limited number of clients, currently only to Series A of the Company and its alternative vehicle, Series A of PPC AV 1. PPC may aggregate securities transactions if it determines that aggregation would be beneficial to achieve more efficient execution or to provide for equitable treatment. It is expected that clients participating in aggregated securities transactions generally would be allocated securities based on the average price achieved for such transactions and that aggregated securities transactions would be allocated among PPC's clients on a pro rata basis, with exceptions based on the Fund's guidelines.

## **Item 13 – Review of Accounts**

### **1. Review of Fund Portfolios**

PPC will review the Fund’s investment portfolio on a regular basis and in no event less than quarterly. Such reviews will be conducted by the investment professionals and senior executives of PPC. Investments will be reviewed in light of the Fund’s stated investment objective and guidelines as set forth in the Governing Documents. During the review process, investment professionals will analyze existing portfolio company positions to identify issues early on, take any necessary actions, and monitor portfolio company performance relative to the original investment thesis.

### **2. Reports to Investors**

PPC does not provide reports to the Fund. Instead, the Managing Member will distribute periodic reports to Special Members as required by the Governing Documents so that they may monitor their investments. These periodic reports will convey to Fund investors, at a minimum: (i) audited financial statements and other information on an annual basis in accordance with generally accepted accounting principles (“GAAP”) within 120 days after the Fund’s fiscal year end, which occurs on December 31 of each year; (ii) unaudited summary financial and other information on a quarterly basis and (iii) such other information as may be necessary for a Special Member’s preparation of U.S. federal income tax returns.

### **3. Valuation Policy**

As a registered adviser and fiduciary to the Fund, PPC requires that all portfolio holdings reflect current, fair and accurate investment valuations and uses an objective valuation methodology that is consistently applied for all assets under management and in accordance with the Governing Documents. PPC values portfolio securities at their fair values, or, if market quotations are readily available, at their current market values.

PPC has established a valuation committee (the “Valuation Committee”), which convenes on a quarterly basis and as needed, primarily to establish and monitor fair values. Portfolio securities for which a reliable market value cannot be determined (“Fair Value Investments”) are measured at fair value as determined by the Valuation Committee. To assist the Valuation Committee in the valuation analysis, PPC’s investment professionals provide the committee with any and all materials and relevant information available as of the measurement date and will submit a quarterly report that, among other things: (i) specifies the current valuation based on the prior quarter’s results and similar data; (ii) identifies any recent events that might affect the value of the investment; and (iii) provides analysis from management based on PPC’s valuation methodologies. The Valuation Committee may also submit any valuation recommendation to the Investment Committee for approval.

Under most circumstances, at the time of acquisition, Fair Value Investments are valued at cost. During the period that a Fair Value Investment is held by the Fund, its original cost may cease to represent an appropriate valuation, and other factors must be considered. No pre-determined formula can be applied to determine fair values. Rather, the Valuation Committee makes fair



value assessments based upon the value at which the securities of the portfolio company could be sold in an orderly disposition over a reasonable period of time between willing parties, other than in a forced or liquidation sale. However, there is no single method that can be used in determining fair value for all portfolio securities because fair value depends upon the circumstances of each individual case. The liquidity event whereby the Fund ultimately exits an investment is generally the sale, the merger, the recapitalization or, in some cases, the initial public offering of, the portfolio company.

For more detail on valuation methodologies, which are articulated in the Governing Documents of the Fund and in the Compliance Manual, clients or prospective clients may contact the Chief Compliance Officer, Kevin M. Byrne at who can be reached at (609) 558-2996 or by email at [kbyrne@ppcenterprises.com](mailto:kbyrne@ppcenterprises.com).

## **Item 14 – Client Referrals and Other Compensation**

### **1. Economic Benefits Received from Third Parties**

PPC, either directly or indirectly through its affiliates, will receive compensation from certain portfolio companies in connection with managerial and other services provided to such companies in the ordinary course of business. PPC and its affiliated entities may also receive fees and other compensation, such as breakup fees, from transactions not consummated by the Fund in connection with the Fund’s proposed investment in such transactions. As described more fully in the Fund’s Governing Documents, such fees and other compensation will be shared with the Special Members through dollar-for-dollar offsets against management fees that would otherwise be payable by the Special Members. See *Item 5 — Fees and Compensation*, under “Management Fee Offsets.”

### **2. Compensation to Non-Supervised Persons for Client Referrals**

In September, 2023 PPC entered into a Fund Solicitation Agreement (the “Agreement”) with Invicta Capital, LLC (“Invicta”), a registered broker-dealer with the SEC. The Agreement stipulates the terms and conditions upon which Invicta and its directors, officers, employees, agents, representatives, consultants and/or other persons that provide services on Invicta’s behalf related to the Fund, and any Invicta affiliate will, on a non-exclusive basis, solicit and refer investors to the Fund in exchange for placement fees as outlined in the Agreement.

## **Item 15 – Custody**

The Adviser is deemed to have custody of the assets of the Fund within the meaning of the Advisers Act due to its affiliation with the Managing Member of the Fund. The Managing Member will distribute the Fund's audited financial statements prepared in accordance with GAAP to Fund investors within 120 days of the Fund's fiscal year end, in compliance with the exception to the custody rules set forth in Rule 206(4)-2 under the Advisers Act. Financial statements will be prepared by a Public Company Accounting Oversight Board-registered and inspected firm and will be documented and attested to by the accounting firm engaged to perform the custody audit. Investors should review these audited financial statements carefully.

Upon the final liquidation of the Fund, the Adviser will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP to all investors promptly after completion of the audit.

## **Item 16 – Investment Discretion**

The Adviser provides investment advisory services to the Fund on a discretionary basis but is subject to the overall supervision of the Managing Member. PPC's investment decisions and advice with respect to the Fund are subject to the Fund's investment objectives and guidelines, as set forth in the Fund's Governing Documents, which include the management agreements between PPC, the Managing Member and the Fund.

As discussed in *Item 4 — Advisory Business*, the Special Members are U.S. public pension plans and other long-term investors. Investment strategies and guidelines are not tailored to the individualized needs of any investor in the Fund; however, under special circumstances the Adviser may enter into arrangements with investors that limit or provide an alternative structure for the investor's participation in certain Fund investments to address specific legal, regulatory or public policy restrictions of the investor. An investment in the Fund involves significant risks and should be regarded as long-term in nature, forming only one portion of an investor's diversified investment portfolio. There can be no assurance that the investment objectives of any client will be achieved.

## **Item 17 – Voting Client Securities**

Because PPC will primarily invest the Fund's assets in the securities of private companies, PPC does not expect to receive proxy voting proposals on behalf of the Fund. In the rare instance where the Fund's portfolio contains registered securities and PPC receives a proxy voting proposal with regard to such securities, PPC's general policy is to vote such proxy proposals in a manner that serves the best interests of the Fund and, in the future, each other client, as determined by PPC in its discretion, taking into account relevant factors, including, but not limited to: (i) the impact on the value of the investments; (ii) the anticipated associated costs and benefits; (iii) the effect on liquidity; and (iv) customary industry and business practices. In limited circumstances, PPC may refrain from voting proxies where PPC believes that abstaining or not voting is in the best interests of the Fund. In making such a determination, PPC will consider various factors, including, but not limited to: (i) the costs associated with exercising the proxy (*e.g.*, translation or travel costs); and (ii) any legal restrictions on trading resulting from the exercise of a proxy. Further, with regard to amendments, consents or resolutions relating to interests in private investment funds held in the Fund's portfolio, PPC will follow the general policy above of seeking to serve the best interests of its clients with respect to such proposal.

Clients that would like to obtain a copy of PPC's proxy voting policies or additional information about how proxies have been voted should contact the Chief Compliance Officer, Kevin M. Byrne at (609) 558-2996 or by email at [kbyrne@ppcenterprises.com](mailto:kbyrne@ppcenterprises.com).

## **Item 18 – Financial Information**

PPC will not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

The Adviser and its affiliate entities have no financial obligation that would be reasonably likely to impair its capacity to meet contractual and fiduciary commitments to its clients, nor have the Adviser and its affiliate entities been the subject of a bankruptcy proceeding during the last 10 years.