



PHORCYS CAPITAL PARTNERS, LLC
Form ADV 2A Disclosure Brochure

(CRD #285635 / SEC #801-121806)

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This Form ADV Part 2A Brochure (or "Brochure") provides information about the qualifications and business practices of **Phorcys Capital Partners, LLC**, an investment adviser registered with the United States Securities and Exchange Commission. If you have any questions about this Brochure's contents, please contact us at (770) 777-9373 or by email at jholman@phorcysam.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or any state securities authority. Nothing in this document is to be construed as a recommendation or an endorsement by the SEC or any state securities authority or an offer of securities; please refer to the actual investment offering and related legal documentation for complete disclosures. Registration with the SEC or any reference to or use of the terms "registered investment adviser" or "registered" does not imply that **Phorcys Capital Partners, LLC** or any associated person has achieved a certain level of skill or training. Investments involve risk, including the possible loss of principal. An adviser's written, and oral communications provide you with information to determine whether to retain their services. This Brochure is on file with the appropriate regulatory authorities as federal and state regulations require.

Additional information about our Firm is available on the SEC's website at www.adviserinfo.sec.gov.

*(Click on the link, select "Investment Adviser- Firm," and type in the firm name or CRD #285635.
Results will provide you with our Firm disclosure brochures.)*

Item 2: Material Changes

Phorcys Capital Partners, LLC ("PCP") reviews its Form ADV Part 2A Brochure at least annually to confirm it remains current. In this item, we are required to summarize only those material changes made to our Brochure since our last annual updating amendment on April 3, 2023. If you are receiving this document for the first time, this section may not be relevant to you.

Since our last annual update, revisions have been made to the following Brochure sections:

Item 4: Advisory Business

Direct Owners / Executive Officers

Due to the unfortunate and unexpected passing of Mr. Benjamin T. Eiler in December 2023, we removed his name as Managing Director as of December 21, 2023. His ownership shares will remain under the name of his estate while it is being settled.

Assets Under Management

As of December 31, 2023, PCP manages approximately \$105,000,000 on a discretionary basis and \$0 on a non-discretionary basis.

PCP removed references to "PCP Affiliates" from the Brochure.

Item 5: Fees & Compensation

PCP updated this section to reflect the following fee and compensation information:

Investors in the LP Fund presently advised by PCP pay a quarterly Management Fee in advance to PCP during the Investment Period of 2.0% of Capital Commitments and following the Investment Period of 1.5% per annum of Aggregate Drawn Capital Commitments. Limited Partners whose aggregate Capital Commitments in the Fund exceed \$5 million will be entitled to a 0.5% reduction in the Management Fee per year (which will not be cumulative and reset annually) until aggregate commitments in the Fund exceed \$25 million. At that point, Limited Partners will cease to be entitled to such a reduction in the Management Fee. The LP Fund may appoint one (1) or more brokers or placement agents to assist in the placement of Interests (each a "Placement Agent"). The Fund may pay placement fees or commissions to Placement Agents. The Investment Manager and its affiliates may pay any such fees or commissions of any Placement Agent by sharing a portion of the Management Fee and/or Carried Interest. If any Limited Partner bears the cost of any such fees or commissions of any Placement Agent, such amount will be credited against and offset Management Fees payable by the Fund.

For consistency, the Adviser also added the following text regarding the LLP, as disclosed within the Offering Documents:

The Fund may retain other placement agents and finders from time to time to assist in the offering. Any such placement agents, finders, and brokers employed by FS may receive commissions or fees, including participation in profit allocations or fees otherwise payable to the Manager, as is agreed in the particular case with appropriate disclosure to the respective investing Member. Any such commission or fee will be borne by the Manager or the investing Member, as agreed, and not charged to the Fund. The Manager and affiliated persons may also allocate brokerage commissions and Fund Fifth portfolio transactions to brokers who recommend investors to the Fund and other investment funds and accounts they manage.

Item 7: Types of Clients

Text was added to reflect that the minimum investment in the LLC PCP Fund is \$500,000, and the minimum investment in the LC PCP Fund is \$1,000,000.

Item 10: Other Financial Industry Activity & Affiliations

Deleted reference to Phorcys Asset Management, LLC under Relationships with Related Persons due to the Fund's closing on 08/24/2023.

Enhancement to ADV Disclosures

In addition to the above, PCP amended this Brochure to include expanded disclosures and details on its advisory practices and made aesthetic and formatting changes. While the explanatory edits and added notes may not necessarily be material in nature, the enhancements are intended to better aid investors in understanding the Firm's business model, procedures, and services.

Full Brochure Availability

We may, at any time, amend this document to reflect changes in PCP's business practices, policies, procedures, or updates as mandated by securities regulators. Annually and as necessary, due to material changes, we will provide clients (either by electronic means or hard copy) with a new Brochure or a summary of material changes from the document previously supplied, with an offer to deliver a full Brochure upon request. Please retain this for future reference as it contains essential information concerning our advisory services and business.

You can view our current disclosure documents at the SEC's Investment Adviser Public Disclosure ("IAPD") website at <http://www.adviserinfo.sec.gov> by searching our name or CRD #285635. The SEC's website also provides information about any PCP-affiliated person registered or required to be registered as an Investment Advisor Representative of the Firm. You may also request a copy free of charge by contacting us at (770) 777-9373 or by email at jholman@phorcysam.com.

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Item 4: Advisory Business

Phorcys Capital Partners, LLC ("PCP") is an alternative investment management firm headquartered in Alpharetta, Georgia, focused on investing in underperforming micro-issue municipal bonds and revenue bonds supported by underlying assets such as hospitals, senior care facilities, affordable housing, university dorms, recreational centers, public utilities and infrastructure projects. PCP commenced operations in February 2009.

The principal owners of PCP are Vasileios A. Sfyris, W. Heath Hawk and the Estate of Benjamin T. Eiler.

PCP provides investment management services to private pooled investment vehicles offered to investors on a private placement basis (the "**PCP Funds**"). The investment vehicles that PCP presently advises on are structured as Delaware limited liability companies and limited partnerships. PCP is the Funds' Manager, with discretionary trading authority over the investment management services provided. In the future, PCP Funds may be structured as Delaware limited partnerships, Delaware limited liability companies, the Cayman Islands exempted limited partnerships, or the Cayman Islands exempted companies, among others. In the future, PCP may advise separately managed accounts and other pooled investment vehicles.

Clients, investors, and prospective investors in the PCP Funds should refer to the confidential private offering memorandum, limited liability company agreement, limited partnership agreement and/or other governing documents for the vehicle (the "Governing Documents") for complete information on the investment objectives and investment restrictions for the PCP Funds. The scope of the services provided to each client is governed by the terms and conditions of the client's investment management agreement and may differ between clients. There is no assurance that the investment objectives of the PCP Funds will be achieved.

PCP does not participate in, nor is it a sponsor of, wrap fee programs.

As of December 31, 2023, PCP manages approximately \$105,000,000 on a discretionary basis and \$0 on a non-discretionary basis.

Item 5: Fees & Compensation

Compensation & Fee Schedules

The fees applicable to each PCP Fund are outlined in detail in each PCP Fund's Governing Documents. A summary of those fees is provided below.

Investors in the LLC Fund presently advised by PCP pay a quarterly management fee in advance to PCP (the "Management Fee") for an amount equal to 0.375% of the aggregate capital account balances at the beginning of each calendar quarter. Management Fees are not refundable to the extent of a permitted withdrawal during a quarter. The Manager and its designees will receive, as of the end of each calendar year, an incentive allocation ("Incentive Allocation") of 20% of the net profits (including net unrealized profits) generated in the account of each Member during the calendar year, subject to a "high water mark." The Fund offers Interests through the Manager and its affiliated broker-dealer firm, First Southern, LLC ("**FS**"). The Fund may retain other placement agents and finders from time to time to assist in the offering. Any such placement agents, finders, and brokers employed by FS may receive commissions or fees, which may include participation in profit allocations or fees otherwise payable to the Manager, as is agreed in the particular case with appropriate disclosure to the respective investing Member. Any such commission or fee will be borne by the Manager or the investing Member, as agreed, and not charged to the Fund. The Manager and affiliated persons may also allocate brokerage commissions and Fund portfolio transactions to brokers who recommend investors to the Fund and other investment funds and accounts they manage.

Investors in the LP Fund presently advised by PCP pay a quarterly Management Fee in advance to PCP during the Investment Period of 2.0% of Capital Commitments and following the Investment Period of 1.5% per annum of Aggregate Drawn Capital Commitments. Limited Partners whose aggregate Capital Commitments in the Fund exceed \$5 million will be entitled to a 0.5% reduction in the Management Fee per year (which will not be cumulative and reset annually) until aggregate commitments in the Fund exceed \$25 million. At that point, Limited Partners will cease to be entitled to such a reduction in the Management Fee. The LP Fund may appoint one (1) or more brokers or placement agents to assist in the placement of Interests (each a "Placement Agent"). The Fund may pay placement fees or commissions to Placement Agents. The Investment Manager and its affiliates may pay any such fees or commissions of any Placement Agent by sharing a portion of the Management Fee and/or Carried Interest. If any Limited Partner bears the cost of any such fees or commissions of any Placement Agent, such amount

will be credited against and offset Management Fees payable by the Fund.

Fees are negotiable and are determined on a case-by-case basis with each client based on the scope of investment advisory services to be provided. The Management Fee and Incentive Allocation for the PCP Funds and fees for separately managed accounts advised by PCP are determined by PCP. They will be outlined in detail in the PCP Funds' Governing Documents and the investment management agreements related to such accounts. PCP may waive, reduce, calculate differently or otherwise modify the management fees and/or performance allocations or other incentive compensation for any of its clients or investors in the PCP Funds and will do so for affiliates of PCP.

PCP has entered, and may in the future enter, into "side letters" or similar agreements with certain investors in the PCP Funds granting such investors specific rights, benefits, or privileges that are not made available to other investors in the PCP Funds or providing certain other rights related to such investors' investments, including but not limited to, more favorable terms relating to information, fees and liquidity.

Deduction of Fees

PCP is authorized under the Governing Documents to charge and deduct advisory fees directly from the assets of the PCP Funds, at times and in the amounts described above. PCP may also receive advisory fees from specific clients, as specified in the relationship's relevant investment management agreement.

Other Fees & Expenses

In addition to the fees payable to PCP, the PCP Funds (with certain exceptions described in the Governing Documents) pay for all costs and expenses incurred in connection with the investments in their accounts, including (but not limited to) all costs and expenses associated with negotiating and entering into contracts and arrangements in the ordinary course of the PCP Funds' business, all continuing costs and expenses of the offering or sale of the PCP Funds' interests (including without limitation fees and expenses of attorneys and accountants, filing fees, printing and mailing costs), all costs and expenses of third party administrators retained for PCP Funds purposes, all costs and premiums of any fidelity and performance bonds and general partner, liability and errors and omissions insurance coverage obtained in PCP's reasonable discretion, all legal, accounting, brokerage and other professional, expert and consulting fees and expenses arising in connection with the PCP Funds' business, all interest on PCP Funds borrowings and other obligations, any taxes payable by the Fund, all extraordinary expenses of the PCP Funds, such as litigation costs, and all other PCP Funds custodial, offering, operating and portfolio transaction costs and expenses.

The section below, titled Item 12: Brokerage Practices, describes the factors PCP considers in selecting or recommending broker-dealers and determining the reasonableness of their compensation.

Transaction-Based Compensation

Neither PCP nor its supervised persons receive compensation for any client's purchase or sale of securities or other investment products, including the PCP Funds.

The foregoing compensation could incentivize PCP to manage client investments in a manner that could increase the risk of loss.

Item 6: Performance-Based Fees & Side-by-Side Management

Performance-Based Fees

Performance-based fees are fees based on a client's account's share of capital gains or capital appreciation. PCP will receive the Incentive Allocation annually after the end of each calendar year for the LLC PCP Fund, equaling 20% of the net profits (including net unrealized profits) generated in each investor's account during the calendar year, subject to a "high watermark."

Please refer to the Governing Documents of each PCP Fund for complete information on the performance-based compensation arrangements of the respective PCP Fund.

The performance-based fee arrangements described above comply with Rule 205-3 under the Advisers Act. Different client accounts may be subject to different performance-based compensation arrangements.

Performance-based compensation arrangements may create an incentive for PCP to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement. In addition, "net appreciation," which may form the basis upon which certain of PCP's performance-based compensation will be determined, includes unrealized appreciation and may result in PCP receiving greater performance-based compensation than would be the case if net appreciation was based only on realized gains.

Side-by-Side Management

Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

PCP may provide concurrent advisory services to clients that are not charged a performance-based fee or allocation or are charged a lower fee at the same time as it provides services to clients that are charged a higher performance-based fee or allocation. The potential for PCP to receive greater fees or allocations from performance-based accounts, or accounts paying higher fees, may create a potential conflict of interest with respect to the allocation of investment opportunities, as PCP may have the incentive to direct the best investment ideas to or to allocate investments in favor of, the account that pays a higher performance fee or allocation. The allocation of commitments and investment decisions for clients are made by PCP following PCP's investment allocation policy, considering all factors potentially applicable to each client to alleviate potential conflicts of interest. Among the factors that PCP may consider in allocating trades among client accounts are investment policies, guidelines or restrictions applicable to each specific client; tax considerations; cash availability; liquidity requirements for payment of redemptions or other purposes; risk tolerances; restrictions under the Employee Retirement Income Security Act of 1974 or other applicable laws or regulations; available credit lines; counterparty exposure; account size; industry and security weightings; and hedging objectives and activity.

In the event investment opportunities are suitable for more than one client, PCP will allocate such investment opportunities in accordance with its allocation policy in effect from time to time, which provides that such allocation be fair and equitable to each account over time, taking into account all relevant facts and circumstances. PCP's allocation policy is reviewed periodically and is subject to change.

PCP allocates expenses among participating accounts in proportion to their respective net asset values or any other manner it determines to be equitable.

PCP or its affiliates may manage separately managed accounts or dedicated investment vehicles for institutional investors pursuing strategies similar to or overlapping with those of other clients. These clients may have access to detailed information about their accounts, including current portfolio holdings, which PCP does not customarily make available to other clients or investors in pooled investment vehicles. Such clients may be able to take action, including more timely action, with respect to their accounts that investors in pooled vehicles with similar or parallel strategies cannot take.

PCP and its affiliates may purchase different classes of debt and/or equity of the same borrower or issuer on behalf of clients. These and other investments may be deemed to create a conflict of interest. PCP may be required to take certain actions for some clients with respect to one class of debt or equity that may be adverse to other clients who hold different classes of debt or equity of the same borrower or issuer.

Item 7: Types of Clients

Types of Clients

PCP provides advice to pooled investment vehicles, the members, limited partners and shareholders, which may include corporations, endowments, foundations, trusts, estates, individuals and pension and profit-sharing plans, and may, in the future, advise separately managed accounts whose clients fall into the same categories. Certain of PCP's separate account clients may, in the future, invest in the PCP Funds.

Minimum Investment Requirements

PCP and its related persons generally will require that each investor in the PCP Funds be an "accredited investor" as defined in Regulation D under the Securities Act of 1936, as amended (the "Securities Act") and either a "qualified client" as defined in Rule 205-3 under the Advisers Act or a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "Investment Company Act"), as indicated within the Fund's Governing Documents.

Investors in the PCP Funds will generally be required to make a minimum initial investment in such amount as may be outlined in the Fund's Governing Documents. The minimum investment in the LLC PCP Fund is \$500,000. The minimum investment in the LC PCP Fund is \$1,000,000. However, PCP may accept lower amounts at its (or the relevant general partner's) discretion.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

Methods of Analysis

Investments and potential investments are typically analyzed by PCP using industry-standard subscriptions and systems such as Bloomberg, the Municipal Securities Rulemaking Board's EMMA website, ICE Eval and Alternative Trading Systems such as Munibrokers, Creditex Bondpoint (ICE), Muni Center and Tradeweb Direct.

The investment strategies employed by PCP include, but are not limited to, investing in underperforming micro-issue municipal bonds and revenue bonds in the \$5 million to \$25 million range that are supported by underlying assets such as hospitals, senior care facilities, affordable housing, university dorms, recreational centers, public utilities and infrastructure projects. PCP seeks to identify bonds that are available at deep discounts to estimated intrinsic value and acquire the entire issue or a majority interest directly from funds or in the secondary market, capitalizing on events such as defaults, downgrades, operational difficulties or natural disasters when interest may be weak, and valuations may be low. Once a position is established, PCP, with the assistance of third-party professionals retained by PCP, seeks to restore and improve the value of the underlying assets and exit the position once the value has been restored.

This description of specific strategies that are or may be engaged in by PCP on behalf of its clients is a summary only. Under the Governing Documents of the PCP Funds or the investment management agreements with respect to other clients, PCP will typically have broad discretion to employ investment strategies not described above that PCP may, from time to time, consider appropriate.

The investment programs of PCP's clients are speculative and entail substantial risks. There can be no assurance that PCP's investment objectives will be achieved. Accordingly, PCP's investment strategies could result in significant client losses under certain circumstances.

The following is a summary of material risks related to each significant investment strategy or method of analysis PCP uses. However, it is important to note that the summary of material risks below is not meant to be exhaustive or complete. Investing in securities involves a high degree of risk, including the risk that the entire amount invested may be lost. Clients should be prepared to bear such risk of loss.

Material Risks of Investment Strategies

Although investments selected by PCP may result in significant returns to our clients, they also involve a substantial degree of risk. PCP generally accepts only clients that can bear the financial risk of the investment strategy for an indefinite period and can sustain the loss of all or a significant part of their investment. Risks that are described for the PCP Funds will also apply to investments selected by PCP on behalf of its other clients.

Prospective investors in the PCP Funds should carefully review the risks described in the Governing Documents for the relevant PCP Fund and evaluate the merits and risks of an investment in the context of their overall financial circumstances. The risk factors below are not intended to be exhaustive. They should be considered carefully by prospective clients and prospective investors in the PCP Funds, together with the full text of the applicable Governing Document or client agreement.

Competition & Supply for Investments - PCP's success in investing will depend, in part, on its ability to obtain investments on advantageous terms. In purchasing investments, PCP's clients will compete with a broad spectrum of investors and institutions. Increased competition for, or a diminution in the available supply of, investments that meet a client's investment objectives could result in lower yields on such investments, reducing returns to investors. In addition, there is no assurance that the PCP Funds can fully invest in its available capital.

Control Positions - PCP, on behalf of one or more of the PCP Funds, acting alone or as part of a group, expects to acquire "control" positions in issuers' securities. This may subject one or more of the PCP Funds to additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental

regulations and other types of liability in which the limited liability generally characteristic of business operations may be ignored.

Equity Price Risk - The investment portfolios of PCP clients may include long and short positions in equity securities of public and private, listed and unlisted companies. Equity securities fluctuate in value in response to many factors, including, among others, the activities and financial condition of individual companies, geographic markets, industry market conditions, interest rates and general economic environments. In addition, events such as the domestic and international political environments, terrorism, natural disasters and pandemics may be unforeseeable and contribute to market volatility in ways that may adversely affect investments made by PCP on behalf of one or more of the PCP Funds.

Event-Driven Investing - Event-driven investing requires the investor to make estimations about (i) the likelihood that an event will occur and (ii) the impact such an event will have on the value of a company's financial instruments. In liquidations and other forms of corporate reorganization, the risk exists that the restructuring will either be unsuccessful, will be delayed, or will result in a distribution of cash or new security, the value of which may be less than the purchase price of the security in respect of which such distribution was made. The consummation of mergers and tender and exchange offers can be prevented or delayed by a wide range of factors.

Forward Trading - Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; instead, banks and dealers act as principals in these markets, negotiating each transaction individually. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements, and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain market participants have refused to quote prices for certain currencies or commodities or quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market due to unusual trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit forward trading. Market illiquidity or disruption could result in significant losses.

Hedging Transactions - While PCP, on behalf of one or more of the PCP Funds, may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance for clients of PCP than if it had not engaged in such hedging transactions. For various reasons, PCP may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent PCP, on behalf of one or more of the PCP Funds, from achieving the intended hedge or expose a client of PCP to the risk of loss. PCP, on behalf of one or more of the PCP Funds, may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high to justify the cost of the hedge or because it does not foresee the occurrence of the risk. Successfully utilizing hedging and risk management transactions requires skills complementary to selecting portfolio holdings.

Illiquid Investments - PCP may invest in securities and other assets subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable, and PCP may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid assets often requires more time and results in higher brokerage charges, dealer discounts, and other selling expenses than selling assets eligible for trading on national securities exchanges or in the over-the-counter markets. PCP may not be able to dispose of such illiquid investments readily and, in some cases, may be contractually prohibited from disposing of such investments for a specified time. Thus, there can be no assurance as to the timing and amount of distributions from the PCP Funds, and distributions that would require either an in-kind distribution or a forced sale of illiquid investments at a price deemed unattractive by PCP may occur. Restricted assets may sell at a price lower than similar assets that are not subject to restrictions on resale.

Investments in Distressed Securities - PCP, on behalf of one or more of the PCP Funds, may invest in "below investment grade" securities and obligations of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganization and liquidation proceedings. These securities are likely to be particularly risky investments, although they also may offer the potential for correspondingly high returns. Among the risks inherent in investments in troubled entities is that it frequently may be difficult to obtain information on the true condition of such issuers. Such investments may also be adversely affected by laws relating to, among other

things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court's power to disallow, reduce, subordinate or disenfranchise particular claims. Such companies' securities may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to PCP clients' investment in any instrument, and a significant portion of the obligations and securities in which PCP, on behalf of one or more of the PCP Funds, invests may be less than investment grade. The analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and economic difficulties is unusually high.

Leverage & Financing Risk - PCP, on behalf of the PCP Funds, has the authority to borrow funds, enter into subscription credit facilities, use leverage in trading currencies, securities and derivative instruments, and use other means of financing as deemed appropriate. PCP, on behalf of the PCP Funds, may pledge its clients' assets to borrow additional funds for investment. PCP, on behalf of the PCP Funds, may also leverage the investment return of its clients with options, short sales, swaps, forwards and other derivative instruments. The amount of borrowings that a client of PCP may have outstanding at any time may be substantial in relation to its capital. While leverage presents opportunities for increasing total return, it has the effect of potentially increasing losses as well. The anticipated use of short-term margin borrowings results in certain additional risks, such as the potential for a "margin call," pursuant to which a PCP client must either deposit additional funds or assets with a broker or suffer mandatory liquidation of the pledged assets to compensate for a decline in value of such assets. In the event of a sudden drop in the value of the client's assets, such a client might not be able to liquidate assets quickly enough to satisfy its margin requirements. Asset value declines, and market instability resulting from COVID-19 may increase the risk of default under these credit facilities. Investors in the PCP Funds could incur significant losses, including losing their entire investment.

Municipal Bonds - PCP, on behalf of one or more of the PCP Funds, will invest in municipal bonds, which generally give rise to interest exempt from U.S. federal income taxation. On the date of the initial issuance of municipal bonds, bond counsel or special tax counsel (which is not counsel to the PCP Funds or PCP) generally renders its opinion that based on the law in effect at that time, interest on such municipal bonds will be excludable from gross income for U.S. federal income tax purposes. The Internal Revenue Code of 1986, as amended (the "Tax Code"), establishes certain requirements that an issuer must meet following the issuance and delivery of its municipal bonds for interest on such bonds to remain excluded from gross income for U.S. federal income tax purposes. Among these continuing requirements are restrictions on the issuer's investment and use of the proceeds of the bonds. Failure to comply with these requirements may cause the interest on the bonds to be includable in gross income for U.S. federal income tax purposes retroactive to the date of issuance, regardless of when the noncompliance occurs. Issuers of municipal bonds typically covenant to comply with certain procedures and guidelines designed to ensure satisfaction with the Tax Code's continuing requirements. None of the PCP Funds, PCP or their counsel has passed or will pass upon, nor assumes any responsibility for, any of the tax aspects of the municipal bonds in which the PCP Funds invests, including, without limitation, bond counsel's tax opinion or the initial or continuing status of interest on the bonds as excludable from gross income for U.S. federal income tax purposes.

Operational Risks - PCP is responsible for developing, implementing and operating appropriate systems and procedures to execute all investment transactions and monitor and control operational risk on behalf of client accounts. PCP relies on its execution, financial, accounting, and other data processing systems to trade, clear and settle all transactions, evaluate and monitor potential and existing portfolio investments, and generate risk management and other reports critical to oversight of client accounts. Certain of PCP's operations are dependent upon systems operated by third parties, including prime brokers, counterparties, electronic exchanges, other execution platforms and their various service providers. PCP may not be in a position to verify the reliability of such third-party systems or data. Failure of or errors in such systems could result in mistakes or delays in the execution, confirmation or settlement of transactions or in transactions not being correctly booked, evaluated or accounted for. The increasing reliance on internet-based programs and applications to conduct transactions and store data also creates increased security risks. Targeted cyber-attacks, or accidental events, can lead to a breach in computer and data systems and access by unauthorized persons to sensitive transactional or personal information. Data taken in breaches may be used by criminals to commit identity theft, obtain loans or payments under false identities, and other crimes. Cybersecurity breaches at PCP or its service providers or counterparties may directly or indirectly affect clients. They could lead to theft, data corruption, interference with business operations, disruption of operational systems, interference with PCP's

or a client's ability to execute transactions, direct financial loss or reputational damage, or violations of applicable data and privacy protection and consumer protection laws.

Options - PCP, on behalf of the PCP Funds, may invest in or write options. The purchaser of a put or call option risks losing their entire investment in a relatively short time if an option expires unexercised. The uncovered writer of a call option is subject to a risk of loss should the price of the underlying security increase, and the uncovered writer of a put option is subject to a risk of loss should the price of the underlying security decrease.

Public Health Risk - PCP and the PCP Funds could be adversely affected by a widespread contagious disease outbreak, such as the recent outbreak of a novel coronavirus ("COVID-19"). Public health crises can develop rapidly and unpredictably, which may prevent governments, companies or others (including PCP and the PCP Funds) from taking timely or effective steps to mitigate or reduce any adverse impacts. Any outbreak of contagious diseases and other adverse public health developments, together with any resulting disruptions or restrictions on travel or quarantines imposed, could have a material and adverse effect on PCP and the PCP Funds, including by disrupting or otherwise adversely affecting the human capital, business operations or financial resources of the PCP Funds, PCP, the administrator or other service providers to PCP and the PCP Funds (which could, in turn, adversely impact the ability of such service providers to fully support the administration and operations of PCP and the PCP Funds) or causing similar disruptions in the capital, operations and resources of PCP and the PCP Funds. In addition, a significant outbreak of contagious diseases in the human population and any containment or other remedial measures imposed, may result in a widespread health crisis that could severely disrupt global, national and/or regional economies and financial markets and cause an economic downturn that could adversely affect the performance of PCP and the PCP Funds. For example, the risk of further spreading COVID-19 has led to significant uncertainty and extreme volatility in the financial markets, including those leading to the automatic suspension of trading on U.S. stock exchanges. The performance of PCP and the PCP Funds may also be affected by particular issues affecting companies, regions, or sectors of their investments, such as a significant reduction in transaction volume. The extent of such impacts will depend on future developments, which are highly uncertain and cannot be predicted at this time, including new information that may emerge concerning the severity of COVID-19 and containment efforts, among others, by U.S. or other governments. In addition, the risks associated with a widespread outbreak of a contagious disease, such as COVID-19, may make it more likely that limited partners and shareholders of the PCP Funds fail to fund their subscription obligations or other payments when due, in which case PCP's ability to complete its investment strategy or otherwise continue operations may be impaired.

Relative Value - The success of PCP's investment strategy depends on its ability to identify overvalued and undervalued investment opportunities and exploit perceived inefficiencies in the pricing of financial instruments and capital, financial products or markets. Identification and exploitation of such discrepancies involve uncertainty. No assurance can be given that PCP can correctly or successfully locate investment opportunities or exploit pricing inefficiencies in the capital markets. If the perceived mispricings underlying the positions of PCP clients were to fail to converge toward or were to diverge further from relationships expected by PCP, such clients may incur losses.

Risks of Acquiring Real Property - PCP, on behalf of one or more of the PCP Funds, will invest in securities supported by real property assets. The PCP Funds' investments will be subject to various risks, which, among other things, may cause fluctuations in occupancy, rental rates, operating income, and expenses, or they may render the sale or financing of its properties difficult or unattractive. For example, following the termination or expiration of a tenant's lease, there may be a period before an issuer will begin receiving rental payments under a replacement lease. During that period, an issuer will bear fixed expenses such as interest, real estate taxes, maintenance and other operating costs. In addition, declining economic conditions may impair an issuer's ability to attract replacement tenants and achieve rental rates equal to or greater than the rents paid under previous leases. Increased competition for tenants may require an issuer to make capital improvements to properties that would not have otherwise been planned. Any unbudgeted capital improvements that an issuer undertakes may divert cash that would otherwise be available for distribution to investors of the PCP Funds. Ultimately, to the extent that an issuer cannot renew leases or re-let space as leases expire, decreased cash flow from tenants will result, which could adversely impact the PCP Funds' performance results.

Short Selling - Short selling involves selling securities not owned by the short seller and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities later. Short selling allows the investor to profit from a decline in market price to the extent that such a decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of a theoretically unlimited loss in that the underlying security price could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. There is also no assurance that the securities necessary to cover a short position will be available for purchase at or near

prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Swaps & Derivatives - PCP, on behalf of one or more of the PCP Funds, may invest and trade in swaps, including credit default swaps (as described above), "synthetic" or derivative instruments, over-the-counter options and other customized financial instruments issued by banks, brokerage firms or other financial institutions. A swap is an agreement between a client of PCP and a financial intermediary whereby cash payments periodically are exchanged between the parties based upon changes in the price of an underlying asset (such as an equity security, an index of securities, or another asset or group of assets with a readily determinable value). For example, an interest rate swap involves one party agreeing to make periodic fixed payments to the other party in return for the other party agreeing to make periodic payments to the first party that vary with the prime rate or another variable interest rate indicator. Swaps and other derivatives are subject to the risk of non-performance by the swap counterparty, including risks relating to the financial soundness and creditworthiness of the swap counterparty. Swaps and other derivative instruments are not guaranteed by an exchange or clearing house or regulated by any U.S. or foreign governmental authority. It may not be possible to dispose of or close out a swap or other derivative position without the consent of the counterparty, and PCP, on behalf of one or more of the PCP Funds, may not be able to enter into an offsetting contract to be able to cover its risk.

Uncertain Exit Strategies - Due to the illiquid nature of some or all of the positions that PCP's clients may acquire, PCP cannot confidently predict the exit strategy for any given position or that one will be available. Exit strategies that appear viable when an investment is initiated may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors.

Item 9: Disciplinary Information

Legal or Disciplinary Event Disclosure

Registered investment advisers such as MPMPCP are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of the investment adviser or the integrity of its Management. Neither PCP nor its Management has any current disciplinary or legal proceedings or outstanding issues to disclose.

PCP encourages clients to view our disclosure documents at the SEC's IAPD website at www.adviserinfo.sec.gov by searching our firm name, Phorcys Capital Partners, LLC or CRD # 285635. The SEC's website also provides information about any affiliated person registered or required to be registered as an Investment Adviser Representative of the firm, including disclosure items (if any).

Copies are also available by contacting us directly.

Item 10: Other Financial Industry Activity & Affiliations

PCP is an SEC-registered investment advisory firm that does not engage in business activities or offer services other than those described herein.

Registered Broker-Dealers

PCP is not registered and does not intend to register as a broker-dealer. Certain of Phorcys Senior Management (Vasileios A. Sfyris and W. Heath Hawk) are also Registered Representatives ("RRs") of First Southern, LLC ("FS"), an affiliated broker-dealer, Member [FINRA](#) / [SIPC](#). When acting in the capacity of an RR in connection with this approved outside business activity, these employees will sell, for commissions, general securities products and receive commission-based compensation in connection with the purchase and sale of such securities. When offering brokerage products as an RR, please be aware that these individuals are not acting in a brokerage capacity or on behalf of PCP concerning the services provided under our Advisory Agreement. PRCE is not involved in the transaction(s) and receives no compensation for the employee's activity in connection with these outside business activities. Employees who provide brokerage services through the broker-dealer are independent contractors of that company. Any compensation earned by the employee in the capacity of an RR is separate, in addition to, and not related to our advisory fees or Agreement to provide advisory services. Clients are not obligated to use the employee's services in this different capacity as broker-dealer employees.

The above practice presents a conflict of interest because the objectivity of the advice rendered to clients could be biased. As RRs of such broker-dealers, the Advisor Representatives providing investment advice on behalf of PCP can be incentivized to effect securities transactions to generate commissions rather than solely based on a client's needs. PCP addresses this conflict of interest by requiring these individuals to disclose the nature of their relationship with clients regarding their outside business activities. The employees satisfy this requirement by advising their clients of the nature of and their role in the transaction or relationship and any compensation, including commissions or otherwise, to be paid to them by the brokerage firms with which they are affiliated at the time of any recommendation is made and/or product transactions occur. PCP further mitigates conflicts through its procedures to review client accounts relative to the client or investor's financial situation to ensure appropriate investment management services. PCP is committed to ensuring that all employees adhere to the Firm's Code of Ethics and that the Adviser and all Associated Persons fulfill their fiduciary duty to its advisory clients.

Registered Futures Commission Merchants, Commodity Pool Operators and Commodity Trading Advisors

None of PCP or its principals or employees are registered as or affiliated with a registered futures commission merchant, commodity pool operator or trading advisor.

Relationships with Related Persons

PCP is affiliated with Phorcys Investment Advisors, LLC, PRCE Management LLC and FSAM LLC, each an investment adviser, and First Southern, LLC, as indicated above, a registered broker-dealer, Member FINRA/SIPC. PCP does not believe that its affiliation with them creates a material conflict of interest with respect to PCP's clients.

As discussed in the following section titled "Item 11: Code of Ethics, Participation or Interest in Client Transactions; Personal Trading," PCP and its related persons will be, directly or indirectly, the general partner, trustee, limited partners and/or managing members of the general partner or Manager of the PCP Funds. PCP and its related persons may spend all their business time substantially on one or more of the PCP Funds.

Employees of PCP and its affiliates may serve as officers, advisors, directors or in comparable management functions for companies in which clients of PCP may invest. Employees or partners of PCP may also, from time to time, serve on the board of directors or a creditors committee of a company or be given access for other reasons to confidential information relating to companies in which clients of PCP may invest. As a result, PCP and the clients of PCP may, under certain circumstances, be prohibited for a period of time from engaging in transactions with respect to the debt or securities of such a company, which prohibition may have an adverse effect on clients of PCP.

Clients will be subject to a number of actual and potential conflicts of interest involving PCP and its affiliates. When a conflict of interest arises, PCP will endeavor to ensure that it is resolved fairly. PCP policies and procedures in place, it believes, are reasonably designed to identify and resolve actual and potential conflicts of interest.

Selection or Recommendation of Other Advisers

PCP does not recommend or select other investment advisers for its clients or receive compensation from such advisers in a manner that would create a material conflict of interest. PCP does not have other business relationships with other advisers that create a material conflict of interest.

Referral & Promoter Relationships

PCP has entered Promoter relationships with certain qualified individuals who are paid to refer clients to the Adviser, which can result in the provision of investment advisory services. PCP ensures that any Promoters used are licensed when required and otherwise qualified to provide investment advice. Unlicensed Promoters may only provide impersonal investment advice by recommending our services and not comment on using the Adviser's services or portfolio construction. The terms of all Promoter arrangements are defined by a contract between the Promoter and PRCE, which sets forth the terms of the Agreement and form of compensation to the Promoter, a percentage of the advisory fees received from referred clients.

Referral arrangements inherently give rise to potential conflicts of interest, particularly when the person recommending an Advisor receives an economic benefit, as the payment received could incentivize the Promoter's referral. Accordingly, Promoters are required to disclose to referred clients, in writing, (1) whether they are a client or a non-client, (2) that they will be compensated for the referral, (3) the material conflicts of interest arising from the relationship and/or compensation arrangement, and (4) all material terms of the arrangement, including a description of the compensation to be provided for the referral.

Other Business Relationships

PCP uses third-party resources to help run its business and provide services to its clients, mostly back-office related. PCP sources these professionals acting in a client's best interest with fiduciary responsibility while focusing on finding the highest value-added providers to service clients. While the Adviser has developed a network of professionals - accountants, lawyers, and otherwise, neither PCP nor its Associates receive compensation for such use or referrals. Outside of the information referenced herein, neither the Adviser nor its management persons have any other material relationships or conflicts of interest with other financial industry participants.

Conflicts of Interest

Making clients aware of other financial activities, affiliations, designations, relationships, and services presents a conflict of interest since PCP Associates may have an economic incentive to submit advisory clients to specific companies or services over others due to compensation received in connection with the transaction rather than client need. PCP addresses this conflict of interest by requiring Associates to always act in each client's best interests when making such recommendations and fully disclose such relationships before the transaction. If offering clients advice or products outside of PCP, Associates satisfy this obligation by advising and disclosing the nature of the transaction or relationship, their role and involvement in the transaction, and any compensation to be paid and received before transaction execution. When acting in this capacity, PCP's policy is that Associates communicate clearly to prospective or existing clients that they are not acting on behalf of PCP, the investment adviser or under any PCP Advisory Agreement.

Clients are not obligated to act upon any recommendations received, implement any recommended transaction(s) through the Adviser, or purchase any additional products or services offered. The ultimate decision to accept any recommendation and retain products or services remains at the client's sole discretion.

Additional details of how PCP mitigates conflicts of interest can be found in the firm's comprehensive written compliance supervisory policies and procedures and Code of Ethics. PCP's Code of Ethics is available for review free of charge to any client or prospective client upon request.

Outside of the items disclosed herein and our clients' advisory fees, PCP does not receive any other economic benefits, including sales awards or prizes.

Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

PCP 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, PCP has adopted a Code of Ethics (the "Code"), which is reviewed and updated (if necessary) at least annually. The Code incorporates the following general principles that all employees are expected to uphold: employees 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 employee's position of trust and responsibility must be avoided; employees must not take any inappropriate advantage of their positions; and information concerning the identity of securities and financial circumstances of clients and the PCP Funds, including investors in the PCP Funds, must be kept confidential. The Code also places restrictions on personal trades by employees, including requiring them to disclose their personal securities holdings and transactions to PCP periodically and pre-clear certain types of personal securities transactions.

As part of the Code, PCP maintains insider trading policies and procedures (the "Insider Trading Policies") designed to prevent the misuse of material, non-public information. At least annually, PCP personnel must certify compliance with the Code, including the Insider Trading Policies.

The Insider Trading Policies generally prohibit PCP and its personnel from trading for the PCP Funds or themselves, or recommend trading, in public securities of a company while in possession of material, non-public information ("Inside Information") about the company and from disclosing such information to any person not entitled to receive it. Because of its various activities, PCP may have access to inside information or be restricted from affecting transactions in certain investments that might otherwise have been initiated. PCP has designed and implemented policies and procedures reasonably designed to closely monitor the access of its investment professionals to Inside Information. Among other things, such policies seek to control and monitor the flow of Inside Information to and within PCP and prevent trading public securities based on Inside Information.

Notwithstanding such policies and procedures, there may be certain cases where PCP may receive inside information due to its various activities on its own or the PCP Funds or may be restricted from acting for the PCP Funds. As a result, PCP may, under certain circumstances, be prohibited for a period of time from engaging in transactions with respect to the debt or securities of such a portfolio company, which prohibition may have an adverse effect on a client or the PCP Funds. PCP seeks to minimize those cases whenever possible, consistent with applicable law and our Insider Trading Policies. Still, there can be no assurance that such efforts will be successful and that such restrictions will not occur.

Clients may request the opportunity to review a copy of the Code by contacting PCP at the address or telephone number listed on the first page of this document.

Participation or Interest in Client Transactions & Personal Trading

PCP may cause one or more of its clients to buy securities from, or sell securities to, other clients of PCP at current market prices, including accounts in which PCP, its principals or employees are investors or in which such persons may have a financial interest, either directly or indirectly, due to the payment of a performance allocation to PCP (or an affiliate) by such client. PCP will only engage in "cross trades" if the sale or purchase is consistent with PCP's fiduciary obligations to each client. Cross transactions may include rebalancing transactions undertaken so that, after withdrawals or contributions have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. PCP has a potentially conflicting division of loyalties and responsibilities regarding both parties to cross-transactions. Where required by applicable law, any such transaction will be approved in advance by the client in accordance with Section 206(3) of the Advisers Act.

On occasion, PCP and its principals and employees may buy and sell securities for themselves that they also recommend to clients. PCP and its principals and employees are investors in the investment fund managed by PCP. The Code of Ethics contains policies and procedures designed to prevent improper practices for such transactions, and compliance with the Code of Ethics by PCP, its principals, and employees is the primary method used to address the conflicts of interest that arise with respect to these transactions. For example, the principals and employees of PCP are generally not permitted to execute a personal securities transaction if any client of PCP has a position in the same security.

In certain situations, related persons of PCP may purchase interests in portfolio investments held by the PCP Funds. All such purchases are subject to compliance with PCP's Code of Ethics as described above. In addition, PCP and/or certain members or employees of PCP may, directly or through one or more entities, sell securities in which they have a direct or indirect ownership interest to the PCP Funds, provided that the sale is consistent with PCP's fiduciary obligations to the PCP Funds. Such transactions will be fully disclosed in writing. Where applicable law requires, the appropriate client's written consent will be obtained per Section 206(3) of the Advisers Act.

Item 12: Brokerage Practices

Subject to the investment objectives, policies, and restrictions of the PCP Funds as outlined in the applicable PCP Funds' Governing Documents, PCP has discretionary authority to determine the type, amount, and price of securities and investments to be bought and sold on behalf of the PCP Funds, including the selection of, and commissions paid to, brokers.

In selecting broker-dealers to effect securities transactions, PCP seeks to obtain best execution by considering such factors as price, transaction costs, a broker's or dealer's ability to effect the transactions, its facilities, reliability and financial responsibility, the commitment of capital and the provision or payment by the broker of the costs of research and research-related services which are of benefit to PCP or the PCP Funds, as well such other factors as PCP considers relevant and beneficial to the PCP Funds. PCP may consider referrals of PCP Fund investors when determining its selection of brokers. Accordingly, the commission rates (or dealer markups and markdowns arising in connection with riskless principal transactions) charged to the PCP Funds by brokers or dealers in the foregoing circumstances may be higher than those charged by other brokers or dealers that may not offer such services.

Brokerage for Client Referrals

PCP does not consider whether PCP or its affiliates receive referrals from any broker-dealer when selecting or recommending broker-dealers for its clients.

Research & Other Soft Dollar Benefits

Section 28(e) of the Securities Exchange Act of 1934 (the "Exchange Act") provides a safe harbor that permits advisers, when selecting brokers to execute transactions for client accounts, to take into account certain research products and services provided to the Adviser by brokers. Clients may pay higher commissions than are obtainable from other brokers as a result of the consideration of research services as a factor in selecting brokers in addition to commission cost and best execution, provided that PCP determines in good faith that the amount of commissions charged are reasonable in relation to the value of the brokerage and research services provided by such broker. Research services offered to PCP by brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing services; and discussions with research personnel. PCP may, at its discretion, pay the expenses and costs of third-party administrators with soft dollar arrangements. However, consistent with obtaining best execution for clients, PCP may in the future engage in such soft dollar arrangements, provided that such arrangements are of the type described in Section 28(e) of the Exchange Act and are designed to augment PCP's own internal research and investment strategy capabilities.

Receipt of research services from brokers may provide PCP with a benefit because it will not have to produce or pay for the research, products or services. PCP may be incentivized to select a broker-dealer based on its interest in receiving the research or other products or services rather than a client's interest in receiving the most favorable execution.

PCP may use research services obtained with commissions from portfolio transactions in its investment activities for all its clients. Therefore, any particular client may or may not, in a specific instance, be the direct or indirect beneficiary of the research or services provided.

Subject to the considerations described above, the selection of a broker, including a prime broker, to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services may be influenced by, among other things, the provision by the broker of the following: capital introduction, marketing assistance and consulting services for technology, operations, the commitment of capital, access to company management, and access to deal flow. Generally, neither PCP nor any client of PCP (including the PCP Funds) separately compensates any broker for any of these other services. In view of the fact that the investment programs of PCP clients include trading as well as investments, short-term market considerations will frequently be involved, and the turnover rate of the portfolios of the PCP Funds in certain circumstances may be substantially more significant than the turnover rates of other types of investment vehicles.

Directed Brokerage

Transactions on behalf of the PCP Fund currently advised by PCP are executed through First Southern, LLC, an affiliated broker dealer-firm of PCP. PCP does not believe that the relationship between PCP and FS creates a material conflict of interest. PCP has no other arrangements with clients that require PCP to execute transactions through a specified broker-dealer. Still, certain other clients may occasionally direct PCP to use or not to use a particular executing broker-dealer to execute transactions for such clients. If PCP is directed to use or prohibited from using a specific broker-dealer, the client may pay higher brokerage commissions because PCP may not be able to aggregate orders to reduce transaction costs, and the client may receive less favorable prices.

Trade Aggregation

When it is determined that it would be appropriate for the PCP Funds to participate in an investment opportunity, PCP will seek to execute orders for all of the participating investment accounts on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to short-term market trends and the investment programs and portfolio positions of the PCP Funds for which participation is appropriate. However, PCP has no obligation to obtain any particular investment opportunity for the PCP Funds, and PCP may be precluded from offering to the PCP Funds particular securities in certain situations, including where PCP or its affiliates have a prior contractual commitment with other accounts or clients. Orders may be combined for all such accounts, and if an order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis that PCP or its affiliates consider equitable. There is no assurance that the PCP Funds will hold the same investments or perform substantially similarly to other investment funds with similar strategies.

Item 13: Review of Accounts

Review of Client Accounts

Trade records and transaction details are reviewed daily to ensure that all trading activity is performed per the investment parameters defined in the client's investment management agreement. Daily reconciliations of all trading activity and cash, collateral and margin management (if applicable) among PCP, the broker-dealer and the administrator also occur. PCP's investment professionals conduct such reviews. Among other criteria, the portfolios are reviewed in the context of the PCP Funds' adherence to the investment objectives and guidelines outlined in the Governing Documents of the PCP Funds.

Reports to Clients

Investors in the PCP Fund currently managed by PCP receive quarterly written reports. However, PCP may provide certain investors with information on a more frequent and detailed basis if agreed to by PCP. In addition, each PCP Fund will issue tax reports and audited financial statements to investors within 120 days of its fiscal year-end. Other PCP clients will receive such reports as specified in the clients' investment management agreement.

Investors should refer to the Governing Documents of each PCP Fund for further information on the reports provided by a particular PCP Fund to its investors.

Item 14: Client Referrals & Other Compensation

Economic Benefits Received from Third Parties

PCP is compensated exclusively by its clients and investors for providing investment advice.

Third-Party Compensation for Client Referrals

PCP or its affiliates have and may enter into arrangements with unaffiliated placement agents or third parties whereby PCP or its affiliates will pay third parties who introduce clients or investors in the PCP Funds to PCP or its affiliates a portion of the management fees or incentive compensation received by PCP or its affiliate from such clients or with respect to such investors' investment in the PCP Funds, which can result in the provision of investment advisory services. Any associated sales charge will ultimately be payable by PCP or its related persons, either directly or through an offset of the management fee or incentive compensation payable by the relevant client or the PCP Funds to PCP.

PCP ensures that any Promoters used are licensed when required and otherwise qualified to provide investment advice. Unlicensed Promoters may only provide impersonal investment advice by recommending our services. The terms of all such arrangements are defined by a contract between the unaffiliated placement agent and third-party Promoters and the Adviser, which sets forth the terms of the Agreement and form of compensation to be received for client referrals, in which payment will be made as indicated above.

Referral arrangements inherently give rise to potential conflicts of interest, particularly when the person recommending an Adviser receives an economic benefit, as the payment received could incentivize the third party's referral. Accordingly, those making the client referrals under this type of arrangement are required to disclose to referred clients, in writing, (1) whether they are a client or a non-client, (2) that they will be compensated for the referral, (3) the material conflicts of interest arising from the relationship and/or compensation arrangement, and (4) all material terms of the arrangement, including a description of the compensation to be provided for the referral. Such arrangements will be disclosed to PCP's clients following and otherwise comply with applicable Rule requirements under the Advisers Act to the extent relevant. Certain third parties may be affiliates of PCP.

Item 15: Custody

PCP does not have physical custody of any client assets. PCP may be deemed to have custody of the assets of the PCP Funds and their subsidiaries due to its authority over the PCP Funds and their subsidiaries.

It is PCP's policy to cause the PCP Funds with assets over which PCP is deemed to have "custody" to be audited annually and distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles, to investors no later than 120 days after the end of each fiscal year.

All assets in the accounts of PCP clients are held by a qualified custodian, except that certain privately offered, uncertificated securities may be recorded on the books of the issuer or its transfer agent in the name of the PCP Funds or client and are not required to be maintained with a qualified custodian.

Item 16: Investment Discretion

Subject to the investment objectives, policies and restrictions of the PCP Funds as outlined in the Governing Documents of the PCP Funds, PCP generally has discretionary authority to determine the type, amount and price of securities and investments to be bought and sold on behalf of the PCP Funds for which it serves as investment manager, including the selection of, and commissions paid to, broker-dealers. PCP may enter into a written investment management agreement with each client granting such discretionary authority or, as is the case with the PCP Fund currently advised by PCP, such authority may be reflected in the Governing Documents of the PCP Funds.

Item 17: Voting Client Securities

Because PCP has or will accept authority to vote securities held by the PCP Funds, it has adopted policies and procedures that have been designed to ensure that PCP complies with the requirements of Rule 206(4)-6 and Rule 204-2(c)(2) under the Advisers Act and reflect PCP's commitment to voting all client securities for which it exercises voting authority in a manner consistent with the best interest of the client.

PCP's general policy is to vote proxy proposals, amendments, consents or resolutions relating to client securities (collectively, "proxies") in a manner that serves the best interests of the PCP Funds, as determined by PCP in its discretion, taking into account the following factors: (i) the impact on the value of the investments; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information; and (iv) industry and business practices.

In limited circumstances, PCP may refrain from voting proxies where PCP believes voting would be inappropriate considering the cost of voting the proxy and the anticipated benefit to the PCP Funds. In general, clients may not direct PCP's votes with respect to a particular proxy solicitation. However, as discussed below, if PCP determines that a material conflict of interest exists for a specific solicitation of proxy, it may, but is not required to, defer to a client's voting instructions for such proxy solicitation. Prior to exercising its voting authority, if any, PCP reviews the relevant facts and determines whether or not a material conflict of interest may arise due to business, personal or family relationships of PCP, its owners, its employees or its related persons with persons having an interest in the outcome of the vote. If a material conflict exists, PCP takes steps to ensure that its voting decision is based on the client's best interests and is not a product of the conflict.

PCP may, at its discretion, disclose the conflict of interest to the client and defer to the client's voting recommendation, defer to the voting recommendation of an independent third-party provider of proxy voting services, or take any other action that would serve the client's best interest. Depending on the circumstances involved, the appropriate resolution of one conflict of interest may differ from the resolution of another, even though the general facts underlying both conflicts may be similar or identical. PCP will deliver to each client upon written request a complete copy of its proxy voting policies and/or information on how it voted proxies for the PCP Funds.

Item 18: Financial Information

Balance Sheet

PCP does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore does not need to include a balance sheet with this Brochure.

Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither PCP nor its management has any financial conditions that will likely impair its ability to meet contractual commitments to investors. PCP has no additional financial circumstances to report.

Bankruptcy Petitions in the Previous Ten Years

PCP has not been the subject of a bankruptcy petition.

Item 19: Requirements for State-Registered Advisers

PCP's SEC registration was approved on July 19, 2021; therefore, this section is not applicable.