

**Item 1 – Cover Page**

**Broadcrest Asset Management, LLC**

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This Brochure provides information about the qualifications and business practices of Broadcrest Asset Management, LLC (“Broadcrest”). If you have any questions about the contents of this Brochure, please contact us at 407.754.0026. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Broadcrest Asset Management, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about Broadcrest Asset Management, LLC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

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## **Item 2 – Material Changes**

Form ADV Part 2A requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes annually.

Broadcrest has the following material changes to note since the last annual amendment submitted on March 29, 2023:

- Updated Item 10: Financial Industry Activities & Affiliations

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#### **Item 4 – Advisory Business**

Broadcast Asset Management, LLC (“**Broadcast**” or the “**Firm**”) was formed in June 2015 as a Florida limited liability company. John O. Burden, Sr., Charles B. Dudley and James A. Hughes, Jr. are the controlling owners and co-managers of the firm.

The Firm's investment advisory services consists of managing the investment portfolios of private funds (each a “**Fund**” and, collectively, the “**Funds**”) that are exempt from registration under certain exemptions of the Investment Company Act of 1940. The common investment objectives of the Funds are to provide its investors with long-term capital appreciation by acquiring a portfolio of investments at a sufficient discount to intrinsic value.

Each Fund's investment objectives and limitations are described in the respective Fund's confidential private placement memorandum (the “**PPM**”), which is provided to each prospective Fund investor prior to their investment.

As of December 31, 2023, Broadcast had \$400,718,890 in assets under management, all on a discretionary basis.

#### **Item 5 – Fees and Compensation**

As compensation for investment advisory services rendered to the Funds Broadcast manages, we receive an annual management fee payable quarterly in advance. Management fees paid by a Fund are indirectly borne by the investors in such Fund. The precise amount, and the manner and calculation, of the management fee for each Fund is set forth in such Fund’s Advisory Agreement, limited partnership agreement (or analogous organizational document) and/or other documentation received by each investor prior to investment in such Fund. Fees may differ from one Fund to another, as well as among investors in the same Fund.

The Funds are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by Broadcast. Neither Broadcast nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges.

The Firm reserves the right to amend the foregoing expense procedures in its sole discretion.

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

Broadcast manages accounts that are billed on performance-based fees (a share of capital gains on or capital appreciation of the assets on an account). The receipt of performance-based fees has the potential to create an incentive for Broadcast to make investments that are riskier or more speculative than would be the case in the absence of a performance-based fee.

To address this conflict, Broadcast has an allocation policy that considers each Fund’s specific investment objectives, the existing assets in each Fund, and the remaining investment capacity of each Fund. Individual employees and affiliates who are compensated to some extent based upon performance and profits for which they are responsible also face a potential conflict. However, the receipt of performance compensation generally aligns employee interests with those of the Funds.

#### **Item 7 – Types of Clients**

Broadcast currently provides advisory services only to pooled investment vehicles (the Funds).

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

The Funds’ investment objective is to provide its investors with long-term capital appreciation. Broadcast believes that this objective can best be achieved by identifying and investing primarily in opportunities that exhibit three core traits: (1) attractive cash returns on invested capital, (2) durable competitive advantages,

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and (3) management that act like owner/operators. Broadcrest employs a strict approach to diligence and underwriting over a long-term time horizon, resulting in a relatively concentrated portfolio of investments in quality businesses. In addition, Broadcrest believes that acquiring a portfolio of investments at a sufficient discount to intrinsic value can provide a margin of safety that mitigates the risk of a permanent loss during market downturns.

Broadcrest evaluates a broad array of opportunities utilizing industry specialists, business owners and other sources. The intrinsic value of each potential investment is evaluated fundamentally on an absolute basis. The analysis includes examination of a company's on- and off-balance sheet assets and liabilities, its management team, strategic direction, and competitive position. Particular emphasis is placed on a company's ability to generate cash, deployment of cash and the existence of any substantial, unrecognized assets. Broadcrest generally will conduct its own research and may conduct in-person visits with management. The independent analysis may be supplemented by other sources of research and analysis; however, Broadcrest may place greater weight upon its own research and judgment, as compared to that provided by third parties. The Fund may use a broad range of investment techniques to generate profit and to control risk, as more fully described in the respective PPM's.

There can be no assurance that a Fund's investment objectives will be achieved or that the Funds will be profitable, and investment results may vary substantially over time. A Fund may lose all or a substantial portion of its investments, and investors in the Funds must be prepared to bear the risk of a complete loss of their investments. The purchase of partnership interest involves significant risks and other important factors relating to investments in limited partnerships generally, and relating to the structure and investment objective, approach and strategies of the Fund in particular.

The following is an explanation of the material risks that Broadcrest believes are associated with its investment strategy. Unless otherwise stated, each risk applies to all of the Funds. Further discussion of these and other risks associated with an investment in each Fund are set forth in the applicable Fund's PPM or other offering documents. The following risk factors do not purport to be a complete list or explanation of all the risks associated with an investment in one or more of the Funds.

### ***Equity Markets and Stock Price Volatility***

U.S. and foreign equities markets have experienced tumultuous times in the past reflected in highly volatile market prices for listed securities. Certain factors often have a significant impact on the market price of securities owned by a fund, and, consequently, may adversely affect a fund's portfolio, such as general economic data, interest and currency rate fluctuations, announcements of technological innovations, developments in patent or other proprietary rights, public concern or perception of issues relating to the safety of products developed by a company, announcements of collaborative partners, issues relating to government regulation, loss or gain of key employees in research and/or operations, fluctuations in companies' operating results, future sales of common stock, analysts' comments, including changes in recommendations, and general market conditions. The Funds invest in securities which may be more volatile and carry more risk than some other forms of investment. Security prices in general can decline over short or even extended periods of time and such declines can be significant.

### ***Illiquid Portfolio Investments; Lack of Current Distributions***

An investment in the Funds should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. For private holdings, the return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of a portfolio company or an investment in a portfolio company. While such a disposition may occur at any time, it is generally expected that they will not occur for a number of years after the initial investment and there is no guarantee that such a disposition can be made during the term of the Fund.

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## ***General Economic and Market Conditions***

A Fund's performance is affected by general economic and market conditions and factors that impact a Fund's investments, such as interest or currency rates, availability of credit, inflation rates, real or perceived adverse economic conditions, economic uncertainty, changes in laws, and national, and international political developments. These factors affect the level and volatility of securities prices and the liquidity of a Fund's investments. Fluctuations may be temporary or may last for extended periods. Unexpected volatility or illiquidity could impair a Fund's profitability or result in losses.

## ***Reliance on General Partner***

Investors are relying on the good faith, experience and expertise of the Firm and parties with which Broadcrest may contract. The professional services provided by the Firm are not exclusive to a Fund. A Fund's investment performance could also be materially adversely affected if a key member of the Firm portfolio management team was to die, become ill or disabled, or otherwise cease to be involved in the active management of a Fund's portfolio.

## ***Business Legal, Tax and Other Regulatory Risks***

Legal, tax, and regulatory changes, as well as judicial decisions, could adversely affect a Fund, the Firm and/or the investment strategies used to implement a Fund's trading program. The regulatory environment for private investment funds continues to evolve, and changes in the regulation of private investment funds can adversely affect the value of a Fund's investments and the ability of a Fund to implement its investment strategy. The financial services industry generally, and the activities of private investment funds and their investment advisers, in particular, have been the subject of increasing legislative and regulatory scrutiny. Such scrutiny increases legal, compliance, administrative, and other related burdens and costs as well as regulatory oversight or involvement in a Fund and/or the Firm or result in ambiguity or conflict among legal or regulatory schemes applicable to a Fund or the Firm. Securities and futures markets are subject to extensive statutes, regulations and margin requirements. Alternative rules or legislation regulating a Fund, or the Firm may be adopted, and the possible scope of any rules or legislation is unknown. There can be no assurances that a Fund or the Firm will not in the future be subject to regulatory review or discipline. The effects of any regulatory changes or developments on a Fund may affect the manner in which it is managed.

## ***Concentration of Holdings***

The Firm expects Fund portfolios to be relatively concentrated and not diversified among a larger number of issuers and industry sectors because the Fund's portfolio will focus on relatively few investments. As a result, a Fund's investment portfolio could become concentrated in a small number of industries, geographic markets or issuers and its aggregate return may be volatile and may be affected substantially by the performance of only a few holdings. As a result of such concentration, the portfolio may exhibit more volatility or risk of loss than a portfolio with broader diversification.

## ***Trading in Securities and Other Investments may be Illiquid***

Certain investment positions in which a Fund has an interest may be illiquid. A Fund may invest in restricted or non-publicly traded securities and securities traded on non-U.S. exchanges. This could prevent a Fund from promptly liquidating unfavorable positions and subject a Fund to substantial losses. The valuation of illiquid investments is complex and uncertain, and there can be no assurance that a Fund's valuation will accurately reflect the value that will be realized upon the eventual disposition of such investment. Such investments could impair a Fund's ability to distribute withdrawal proceeds in a timely manner. At the discretion of the Firm, payment to a Limited Partner of that portion of withdrawal proceeds attributable to Special Investments may be delayed until such Special Investments are liquidated or deemed realized.

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## ***Leverage***

While the use of borrowed funds can improve the return on invested capital, such use also may increase significantly the adverse impact to which a Fund's investment portfolio may be subject. Money borrowed for leveraging will be subject to interest costs or other costs incurred in connection with such borrowing, which may or may not be recovered by the return on the securities purchased with borrowed funds. Borrowing and the use of leverage create an opportunity for greater appreciation, but also for greater loss, in the value of a Fund's assets. They also increase the volatility of the value of a Fund's assets by magnifying both increases and declines in the value of such assets.

## ***Significant Positions***

Portfolio companies in which a Fund may invest could have a relatively small aggregate number of outstanding shares. In addition, an affiliate, or managing member of the Firm may serve on the board of directors of one or more portfolio companies. As a result, the Firm could become an insider and have access to material nonpublic information affecting the portfolio company, which may preclude a Fund from selling its position (or acquiring additional shares) at any time when the Firm otherwise believes it would be appropriate to do so.

## ***Short Sales***

The investment strategies employed by the Firm will involve making short sales of securities. In a short sale, the seller sells a security (or other instrument) that it does not own – typically it is borrowed from a broker-dealer. Because the seller remains liable to return the underlying investment instrument it has borrowed, the seller must purchase the borrowed investment instrument prior to the date on which delivery to the broker-dealer is required. Thus, a short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security that could result in an inability to cover the short position or theoretically unlimited loss. There can be no assurance the investment instruments necessary to cover a short position will be available for purchase. As a result of the foregoing, short sales can, in certain circumstances, substantially increase the impact of adverse price movements on a Fund's investments.

## ***Mandatory Withdrawal or Exit***

Under certain circumstances and upon written notice, the Firm may require a Limited Partner to withdraw a portion of funds from their Capital Account or to withdraw all such funds and exit a Fund. Such mandatory withdrawal or exit may create adverse tax and/or economic consequences to the Limited Partner depending on the timing thereof.

## ***Effect of Substantial Withdrawals***

Substantial withdrawals by Limited Partners within a short period of time could require a Fund to liquidate securities positions more rapidly than would otherwise be desirable, possibly reducing the value of a Fund's assets and/or disrupting a Fund's investment strategy. Reduction in the size of a Fund could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in a Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

## ***Tax Considerations***

Each prospective Limited Partner is urged to consult your own counsel and advisers regarding the tax consequences of acquiring, holding and disposing of an Interest.

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## **Item 9 – Disciplinary Information**

Broadcrest has not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Broadcrest Asset Management serves as the investment manager to Broadcrest LP, Broadcrest PT Investment Holdings LP, Broadcrest Committed Capital Fund LP, Broadcrest Compost Side Car LLC, Broadcrest Compost Aggregator LLC and Broadcrest Committed Capital Fund II LP. Broadcrest Asset Management also serves as the general partner for Broadcrest LP and Broadcrest PT Investment Holdings LP. BAM I LLC, an affiliate of Broadcrest, serves as the general partner for Broadcrest Committed Capital Fund LP. BAM II LLC, an affiliate of Broadcrest, serves as the general partner for Broadcrest Committed Capital Fund II LP. BAM III LLC, an affiliate of Broadcrest, serves as the managing member for Broadcrest Compost Side Car LLC and Broadcrest Compost Aggregator LLC.

Broadcrest associates take active roles in portfolio companies and, as such, have been elected or appointed to sit on the boards of portfolio companies. In some instances, those associates may receive directors' fees individually. A current list of board seats held by Broadcrest associates is available upon request.

## **Item 11 – Code of Ethics**

Broadcrest has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items and personal securities trading procedures, among other things. All supervised persons at Broadcrest must acknowledge the terms of the Code of Ethics upon becoming a supervised person and annually thereafter, and whenever the Code of Ethics is amended.

Associates of Broadcrest are required to pre-clear all personal trades in IPOs, private placements and securities held by clients of Broadcrest.

Under the Code of Ethics certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Fund investors. The Code of Ethics requires pre-clearance of many transactions and restricts trading in close proximity to client trading activity. Because the Code of Ethics in some circumstances would permit employees to invest in the same securities as a Fund, there is a possibility that employees might benefit from market activity by a Fund in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, which is designed to reasonably prevent conflicts of interest between Broadcrest and its clients.

Broadcrest's clients or prospective investors can request a copy of the Code of Ethics

## **Item 12 – Brokerage Practices**

Broadcrest pays and allocates brokerage commissions and fees to registered securities broker-dealers for executing and clearing transactions. Broadcrest has complete discretion to determine the broker-dealers with and through whom a Fund's security transactions are effected, the prices at which transactions are effected and the commission rates and other fees paid by a Fund.

Broadcrest's primary responsibility regarding Fund transactions is to seek the best combination of price and quality of execution under the circumstances at the time of execution, based on the factors Broadcrest considers when selecting brokers to place clients' order for execution, commonly referred to as "best execution." When placing orders with sell-side brokers for executing transactions, Broadcrest considers all factors it deems relevant to best execution, including breadth of the market in the security, price of the security, financial condition and execution capability of the broker or dealer, confidentiality, speed of execution, ability to commit capital, brokerage research and other services and reasonableness of the



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commission.

In selecting brokers or dealers to execute Fund transactions and evaluating the best net price and execution available, Broadcast receives proprietary research in the form of specific reports on securities covered by the broker and other information. Where more than one broker is believed to be capable of providing the best combination of price and execution, Broadcast can select a broker that provides research reports and other products or services (“soft dollar benefits”) such as trading software, market forecasts, news services, subscriptions to financial publications, compilations of security prices, earnings, dividends and similar data, which provides lawful and appropriate assistance to Broadcast in its investment evaluation and decision process on behalf of all clients.

When using brokerage commissions to obtain research or other products or services, Broadcast receives a benefit because it does not have to produce or pay for the research, products or services. Broadcast has an incentive to select a broker-dealer based on its interest in receiving the research, rather than its clients’ interest in receiving most favorable execution. Broadcast may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits, as outlined above, and in seeking best execution in high touch orders.

Broadcast conducts periodic reviews of its broker relationship to assess the reasonableness of the cost and quality of products and services provided by the broker in relation to the value of such products and services. Broadcast evaluates the quality, ease of use, comprehensiveness and accessibility provided by the prime broker’s trading software, fund accounting platform, portfolio management software (including data for tracking tax lots), and software for tracking Fund performance.

### **Item 13 – Review of Accounts**

The Portfolio Managers review the portfolio on an ongoing basis. Broadcast communicates formally with Fund investors through mailings. Fund investors receive annual audited financial statements and Schedule K-1s for tax purposes. Broadcast communicates informally with Fund investors using conference calls and in-person meetings on an as-needed basis or at the request of Fund investors.

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

Broadcast does not have any arrangements under which it or a related person compensates another for client referrals. Broadcast does not have any arrangements under which it receives any economic benefit, including sales awards or prizes.

### **Item 15 – Custody**

Broadcast, in its capacity as general partner or manager, is deemed to have custody of the Funds’ assets under Rule 206(4)-(2) of the Advisers Act (the “Custody Rule”). Broadcast has implemented policies and procedures to comply with the Custody Rule’s requirements. The Funds are required to complete an annual audit by an independent public accountant that is registered with and subject to regular inspection by the Public Company Accounting Oversight Board (“PCAOB”). The Funds that invest primarily in privately offered securities do not use a custodian in the customary sense. Broadcast, on behalf of these Funds, maintains bank accounts in each Fund’s name where monies are deposited by investors to fund underlying investments and fund expenses. To the extent such funds hold publicly traded securities, the Funds will maintain brokerage accounts at a registered broker-dealer in each Fund’s name.

### **Item 16 – Investment Discretion**

Broadcast acts as a general partner, manager or investment adviser for the Funds. As such, Broadcast has discretionary authority to manage investments on behalf of the Funds in accordance with the investment objectives set forth in each Fund’s governing documents.

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

Broadcast adopted a proxy voting policy whereby Broadcast will use its best efforts to vote proxies on

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behalf of each Fund in the best interests of the Fund. Broadcast's proxy voting policies and procedures are designed to ensure that, if a material conflict of interest is identified in connection with a particular proxy vote, the vote is not improperly influenced by the conflict. Upon request, investors can obtain a copy of our proxy policies and procedures.

**Item 18 – Financial Information**

Broadcast does not require the prepayment of fees more than six months in advance, and as such, is not required to file a balance sheet. Broadcast does not have any financial issues that would impair its ability to provide services to clients. There are no bankruptcy petitions to report.