

ITEM 1: COVER PAGE

FORM ADV 2A

PELOTON EQUITY, LLC

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This brochure provides information about the qualifications and business practices of **Peloton Equity LLC** (“Peloton” or the “Adviser”). If you have any questions about this brochure please contact us at 203-532-8011 or email Nicole Sansone at nsansone@pelotonequity.com

The information presented in this brochure was prepared by **Peloton** which is solely responsible for the content. Neither the Commission nor any State securities regulator has approved or verified the information contained in this brochure, and the mere fact of registration with the Commission in no way implies that the adviser has any particular level of skill or training to carry out its business. For specific questions about particular advisory services or products described in this brochure, you can find additional contact information at this worldwide website: www.pelotonequity.com

Additional information about **Peloton** also is available on the SEC’s website at:
www.adviserinfo.sec.gov

ITEM 2: STATEMENT OF MATERIAL CHANGES

This section describes the material changes to Peloton's Brochure since its initial brochure was published.

During 2023 the following Partnerships / Companies completed the disposition of their respective investments and were dissolved and removed as Clients of Peloton Equity, LLC:

- Peloton Equity AeroCare SPV I, L.P.
- Peloton Equity AeroCare SPV II, L.P.
- Peloton FHP, LLC

IMPORTANT NOTE ABOUT THIS BROCHURE

This Brochure is not:

- **an offer or agreement to provide advisory services to any person;**
- **an offer to sell interests (or a solicitation of an offer to purchase interests) in any Peloton;**
- **a complete discussion of the features, risks or conflicts associated with any Peloton or Advisory Service;**
- **to be relied on in determining whether to invest or establish an advisory relationship.**

As required by the Advisers Act, the Firm provides this Brochure to current and prospective Clients and may also, in its discretion, provide this Brochure to current or prospective Investors in a Peloton Fund, together with other relevant Offering Materials (such as subscription agreements, offering memoranda, operating agreements or advisory contracts), prior to, or in connection with, such persons' establishment or consideration of an investment advisory relationship with Peloton or an investment in a Peloton Fund. Additionally, this Brochure is available through the Securities and Exchange Commission's ("SEC's") Investment Adviser Public Disclosure website.

Although this publicly available Brochure describes investment advisory services and products of Peloton, persons who receive this Brochure (whether or not from the Firm) should be aware that it is designed solely to provide information about Peloton as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in relevant Offering Materials. More complete information about each Peloton Fund or SPV Fund (as defined herein), as well as Peloton's investment advisory services, is included in relevant Offering Materials, certain of which may be provided to current and eligible prospective Clients or Investors only by the Firm or an Administrator or Placement Agent. To the extent that there is any conflict between discussions herein and similar or related discussions in any Offering Materials, the relevant Offering Materials shall govern and control.

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ITEM 4: ADVISORY BUSINESS

a) Background

Founded in 2014, Peloton Equity, LLC (Peloton) is a private equity firm dedicated to providing growth capital to innovative healthcare companies. In cycling, riding as a group, or “Peloton” as it is known, is the fastest and most efficient way to get to your goal. We believe the same principle applies to growth capital investing – by working with portfolio company management teams, fellow board members and investors, we believe we can help healthcare companies grow faster and create more value.

Peloton’s Founding Partners worked together for 14 years at Ferrer Freeman & Company (FFC), a firm that was among the pioneers in providing growth capital to healthcare companies. Peloton’s investment team brings over 75 years of combined healthcare industry experience and over 50 years of combined healthcare private equity investing experience. While at FFC and Peloton, the investment team was responsible for 35 portfolio company investments across the healthcare industry, of which 27 have been realized. It is from this experience that Peloton draws its expertise in building market-leading, strategically valuable healthcare companies.

Peloton has developed a repeatable “value creation playbook” which the investment team has honed over the past decade. At the heart of the playbook lies a partnership between Peloton and the management teams of our portfolio companies to build great companies that can help transform healthcare and to drive strong investment returns for our investors.

Peloton’s vision is to combine the investment team’s pedigree of successfully investing in healthcare with the commitment to structured deal sourcing, portfolio management and investor relations that we believe are the hallmarks of a next generation institutional private equity firm.

As used herein, the terms “FFC” or the “Advisor” include Peloton and the terms, “Clients,” “Funds” or “Partnership” includes Peloton vehicles, in each case as the context requires.

b) Advisory Services

Peloton is a private equity Adviser located in Greenwich, CT that invests exclusively in healthcare and healthcare-related companies. Since 2014, we have invested in 10 healthcare companies.

The entities which commit capital to the funds are primarily (measured by U.S. dollars) experienced institutional investors that include corporate pension plans, fund of funds, family offices and a few individual investors.

c) Principal Investment Strategies

Peloton invests its Clients' capital in healthcare companies domiciled primarily in the United States. The majority of the capital as measured by U.S. dollars and number of investments was/is invested in companies which the Advisor believed had or has a significant opportunity to grow its revenues and earnings over time to create equity value. A second investment strategy was/is to partner with an experienced management team in a particular sector (typically healthcare services), commit a fixed amount of capital and build or buy assets over time.

We make long term investments on behalf of our clients whereby we hold the securities and manage the investments for approximately 3-10 years. There are a variety of information sources that Peloton uses in addition to the Investment Committees and Investment Professional's significant experience in investing in and managing healthcare investments that we use to identify and evaluate investment opportunities. These include industry reports and analysis, independent research, knowledge from the existing portfolio companies and management teams, and importantly a large network of healthcare executives, surgeons, physicians and other professional investors in the industry.

The Investment Committees and Investment Professionals have many years of experience in investing in, managing and exiting healthcare companies, financing companies with debt and equity, advising our portfolio companies on buying additional assets or other companies, selling to other companies or accessing the public debt and equity markets.

d) Tailored Advice and Client-Imposed Restrictions

Peloton prepares offering materials with respect to each Fund and SPV Fund that contains more detailed information, including a description of the investment objective and strategy or strategies employed and related restrictions. These serve as a limitation on Peloton's management.

No Fund is tailored to the individualized investment needs of any particular investor ("Investor"). An investment in a Peloton Fund and SPV Fund does not create a client-adviser relationship between Peloton and an Investor.

Investors must consider whether a particular Peloton Fund and SPV Fund or advisory relationship is appropriate to their own circumstances based on all relevant factors including, but not limited to, the Investor's own investment objectives, liquidity requirements, tax situation and risk tolerance. Prospective Investors are strongly encouraged to undertake appropriate due diligence, including but not limited to a review of relevant offering materials for the Funds, investment policy statements, investment guidelines and the additional details about Peloton's investment strategies, methods of analysis and related risks in Item 8 of this Brochure, before making an investment decision.

e) Wrap Fee Disclosure

Not applicable.

f) Assets Under Management

As of December 31, 2023, Peloton had approximately \$436,669,318 in regulatory assets under management ("AUM").

ITEM 5: FEES AND COMPENSATION

Peloton is compensated for its services through the receipt of a management fee and performance-based fees. Peloton's compensation, as well as other costs associated with management by Peloton, is discussed generally below and in more detail in relevant offering materials.

a) Compensation

Peloton receives a management fee ("the Management Fee") from Peloton Equity II. Peloton does not receive a Management or Performance fee from the SPV Funds which are Peloton Arcadia, Peloton HPOne, Peloton ID Experts, Peloton ClearSky, Peloton AeroSafe, Peloton Journey Health and Peloton Grenova.

Peloton received a management fee from Peloton Equity I based on committed capital of 2.5% annually (the "Management Fee") for the first 42 months of its term. After such time, the 2.5% Management Fee is calculated based upon Invested Capital at cost minus write-downs, minus capital returned. Any installment of the Management Fee which is paid subsequent to a "Key Man Event" and prior to the cure of such "Key Man Event" shall be reduced to 2/3 of the Management Fee otherwise applicable as of the date of such installment and upon the cure of the Key Man Event, any such installment of the Management Fee shall be recalculated as of the date of such installment. At any time, upon the closing of a successor fund to Peloton Equity I with aggregate third-party capital commitments of at least \$50,000,000, the annual Management Fee rate will be reduced to 2.0%. The Management Fee is paid quarterly, adjusted for the current quarter's write-downs, and capital returned. The Management Fee ceased being collected on August 22, 2021.

Peloton also receives a management fee from Peloton II based on 2% committed capital for the first 6 years of the Partnership. After year 6 of the Fund, the 2% Management Fee is calculated based upon Invested Capital at cost minus write-downs, minus capital returned.

In addition, the Adviser may receive performance compensation as set out in each individual prospectus (the "Performance Fee"). The Adviser, in its sole discretion, may temporarily waive or reduce the Management Fee and/or the Performance Fee. The SPV Funds typically have a reduced or no Management Fee and Performance Fee as described in each Fund's Private Placement Memorandum and Limited Partnership or Member Agreement.

Peloton may also perform mergers and acquisitions advisory services for some of the portfolio companies in which the Funds invest. The advisory work includes advising portfolio companies on the sale of assets or acquisition by another company. The advisory fee is paid to Peloton. In

the case of Peloton Equity I and Peloton Equity II, Peloton passes the fee along to the investors as a dollar-for-dollar reduction in the management fee for that quarter. If upon termination of the Partnerships an unapplied balance of the Reduction Amount remains, the Adviser shall promptly refund to each Electing Fee Partner an amount in cash equal to the product of (i) the percentage of the aggregate Management Fee earned by the Adviser over the term of the Partnership for which such Electing Fee Partner was responsible and (ii) the amount of such unapplied balance of the Reduction Amount.

The Adviser may also earn fees as members of the boards of some of its portfolio companies. Compensation for board membership is earned in the form of cash and/ or equities. The board compensation is paid to Peloton. In the case of Peloton Equity I and Peloton Equity II, Peloton passes the fee along to the investors as a dollar-for-dollar reduction in the management fee for that quarter. If upon termination of the Partnerships an unapplied balance of the Reduction Amount remains, the Adviser shall promptly refund to each Electing Fee Partner an amount in cash equal to the product of (i) the percentage of the aggregate Management Fee earned by the Adviser over the term of the Partnership for which such Electing Fee Partner was responsible and (ii) the amount of such unapplied balance of the Reduction Amount.

b) Billing

Management fees are called quarterly from Peloton Equity II.

c) Other Expenses

Each Fund generally pays all of its ordinary organizational, offering, administrative, and operating expenses, including, but not limited to, ordinary and recurring legal, accounting, escrow, auditing, administration, and certain clerical expenses including those incurred in preparing, printing and mailing reports and tax information to investors and regulatory authorities, expenses for specialized administrative services, filing fees, and taxes. Additional fees (e.g., wire transfer charges) may be imposed by service providers. At its discretion, The Adviser may elect to pay broken deal expenses on behalf of the Funds.

d) Advance Billing

As discussed above, for the Funds that pay management fees, the management fee is payable quarterly in advance. Fees are not refundable for either funds or managed accounts.

e) Sales-based Compensation

Not applicable. Neither the Firm nor any of its employees or affiliates accepts additional compensation for the sale of securities or other services. The Firm or its affiliates and employees do not receive compensation for other services besides the investment advisory services we provide.

ITEM 6: PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Performance Fee is charged by the Adviser in compliance with Rule 205-3 under the Investment Advisers Act of 1940. The Adviser, in its sole discretion, may temporarily waive or reduce the Management Fee and/or the Performance Fee.

Performance-based compensation may create an incentive for the Adviser to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation. However, the performance upon which the compensation is measured does not include unrealized appreciation of the investments but does include unrealized and realized write-downs of investments in that Fund.

ITEM 7: TYPES OF CLIENTS

The Adviser provides investment advisory services to certain Private Equity Funds (the “Funds”) organized as limited partnerships and limited liability companies. The Funds qualify for exemption from the definition of an “investment company” under the Investment Company Act of 1940, as amended (the “Investment Company Act”) under Section 3(c) (1) or Section 3(c) (7) of the Investment Company Act, and the Adviser offers interests to Investors pursuant to Regulation D under the Securities Act of 1933, as amended (the “1933 Act”).

Fund investors are qualified investors, such as state and corporate pension plans, university endowments, wealthy families and individuals, and funds of funds, for investment in our Funds. Generally, the minimum commitment to a Fund was either \$5,000,000 for the institutional funds, \$1,000,000 for Peloton HPOne, Peloton Journey Health, and Peloton Grenova, \$300,000 for Peloton Arcadia and Peloton ClearSky, \$100,000 for Peloton AeroSafe and Peloton FHP and \$50,000 for Peloton ID Experts. However, the minimum initial investment in a Fund can be waived by the Advisor.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Note: References to “Partnership” refer to the defined Term on page 6. The Partnerships have Limited Partners invested in the Funds and a General Partner managing the Fund, under the terms of a Limited Partnership Agreement. References to “LLC” refer to the defined term on page 6. The LLC has Members invested in the Fund and Managing Members managing the Fund, under the terms of a Limited Liability Company Agreement.

a) Methods of Analysis & Investment Strategies

Peloton uses many different methods to analyze a new investment opportunity. The process starts with identifying industry sectors and companies in those sectors which we believe have a substantial market opportunity to grow revenue and earnings with additional capital. Once an opportunity is identified we a) do extensive management references b) perform an assessment of the commercial growth strategy using all publicly available information on the company and the industry, c) obtain from the company all product, service, operational and financial information from the Company and perform our own physical inspection of assets, facilities, operations, products and manufacturing plants, d) conduct thorough financial, accounting, legal and regulatory due diligence and e) develop a financial projection model based upon all of the work above. Our extensive network in the healthcare industry is valuable in all phases of the assessment and analysis.

b) Material Risks Associated with the Investment Strategies

Investing in private funds in general involves risk of loss that clients should be prepared to bear. Each Fund has risks which are specific to its particular investment strategies. For more information about the risks of each Fund, please see the offering memorandum for that particular fund. While Peloton seeks to manage investments so that risks are appropriate to the return potential for the strategy, it is often not possible or desirable to fully mitigate risks. Peloton does not offer any products or services that guarantee rates of return on investments for any period to any Client or Investor. All Clients and Investors assume the risk that investment returns may be negative or below the rates of return of other investment advisers or products. Investors should understand that they could lose some or all of their investment and should be prepared to bear the risk of such potential losses.

There are risks inherent in the investment strategies pursued, and the financial instruments and trading methods used, by Peloton. Key risks of loss which apply to the principal investment strategies employed by Peloton are listed below. More detailed descriptions and explanations of the key risks of loss are included in relevant Offering Materials. Generally, however, investors in Peloton Funds and managed accounts are exposed to the following risks:

- No Assurance of Investment Return.
- Suitability of Investments
- Operating and Financial Risks of Portfolio Companies.
- Uncertainty of Financial Projections.

- Lack of Industry Diversification.
- Risk of Limited Number of Investments.
- Investment in the Healthcare Industry.
- Regulatory Constraints.
- Healthcare Reform Legislation.
- Litigation Risks in the Healthcare Industry.
- Enhanced Scrutiny and Regulation of the Private Equity Industry.
- Highly Competitive Market for Investment Opportunities
- No Market for Limited Partnership/LLC Interests/Transferability Restrictions
- Financial Market Fluctuations.
- Use of Leverage at the Partnership/LLC Level.
- Illiquid and Long-Term Investments.
- Investments Longer Than Term
- Ongoing Turmoil in the U.S. and Global Financial Markets.
- Force Majeure Risk.
- Availability of Insurance for Certain Catastrophic Losses
- Minority Investments; Investments with Third Parties. Joint Venture Partners.
- Control Position Risk.
- Risks in Effecting Operating Improvements.
- Investment in Restructurings.
- Investments in Less Established Companies
- Risk of Fraud in a Portfolio Company.
- Unspecified Investments. .
- In-Kind Distributions
- Role of Private Equity Professionals.
- Reinvestment.
- Limited Access to Information.
- Additional Capital.
- Legal, Tax and Regulatory Risks
- Contingent Liabilities on Disposition of Investments.
- Absence of Regulatory Oversight. Non-U.S. Investments.
- General U.S. Tax Considerations.
- Tax-Exempt and Non-U.S. Investors May Be Subject to U.S. Tax.
- FATCA Reporting and Withholding and CRS Reporting.
- Taxation in Portfolio Company Jurisdictions
- The Partnership/LLC may be Liable for Adjustments to its Tax Returns as a Result of Recently Enacted Legislation.
- Possible Legislative or Other Developments.
- Registration under the U.S. Commodity Exchange Act
- European Union Alternative Investment Fund Managers Directive.
- United Kingdom Exit from the European Union.
- Pay-to-Play Laws, Regulations, and Policies.
- Placement Agents.

- Change of Law Risk.
- Litigation.
- Risks Arising from Provision of Managerial Assistance.
- ERISA Considerations.
- Potential Control Group Liability.
- Indemnification.
- Liability of the Partnership/LLC and the Partners Absence of Recourse.
- Reliance on Portfolio Company Management.
- Hedging Policies/Risks.
- Interest Rate Risks.
- Bridge Financings.
- Failure to Make Capital Contributions.
- Deployment of Capital.
- Dilution from Subsequent Closings.
- FOIA.
- Possible Exclusion.
- Cyber Security Breaches and Identity Theft.
- Carried Interest.
- Other Fees
- Joint Venture Partners.
- Diverse Limited Partner/Member Group
- Certain Limited Partner/Members will have Representatives on the LP Advisory Committee
- Service Providers and Other Counterparties
- Portfolio Company Relationships.
- Positions with Portfolio Companies.
- Other Activities and Relationships.
- Further Potential Value. Legal Representation – Limited Partner/Memberships.
- Legal Representation – Limited Liability Company

ITEM 9: DISCIPLINARY INFORMATION

The Adviser and its supervised persons have not been involved in any legal or disciplinary events that are material to a client's or potential client's evaluation of our advisory business or the integrity of the Adviser's management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. *Registered Broker-Dealer or Registered Representative*

Not Applicable.

B. *FCM, CPO, CTA or Associated Person.*

Not Applicable.

C. *Material Business Relationships with Certain Related Persons*

The Adviser may also perform mergers and acquisitions advisory services for some of the portfolio companies in which the Funds invest. The advisory work includes advising portfolio companies on the sale of assets or acquisition by another company. The advisory fee is paid to Peloton. In the case of Peloton Equity I and Peloton Equity II, Peloton passes the fee along to the investors as a dollar-for-dollar reduction in the management fee for that quarter. If upon termination of the Partnerships an unapplied balance of the Reduction Amount remains, the Adviser shall promptly refund to each Electing Fee Partner an amount in cash equal to the product of (i) the percentage of the aggregate Management Fee earned by the Adviser over the term of the Partnership for which such Electing Fee Partner was responsible and (ii) the amount of such unapplied balance of the Reduction Amount.

The Adviser may also earn fees as members of the boards of some of its portfolio companies. Compensation for board membership is earned in the form of cash and/ or equities. The board compensation is paid to the Adviser. In the case of Peloton Equity I and Peloton Equity II, Peloton passes the fee along to the investors as a dollar-for-dollar reduction in the management fee for that quarter. If upon termination of the Partnerships an unapplied balance of the Reduction Amount remains, the Adviser shall promptly refund to each Electing Fee Partner an amount in cash equal to the product of (i) the percentage of the aggregate Management Fee earned by the Adviser over the term of the Partnership for which such Electing Fee Partner was responsible and (ii) the amount of such unapplied balance of the Reduction Amount.

D. *Recommendation and Selection of Other Investment Advisers*

Not Applicable.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

a) Code of Ethics

The Adviser recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of clients come first; and (iii) it has a fiduciary duty to its clients to act solely for their benefit. All personnel of the Adviser must put the interests of the Adviser's clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients.

The Adviser has adopted a Code of Ethics (the "Code") pursuant to Advisers Act Rule 204A-1 that sets forth the Firm's ethical standards and governs the business conduct of the Firm and persons associated with the Firm. The Code describes Peloton's policies regarding confidential Client information and regulates personal trading activity. Securities holdings and transactions of access persons and their immediate family members are reviewed to determine compliance with the requirements of the Code. The Code also contains other restrictions and reporting requirements designed to limit personal conflicts of interest. These provisions apply to all employees of the Firm. All personnel of the Adviser must also comply with all federal securities laws.

Clients or prospective clients may obtain a copy of the Code of Ethics by contacting Nicole Sansone, by e-mail at nsansone@pelotonequity.com or by telephone at 203-532-8011.

b) Participation or Interests in Client Transactions

The Adviser and its related persons may invest their personal assets in the companies in which the Adviser's client Funds and SPV Funds invest or they may hold an interest in the Funds and SPV Funds themselves. The Adviser has established procedures intended to limit conflicts of interest in cases where the Adviser, a related person or any of their employees, buys or sells companies in which the Adviser's client funds invest. None of the Advisers Supervised Persons (as defined in the Code) may knowingly sell to or buy any security from a Client without prior written permission from the Chief Compliance Officer ("CCO") or the CCO's designee. Additionally, all Access Persons (as defined in the Code, and which includes Supervised Persons meeting certain further criteria) must submit quarterly transactions reports detailing personal securities transactions. Such reports will be reviewed by the CCO or the CCO's designee to ensure compliance with the Code.

C. Investment in Securities Recommended to Clients

The Advisers Supervised Persons are specifically prohibited from using their knowledge about pending transactions or investments currently being considered for personal profit, including by purchasing or selling such securities directly or indirectly. Further, as noted above, all Access

Persons (as defined in the Code, and which includes Supervised Persons meeting certain further criteria) must submit quarterly transactions reports detailing personal securities transactions. Such reports will be reviewed by the CCO or the CCO's designee to ensure compliance with the Code.

D. Investment in Securities at or about the Same Time Recommended to Clients

See Part II C. above.

ITEM 12: BROKERAGE PRACTICES

a) *Selection of Broker-Dealers*

Not Applicable.

b) *Soft-Dollars Arrangement*

Not Applicable.

c) *Brokerage for Client Referrals.*

Not Applicable.

d) *Directed Brokerage*

Not Applicable.

e) *Aggregation (Bunching) of Trades*

Not Applicable.

ITEM 13: REVIEW OF ACCOUNTS

a) *Client Account Reviews*

The Adviser has detailed knowledge of the investments in each Fund and SPV Fund. The Investment Committee meets several times a month to review the performance of each portfolio company in each Fund and SPV Fund and to ensure that transactions are within the parameters of the Funds' Limited Partnership Agreements and Limited Liability Company's Agreements.

b) *Client Reports*

Investors in the Institutional Funds, Peloton Equity I and Peloton Equity II, receive quarterly financial statements, annual audited financial statements, and a presentation on each portfolio company in each Fund at the Advisor's Annual Meeting. The investors in the SPV Funds, Peloton HPOne, Peloton Arcadia, Peloton ID Experts, Peloton ClearSky, Peloton AeroSafe, Peloton Journey Health and Peloton Grenova receive annual audited financials.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

The Adviser does not typically compensate third parties for investor referrals. Before making payments for any client referral, the Firm requires each such third party to enter into a written referral agreement. This agreement will comply with the requirements set out in Rule 206(4)-3 of the Investment Advisers Act of 1940, including the requirement that the relationship between the solicitor and the investment adviser be disclosed to the potential client at the time of the solicitation or referral. Referral fees are generally a percentage of the annual management fees, incentive allocation, or a combination thereof, earned by the Firm on referred accounts. The referral fees typically do not result in additional expenses to the referred Client. Potential clients are required to acknowledge they have been informed of the referral arrangement, including the type and amount of compensation, prior to the Firm accepting the Client's account.

In July 2017, Peloton entered into an agreement with PTP Securities, LLC ("PTP") as an agent with respect to private placement of limited partnership interests in Peloton Equity II. PTP was paid a monthly retainer fee for 15 months and was paid a fee for placement of three limited partner interests in Peloton Equity II.

In October 2020, Peloton entered into an agreement with Invicta Capital, LLC ("Invicta") as an agent with respect to private placement of limited partnership interest in Peloton Equity II. Invicta was paid a one-time retainer fee and was paid a fee for placement of 16 interests in Peloton Equity II.

In September 2022, Peloton entered into an agreement with CSP Securities, LP ("CSP") and an agent with respect to private placement of limited partnership interest in Peloton Equity III. CSP was paid a retainer fee and has not yet placed any interests in Peloton Equity III.

In the future, the Adviser may enter into other written solicitation arrangements with third parties (each a "Solicitor"). Under a solicitation arrangement, the Adviser may pay a referral fee to a Solicitor when the Solicitor successfully introduces a Client or fund investor to the Firm. The amount of compensation is based on a negotiated percentage of the management and incentive fees received by the Adviser from each Client. The solicitation arrangement does not affect the amount of fees paid by each Client.

ITEM 15: CUSTODY

The Adviser retains custody of fund assets within the meaning of Rule 206(4)-2 under the Advisers Act.

The Advisor does retain custody of the physical securities underlying the Funds' investment in portfolio companies. From time to time, we also have custody of a Fund's cash pursuant to a capital call for a new investment, a Follow-On investment, payment of Fund expenses or a pending distribution of cash or securities.

Where the Adviser is deemed to have custody of the Adviser's Fund's cash or securities, the Adviser provides (or causes to be provided) to each Investor in the Fund a copy of the Fund's audited financial statements within, 120 days for Peloton Equity I, Peloton Equity II, Peloton ClearSky, Peloton AeroSafe, Peloton Journey Health and Peloton Grenova following the relevant Fund's fiscal year end, and 150 days for Peloton HPOne, Peloton Arcadia and Peloton ID Experts following the relevant entity's fiscal year end. Investors who do not receive audited financial statements timely should contact the Adviser immediately.

ITEM 16: INVESTMENT DISCRETION

The Adviser has the discretion and authority to invest the Clients' Capital in healthcare companies and sell those investments pursuant to the Guidelines in each Fund's Limited Partnership Agreement and Limited Liability Company Agreement.

ITEM 17: VOTING OF CLIENT SECURITIES

a) Proxy Voting Authority

From time to time companies in which the Adviser invests may submit certain matters to a vote of its security holders. The right to vote is usually available to equity holders and not to holders of company debt.

The Adviser has adopted Proxy Voting Policies and Procedures pursuant to Rule 206(4)-6 of the Advisers Act designed to ensure that proxies are voted prudently and solely in the best interest of our clients. According to our policy, the Adviser will generally vote in accordance with management's recommendations in order to support the ability of management to run its business in a responsible and cost effective manner while staying focused on maximizing shareholder value. In the event that a conflict of interest exists between management's recommendation and the Adviser or its clients, the Adviser will vote in the manner which in its judgment and sole discretion is in the best interest of its clients.

b) Client Proxy Voting Authority

The Adviser operates a policy of exercising proxy votes for clients as permitted within client agreements. Voting policy is undertaken at all times in the best interests of clients and for their benefit. A copy of the full proxy voting policy is available upon request.

ITEM 18: FINANCIAL INFORMATION OF THE ADVISER

No financial events have occurred to the Adviser that would negatively affect the financial viability of the Adviser. There is no financial condition of the Adviser that is reasonably likely to impair Peloton's ability to meet contractual commitments to clients.

a) Financial Disclosures

Not Applicable.

b) Material Financial Impairment

Not Applicable.

c) Bankruptcy Petitions

Not Applicable.