

Part 2A of Form ADV: Permanent Equity Management - *Brochure*

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This Brochure provides information about the qualifications and business practices of Permanent Equity Management. If you have any questions about the contents of this Brochure, please contact us at (573) 445-0678. 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.

This Brochure does not constitute an offer, solicitation or recommendation to sell or an offer to buy any securities, investment products or investment advisory services. Such an offer may only be made to eligible persons by means of delivery of applicable governing documents and other similar materials that contain a description of the material terms relating to such investment.

Permanent Equity Management is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Permanent Equity Management also is available on the United States Securities and Exchange Commission's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

This Brochure differs from the prior version, dated March 2023, in the following material respects:

- Permanent Equity Management updated its assets under management in Item 4;

In this Item, Permanent Equity will periodically identify and discuss updates to the Brochure. This is intended to inform current and prospective clients of important developments that may take place in Permanent Equity's business practices. Permanent Equity Management will provide ongoing disclosure information about material changes, as necessary.

The information set forth herein is qualified in its entirety by the applicable governing documents. In the event of a conflict between the information set forth in this Brochure and the information in the applicable governing documents, such governing documents shall control.

We encourage all investors to carefully review this Brochure in its entirety.

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Item 4 - Advisory Business

- A. Permanent Equity Management is a private investment management firm located in Columbia, Missouri. Permanent Equity Management was formed in 2019 by its founder and principal owner, Brent Beshore (the “Principal”). Permanent Equity Management provides investment advisory, supervisory, and management services on a discretionary basis to multiple affiliated private investment funds, (each, a “Fund”, and together, collectively, the “Funds”), making privately negotiated equity and equity-related investments. The Governing Documents of the Funds, as defined below, may provide for the establishment of parallel or alternative investment vehicles in certain circumstances. Fund investors may participate in such vehicles for the purposes of certain investments, and such vehicles, under certain circumstances, can also be considered clients of Permanent Equity Management.

Permanent Equity Management provides investment advisory services in accordance with the investment objectives, strategies, guidelines, restrictions and limitations described in the applicable governing documents of each Fund, including, without limitation, each Fund’s private placement memorandum, limited partnership agreement, subscription documents, side letters, investment management agreements and capital call notices (collectively, the “Governing Documents”), and the information in this Brochure is qualified in its entirety by the information set forth in the Governing Documents.

The following general partner entities are affiliated with Permanent Equity Management (each a “General Partner”, and collectively, the “General Partners” and together with Permanent Equity Management, collectively, “Permanent Equity”): (i) Adventur.es GP LLC; and (ii) Adventur.es GP II, LLC. The General Partners each serve as general partner to a Fund, but are not registered investment advisers. Instead, the General Partners rely on Permanent Equity Management’s registration in accordance with SEC guidance. See Item 10. This Brochure describes the business practices of Permanent Equity, as a single advisory business. Except as the context otherwise requires, any reference in this Brochure to Permanent Equity or Permanent Equity Management shall include both Permanent Equity Management and the General Partners.

In some cases, in connection with sponsoring a Fund, the General Partner of such Fund will delegate to Permanent Equity Management responsibility for the management, operation, and control of the investment activities of such Fund, to the fullest extent permitted by law and the applicable Governing Documents, subject to the supervision and decision-making power of the General Partner.

- B. Permanent Equity’s investment advisory services include establishing each Fund’s investment objective and selecting portfolio investments according to each Fund’s specific investment strategy, as described in the applicable Fund’s Governing Documents.

As identified above, the Funds are private equity funds that invest through negotiated transactions in operating entities, generally referred to as “portfolio companies.” Accordingly, the objective of Permanent Equity is to seek opportunities to generate risk-adjusted, long-term returns in the form of dividends and distributions, with the potential for capital appreciation through the targeted acquisition and retention of North American middle market and lower middle market portfolio companies. This objective is pursued primarily by advising the Funds in connection with making, holding and eventually disposing of privately negotiated controlling investments in such companies with the intention of the Funds holding such

investments for the duration of their respective terms. Notwithstanding the foregoing, Permanent Equity may still target and ultimately recommend minority and non-equity investments in portfolio companies.

- C. While each of the Funds will follow the general strategy stated above, Permanent Equity may, subject to the terms of the Governing Documents, tailor the specific advisory services with respect to a Fund at Permanent Equity's discretion and based on the individual investment strategy of such Fund. Please note that Permanent Equity's clients are the Funds. Investors in the Funds are not clients of Permanent Equity. Permanent Equity does not tailor its investment advice to the individual investors in each Fund, and therefore, investors cannot impose restrictions on the types of investments made through the Funds. Any restrictions on investment are set forth in the Governing Documents.
- D. Permanent Equity does not participate in wrap fee programs.
- E. As of December 31, 2023, Permanent Equity has approximately \$400,832,701 in regulatory assets under management, all of which are managed on a discretionary basis.

Item 5 - Fees and Compensation

- A. Below is a general overview of how Permanent Equity is compensated in connection with providing advisory services to a Fund. Permanent Equity may enter into different fee or compensation arrangements on a Fund by Fund basis in its sole discretion. As a result, investors in a Fund should carefully review the applicable Governing Documents for a description of the fees and compensation applicable to such Fund.

Management Fees

Neither the General Partners nor Permanent Equity Management receive any management fees directly from the Funds.

Notwithstanding the foregoing, Permanent Equity may, as more fully explained in the Governing Documents, charge fees to a portfolio company or Fund as compensation for certain professional services (e.g. legal and accounting) rendered by Permanent Equity (or its affiliates) that such Fund or portfolio company may have otherwise obtained from a third party service provider. The amount of Permanent Equity's fees are commensurate with the fair value of services rendered by Permanent Equity based on the price the recipient would have reasonably expected to pay for similar services by a qualified third-party service provider in an arms' length transaction between the recipient and such service provider.

Performance Fees (Carried Interest)

In general, when a Fund invests in a portfolio company, the income, dividends, distributions and/or interest income generated by such portfolio company, together with the net proceeds attributable to the disposition of the investment in such portfolio company (collectively, "Distributable Proceeds") are distributed to the Fund's investors in the manner set forth in and subject to such Fund's Governing Documents.

As more fully described in the Governing Documents, the General Partner of each Fund will generally be entitled to receive certain performance-based fees and distributions that are measured as a percentage of the Fund's Distributable Proceeds in excess of certain negotiated performance thresholds that are tied to the internal rate of return received by the Fund's investors, and are subject to (i) the investors' 5%-8% preferred return; and (ii) a General Partner catch-up provision. These performance-based fees and distributions to the General Partner are referred to as the "carried interest." The specific amount and timing of the payments of carried interest to a General Partner vary by Fund, and are highly dependent upon, among other things, the performance of the Fund and its portfolio companies, and the size of an investor's capital commitment. Accordingly, investors in a Fund should carefully review the applicable Governing Documents for a description of the carried interest payable with respect to such Fund.

Other Information

Distributions to the investors may be subject to certain adjustments and reserves as stated in more detail in each Fund's Governing Documents.

Upon the final liquidation of a Fund and distribution of its remaining assets, the General Partner may be required to restore amounts to the Fund for distribution to the investors (up to the amount of its cumulative net after-tax carried interest) to the extent, if any, that the amount

previously distributed to the General Partner as its carried interest exceeds the aggregate amount actually due to the General Partner as its carried interest on a cumulative basis based upon the aggregate performance of the Fund and its portfolio companies. In some cases, this obligation of the General Partner may be subject to other set-offs, discounts or reductions that have been negotiated and agreed to by the General Partner and the investors in a particular Fund, all as set forth in the applicable Governing Documents.

In some cases, the performance-based fees (the carried interest) payable to the General Partners may be negotiable and the General Partners have entered into and may in the future enter into side letters with certain investors that alter, modify or change the terms of the interests held by those investors, including, without limitations reductions, waivers, modifications and/or changes to the carried interest applicable to their investments in the Funds.

- B. Any of the fees discussed above may be paid out of current income and other Distributable Proceeds, drawdowns of capital commitments or any other assets of the Fund determined by the General Partner to be available for such purpose.
- C. The General Partners, Permanent Equity Management and their respective affiliates will pay all of their respective ordinary administrative and overhead expenses, including salaries, benefits and rent.

Subject, in each case, to the terms set forth in the applicable Governing Documents, each Fund will pay all other expenses attributable to the activities of the Fund including, without limitation: (i) all organization and formation expenses (subject to certain limitations); (ii) all out-of-pocket costs of the administration of the Fund, including accounting, audit, annual financial statement, federal income tax and Form K-1s, tax return preparation, consulting expenses, costs of holding any meetings of partners, costs of any liability insurance obtained on behalf of the Fund and/or the General Partner, costs associated with the maintenance of books and records of the Fund, and legal expenses that are unrelated to a portfolio company if the Fund is the party receiving the primary benefit of the services; (iii) all expenses incurred in connection with the registration, qualification, or exemption of the Fund under any applicable laws; (iv) all expenses incurred in connection with the preparation of alterations and amendments to the Fund's Governing Documents; (v) all expenses incurred in connection with any litigation involving the Fund (including the cost of any investigation and preparation) and the amount of any judgment or settlement paid in connection therewith; (vi) subject to any applicable provisions of the Fund's Governing Documents, all expenses for indemnity or contribution payable by the Fund; (vii) all expenses incurred with administrative proceedings and/or audit relating to the Fund's tax matters; (viii) all expenses incurred in connection with the dissolution and liquidation of the Fund; (ix) all expenses incurred on account of taxes, fees, or other governmental charges of the Fund; (x) all investment-related expenses for investments that are successfully closed (including pre- and post-closing investment expenses, legal and accounting fees, hard third-party costs, shipping fees for deal documents, and legal and accounting fees (at fair market rates) for work performed in-house by Permanent Equity Management on tasks that are traditionally performed by outside third parties); (xi) all expenses incurred in connection with monitoring any transactions with a portfolio company; (xii) interest expense and any fees and expenses in connection with any borrowing, guarantee, or other credit support; (xiii) the cost of professional services (billed at fair market value) that expand beyond ordinary oversight and management of portfolio companies and would typically be performed by outside third parties that are performed by Permanent Equity Management (or its affiliates) and for which the benefit extends to more than one portfolio company or directly to the Fund (e.g., legal or accounting projects not limited to a single portfolio company or systems

implementation and/or software integration across multiple portfolio companies); and (xiv) and any other costs, expenses, or fees for goods or services of which the Fund is the primary beneficiary.

Portfolio companies may, from time to time, reimburse the General Partners and Permanent Equity Management for costs and expenses incurred by such persons on behalf of the portfolio companies including, but not limited to: third-party fees (including legal fees charged by outside counsel) incurred by a General Partner or Permanent Equity Management associated with transferring intellectual property following an acquisition; shipping fees for original documents needed in the course of operating the business of a portfolio company post-closing; post-closing legal fees for services rendered for the primary benefit of a portfolio company; registered agent fees for portfolio company operating entities; registration and maintenance fees for portfolio company operating entities; and any costs, expenses, or fees for goods or services of which a portfolio company is the primary beneficiary.

Permanent Equity does not maintain any trading accounts and does not use “soft” dollars. Please refer to Item 12, Brokerage Practices, for more information.

- D. As stated above, neither the General Partners nor Permanent Equity Management receive any management fees directly from the Funds.
- E. Other than the performance-based fees (the carried interest) described above, Permanent Equity and its affiliates do not receive any compensation from the sale of securities or other investment products.

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

As detailed in Item 5 above, the General Partners of the Funds (which are affiliates of Permanent Equity Management) generally receive performance-based fees in the form of carried interest payments that are based on a share of the Distributable Proceeds distributed to a Fund's investors. The specific amount and timing of the payments of carried interest to a General Partner vary by Fund, and are highly dependent upon, among other things, the performance of the Fund and its portfolio companies, and the size of an investor's capital commitment. These payments are subject to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the "Advisers Act"), in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

Performance-based fees (the carried interest), in general, may create an incentive for Permanent Equity and its affiliates to make investments that are riskier and more speculative than would be the case in the absence of such performance-based fees.

Permanent Equity may manage multiple Funds with similar or different investment strategies on a side-by-side basis. As a result of the foregoing, Permanent Equity and its affiliates and agents may have conflicts of interest in: (i) allocating their time and activity among the multiple Funds; (ii) allocating investments among the multiple Funds; and (iii) effecting transactions among the multiple Funds, including ones in which Permanent Equity, its affiliates and/or any of their related persons may have a greater financial interest. These conflicts of interest may create an incentive for Permanent Equity to favor a Fund in which Permanent Equity, its affiliates and/or any of their related persons have a greater financial interest with respect to allocation of time and activity, limited investment opportunities, or investments that Permanent Equity regards as more attractive or better performing investments.

To address these conflicts of interest, Permanent Equity has implemented policies and procedures to ensure that all Funds receive equitable and fair treatment over time with respect to the allocation of investment opportunities.

Item 7 – Types of Clients

As mentioned in Item 4, Permanent Equity provides investment advisory services on a discretionary basis to affiliated pooled investment funds making privately negotiated equity and equity-related investments. Please note that Permanent Equity's clients are the Funds. Investors in such Funds are not clients of Permanent Equity.

Generally, the stated minimum for capital commitments to a Fund can be found in each respective Fund's Governing Documents; provided, however, that each Fund's General Partner has the sole discretion to accept capital commitments that it deems to be in the best interests of the Fund.

Each investor generally is required to represent that it is, among other things, an "accredited investor," as such term is defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), and a "qualified purchaser," as such term is defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended.

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

- A. Each Fund advised by Permanent Equity may have its own strategies and risks, all of which are described in the applicable Governing Documents. However, in general, the objective of Permanent Equity is to seek opportunities to generate risk-adjusted, long-term returns in the form of dividends and distributions with the potential for capital appreciation through the targeted acquisition and retention of North American middle market and lower middle market portfolio companies. This objective is pursued primarily by advising the Funds in connection with making, holding and eventually disposing of privately negotiated controlling investments in such companies with a view towards the Funds holding such investments for the duration of their respective terms. Notwithstanding the foregoing, Permanent Equity may still target and ultimately recommend minority and non-equity investments in portfolio companies.

Investment Process

Permanent Equity utilizes a proactive origination strategy in its deal origination. Permanent Equity focuses its outbound solicitation efforts on industries where it has developed domain expertise, management relationships, a demonstrated record of past investment success, or has performed extensive industry due diligence. Based upon its research, Permanent Equity develops targeted sub-sectors to thoroughly examine for investment opportunities. In other instances, potential transactions are brought to Permanent Equity by business owners, operating executives or investment banks given Permanent Equity's and the Principal's reputation in the industry. Permanent Equity spends a considerable amount of time meeting with business owners, intermediaries and other similar persons regarding investment opportunities, enabling it to see a wide range of potential transactions in any given year. Seeing a wide range of opportunities is believed to benefit Permanent Equity's judgment in its assessment of valuation, capital structure, the strength of the management team and the growth opportunity that is presented. Since Permanent Equity's relationship building process with business owners can often span years, these remaining companies continually form a portion of Permanent Equity's backlog of future investment opportunities.

Permanent Equity's origination strategy promotes a thorough and extensive due diligence process. Since the investment team devotes substantial time to the establishment of personal and professional relationships with business owners, it enjoys greater access to the owners and their management teams and is able to track performance of target companies over longer periods of time than usually afforded through an auction process. While Permanent Equity may employ third party professionals to assist with certain due diligence matters, Permanent Equity believes that the ability to foster management relationships and monitor company performance over an extended period of time prior to an investment represents a critical foundation to Permanent Equity's due diligence process and investment discipline.

The investment strategies summarized above are not intended to be comprehensive. For more information regarding Permanent Equity's and the Funds' investment strategies, please see the applicable Governing Documents.

B. Risk Factors

There can be no assurance that investors in the Funds will achieve their investment objectives or that investments in the Funds will be profitable. The Funds' investment strategies involve a substantial degree of risk, including risk of complete loss. Nothing in this Brochure is intended

to imply, and no one is or will be authorized to represent, that the Funds' or Permanent Equity's investment strategies are low risk or risk free. These investment strategies are appropriate only for sophisticated persons who fully understand and are capable of bearing the risks of investment. Prospective investors should consider the following risks, among others, before making any investment decisions. The various risks outlined below are not the only risks associated with the Funds' investment strategies and processes and will not necessarily apply to each investor or each Fund. Investors are urged to consult with their own independent financial, legal and tax advisors before making any investment decisions. The following risks are qualified in their entirety by the risks set forth in the applicable Governing Documents.

No Operating History

Although some members of Permanent Equity's senior investment team have significant backgrounds in investments in companies of the type targeted by the Funds, the Funds and Permanent Equity are entities with limited operating histories and there can be no assurance that the Funds will all experience the same level of returns or that one or more investments made on behalf of the Funds will not result in losses.

No Assurance of Investment Return; Past Performance

The past investment performance of Permanent Equity's senior investment team should not be relied on as an indicator of the Funds' future performance or success. There can be no assurance that the Funds will achieve results comparable to any such prior investment activity. Past performance may include the positive or negative impact of general industry, economic and other factors, over which neither Permanent Equity nor any of its affiliates have any control.

There can be no assurance that the Funds will be able to make and/or realize investments in any particular portfolio company. There is no assurance that the Funds will be able to generate returns for its investors or that the returns will be commensurate with the risks of investing in the type of investments and transactions described herein. An investment in the Funds should only be considered by persons who can afford a loss of their entire investment.

Investment Strategy

The Funds' investment strategy will focus on established middle market and lower middle market companies in North America. Investments in these types of companies are susceptible to a high degree of volatility due to, among other things, their reliance on limited financial resources, small management teams, limited product lines and markets, and the unpredictable development (and/or obsolescence) of certain technologies. The successful realization of investments in these types of companies may be highly dependent on public equity markets. Any significant, market-wide downturn in the public equity markets' valuations could seriously impair the Funds' ability to liquidate their investments and their overall investment performance. Due to the Funds' investment strategy, the Funds will be less diversified for certain risks than other, more broadly focused funds, and its aggregate return may be substantially affected by the unfavorable performance of a single investment. As a result of the Funds' focus on middle market and lower middle market portfolio companies, returns of the Funds may lag those of other funds that invest in larger, more liquid and potentially more stable businesses.

Nature of Partnership Investments

In light of the Funds' investment strategy, an investment in the Funds requires a long-term commitment, with no certainty of return. Accordingly, an investor may not be able to liquidate its investment and must be prepared to bear the risks of owning its interests for an extended

period of time. Most of the Funds' investments will be highly illiquid, and there can be no assurance that the Funds will be able to realize on such investments in a timely manner. While the Funds will generally hold a controlling interest in most of its portfolio companies, there may be practical limitations on its ability to protect its position and interests in such portfolio companies.

Because the Funds may only make a limited number of investments and the Funds' investments will generally involve a high degree of risk, poor performance by a few of the investments could severely affect the total returns to investors. While private equity investments offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. There generally will be little or no publicly available information regarding the status and prospects of portfolio companies. Many investment decisions by Permanent Equity will be dependent upon the ability to obtain relevant information from non-public sources, and Permanent Equity may be required to make decisions without complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify. The marketability and value of each investment will depend upon many factors beyond Permanent Equity's control. Portfolio companies may have substantial variations in operating results from period to period, face intense competition, and experience failures or substantial declines in value at any stage.

Availability of Investment Capital

Some or all of the portfolio companies in which the Funds invest may require several rounds of capital infusions. The Funds may not provide any or only a portion of the necessary follow-on capital to the applicable portfolio company. Accordingly, third-party sources of financing may be required. There is no assurance that such additional sources of financing will be available, or, if available, will be on terms beneficial to the Funds.

Reinvestment

During the investment period, proceeds that would otherwise be distributable to the investors may, in certain circumstances, be retained by the General Partners and reinvested or used to pay Fund expenses. Accordingly, the amount of distributions that an investor receives during the investment period may be limited, although at no time will an investor have aggregate capital at risk in excess of its capital commitment.

Illiquidity of Interests

The interests in the Funds have not been registered under the Securities Act or any other applicable securities laws. There is no public market for interests in the Funds, and none is expected to develop. In addition, the interests in the Funds are not transferable except in accordance with the Securities Act and other applicable securities laws, the applicable Governing Documents, and only with the consent of the applicable General Partner, which may be withheld in its sole and absolute discretion. Investors may not withdraw capital from the Funds. Consequently, investors may not be able to liquidate their investments prior to the end of the Fund's term.

Availability of Investment Opportunities

Investors in the Funds must rely upon the ability of Permanent Equity to identify, structure and implement portfolio investments consistent with the Funds' investment objectives and policies. The sector in which the Funds will be engaged is competitive, and there are no assurances that the Funds will be able to find a sufficient number of attractive opportunities to meet their investment objectives, or that such investment opportunities will lead to completed investments by the Funds. The Funds will compete with financial institutions, so called "strategic" buyers

(often, large publicly traded companies in the target's sector), and other investment funds in purchasing the businesses that the Funds will attempt to acquire. Many of the Funds' competitors have greater resources than those available to the Funds. Moreover, many of the industries in which the Funds' target portfolio companies participate are highly competitive, and there are no assurances that any portfolio company will retain the level of success necessary to obtain the Funds' objectives. Identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. Furthermore, the availability of investment opportunities generally will be subject to market conditions.

Uncertainty Regarding Investments

Although Permanent Equity will attempt to conduct appropriate due diligence prior to making an investment, the due diligence process may be subjective at times, may be required to be undertaken on an expedited basis in order to take advantage of available investment opportunities, and may require Permanent Equity to rely on limited resources available to it including information provided by the target of the investment and third-party consultants, legal advisers, accountants and investment banks. As a result, it is uncertain whether the due diligence investigation will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Permanent Equity also cannot be certain that the due diligence investigation will result in investments being successful.

Valuation of Investments

Generally, the relevant General Partner will determine the value of all the related Fund's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of a Fund's investments because, among other things, the securities of portfolio companies held by such Fund generally will be illiquid and not quoted on any exchange. Each General Partner will determine the value of all the relevant Fund's investments that are not readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that the relevant General Partner will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of a General Partner with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by such General Partner may cause it to ineffectively manage the relevant Fund's investment portfolios and risks and may also affect the diversification and management of such Fund's portfolio of investments.

Use of Leverage

Fund investments may involve leveraged acquisitions, which, by their nature, require companies to undertake a high ratio of fixed charges to available income. Such investments are inherently more sensitive to declines in revenues and to increases in expenses. Leverage generally magnifies both the Funds' opportunities for gain and its risk of loss from its investment activities. Leverage increases the exposure of the Funds to adverse economic factors, such as rising interest rates, economic downturns or deteriorations in the condition of its portfolio companies or the industries in which they operate. The leverage provided will result in interest expense and other costs incurred in connection with such borrowings, which may not be covered by available cash flow. While leverage may enhance total returns to

investors, if investment results fail to cover borrowing costs, returns to the investors will be lower than if there had been no such borrowings.

In addition, such levels of leverage could have significant consequences on the Funds' investments in such companies, including: (i) a substantial portion of a portfolio company's cash flow from operations may be used to pay principal of and interest on its indebtedness and may not be available for other purposes; (ii) a portfolio company's ability to obtain financing in the future for working capital needs, capital expenditures, acquisitions, investments, general corporate purposes or other purposes may be materially limited or impaired; and (iii) a portfolio company's level of indebtedness may reduce its flexibility to respond to changing business and economic conditions. Also, increased interest rates generally increase portfolio company interest expenses.

Further, the Funds' portfolio companies may enter into loan agreements that generally impose a number of operating and financial restrictions on such companies. Such restrictions could affect, among other things, the ability of a portfolio company to incur additional indebtedness, pay dividends, issue equity, repay indebtedness prior to stated maturity, create liens, sell assets or engage in mergers or acquisitions, make certain capital expenditures and make investments in operating subsidiaries. Such loan agreements may require, among other things, that the Funds pledge its shares of equity in a portfolio company and that such portfolio company pledge its assets and shares of equity in its operating subsidiaries, in each case as security for the lender. In the event of a default under such loan agreements, the lenders could foreclose on the equity and assets so pledged. These restrictions could limit the ability of these portfolio companies to affect future financings or may otherwise limit corporate activities. In the event any such portfolio company cannot generate adequate cash flow to meet debt service, the relevant Fund may suffer a partial or total loss of capital invested in the portfolio company.

Any downturn in U.S. or global credit markets may make it difficult for Permanent Equity to obtain favorable financing for the Funds' portfolio companies, for such portfolio companies to refinance on favorable terms, or for prospective acquirers to obtain financing to purchase portfolio companies from the Funds. Accordingly, any such downturn may adversely affect Permanent Equity's ability to generate attractive investment returns.

Finally, Permanent Equity may enter into a bridge line of credit facility to be utilized in anticipation of receiving contributions following capital calls. To obtain such a line of credit the lender may require that the Funds pledge the unfunded capital commitments of its investors as security. In the event of a default under such a facility, the lender could foreclose on such unfunded capital commitments.

Business and Market Risk

A substantial portion of the Funds' investments will be in equity or equity-related investments that by their nature involve business, financial, market and/or legal risks. While such investments offer the opportunity for significant capital gains, they also involve a high degree of risk that may result in substantial losses. There can be no assurance that Permanent Equity will correctly evaluate the nature and magnitude of the various factors that could affect the value of such investments. Prices of the investments may be volatile, and a variety of other factors and events that are inherently difficult to predict, such as changes in law, or domestic or international economic and political developments, may significantly affect the results of the Funds' activities. In addition, Permanent Equity's strategy for a portfolio company may involve an acquisition program, restructuring and/or operational improvements, all of which entail a high degree of uncertainty.

Potential Contingent Liabilities

In connection with the disposition of an investment in a portfolio company, a Fund may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business. It may also be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate. These arrangements, as well as indemnification obligations of a Fund, may result in contingent liabilities, which might ultimately have to be funded by the investors to the extent that the investors have received prior distributions from the Fund or have undrawn capital commitments.

Regulatory Risks

Following global market volatility and dislocations, financial institution failures and financial fraud in recent years, governmental authorities in the United States and elsewhere have called for financial system and participant regulatory reform, including additional regulation of investment funds (which could include the Funds) and their managers (such as Permanent Equity) and their activities, including compliance, risk management and anti-money laundering procedures; restrictions on the provision and use of leverage; implementation of capital requirements; and books and records, reporting and disclosure requirements. The ultimate effect of government actions cannot be predicted, but these regulatory reform measures could cause Permanent Equity to incur significant expense to comply with such measures.

Regulation generally, as well as regulation more specifically addressed to the private equity industry, including tax laws and regulation, whether in the United States or outside of it, could further increase the cost of acquiring, holding or divesting investments and the cost of operating the Funds, as well as harm the profitability of enterprises and interfere with Permanent Equity's ability to engage in certain transactions.

Reliance on Portfolio Company Management

Although Permanent Equity will monitor the performance of the Funds' investments and provide management assistance and other support, it will primarily be the responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis. Although the Funds generally intend to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the relevant Fund's objectives. To the extent that the senior management of a portfolio company performs poorly, or if a key manager of a portfolio company terminates employment, a Fund's investment in such portfolio company could be adversely affected. The returns of the Funds will depend in large part on the performance of these unrelated individuals and could be materially and adversely affected by the unfavorable performance of a small number of such individuals.

Risk Arising from Provision of Managerial Assistance

From time to time, and only if and where applicable, Permanent Equity may seek to designate one of the members of Permanent Equity's senior investment team to serve on the boards of directors of the Funds' portfolio companies, and will provide certain oversight and support to the management teams at the portfolio companies. The designation of directors and other measures contemplated could expose the assets of the Funds to claims by a portfolio company, its security holders, and its creditors. While Permanent Equity intends to manage the Funds in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Permanent Equity intends to use reasonable efforts to avoid having the assets of the Funds constitute “plan assets” of any plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”) or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) that invests in the Funds and may, in this regard, elect to operate the Funds as a “venture capital operating company” (“VCOC”) within the meaning of regulations promulgated under ERISA. Operating the Funds as a VCOC would require that the Funds obtain rights to substantially participate in or influence the conduct of the management of a number of the Fund’s portfolio companies.

Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues

Permanent Equity’s business activities as well as the Funds and their operations and investments, could be materially and adversely affected by pandemics, epidemics and outbreaks of disease in Asia, Europe, North America and/or globally or regionally, such as novel coronavirus, or COVID-19, Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, and/or other epidemics, pandemics, outbreaks of disease, viruses and/or public health issues. Specifically, novel coronavirus, or COVID-19, has spread (and is currently spreading) rapidly around the world since its initial emergence in China in December 2019 and has severely negatively affected (and may continue to materially adversely affect) the global economy and equity markets (including, in particular, equity markets in Asia, Europe and the United States). Although the long-term effects or consequences of the novel coronavirus (or COVID-19) and/or other epidemics, pandemics and outbreaks of disease cannot currently be predicted, previous occurrences of other pandemics, epidemics and other outbreaks of disease, such as H5N1 flu, H1N1 flu, SARS and the Spanish flu, had a material adverse effect on the economies and markets of those countries and regions in which they were most prevalent. Any occurrence or recurrence (or continued spread) of an outbreak of any kind of epidemic, communicable disease or virus or major public health issue could cause a slowdown in the levels of economic activity generally (or cause the global economy to enter into a recession or depression), which would adversely affect the business, financial condition and operations of Permanent Equity and the Funds. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to spread or materially impact the day to day lives of persons around the globe), Permanent Equity and the Funds could be adversely affected by more stringent travel restrictions, additional limitations on Permanent Equity’s operations or business and/or governmental actions limiting the movement of people between regions and other activities or operations (or to otherwise stop the spread or continued spread of any disease or outbreak).

Force Majeure

A Fund’s investments may be affected by force majeure events (i.e. events beyond the control of the party claiming that the event has occurred, including without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes government macroeconomic policies, social instability). Some force majeure events could, among other things, negatively affect the ability of a portfolio company to perform its obligations, adversely impact the cash flows available from a portfolio company, cause personal injury or loss of life, damage property, or instigate disruptions of service. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on a portfolio company. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally.

Uncertain Economic and Political Environment

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies. This may slow the rate of future investments by a Fund, and such uncertainty or general economic downturn may have an adverse effect upon a Fund's portfolio companies.

Market Conditions

The capital markets have experienced great volatility and financial turmoil. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for the Funds and may affect the Funds' ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in each Fund's investments and could have a negative impact on the performance and/or valuation of the portfolio companies. Each Fund's performance can be affected by deterioration in the capital markets and by market events, such as the onset of the credit crisis in the summer of 2007, the downgrading of the credit rating of the United States in 2011, or the novel coronavirus pandemic of 2019, 2020, and 2021 (COVID-19), which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. Movements in foreign exchange rates may adversely affect the value of investments in portfolio companies and a Fund's performance. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of a Fund to sell and/or partially dispose of its portfolio company investments. The impact of market and other economic events may also affect a Fund's ability to raise funding to support its investment objective.

Limited Access to Information

Investors' rights to information regarding a Fund and/or Permanent Equity generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that Permanent Equity and its affiliates will obtain certain types of material information from or relating to the Funds' investments that will not be disclosed to investors because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of Permanent Equity's control. Decisions by Permanent Equity or its affiliates to withhold information may have adverse consequences for investors in a variety of circumstances. For example, decisions to withhold information may make it difficult for an investor to monitor Permanent Equity and its performance. Investors generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and Permanent Equity reserves the right to withhold certain information from investors subject to

such laws for reasons relating to Permanent Equity's public reputation, business strategy or other reasons.

Failure of Counterparties to Perform Obligations.

In its ordinary course of business, Permanent Equity relies on various counterparties, which include, but is not limited to, brokers, dealers, banks, custodians, and administrators ("Counterparties"). These Counterparties, with which Permanent Equity does business on behalf of the Funds, may, from time to time, default on their obligations with or without notice. Such defaults include, but are not limited to, a Counterparty's bankruptcy, insolvency, or other failure. A Counterparty's default on their obligations may impact Permanent Equity's or a Funds' ability to conduct its business in the ordinary course. There is a risk of loss of assets on deposit at the Counterparty. Although government agencies or other organizations provide insurance coverage to depositors in the event of a Counterparty failure, coverage is limited to a specified amount and subject to rules and regulations. Prior events where a government agency or other organization stepped in to make depositors whole over their excess deposits at select Counterparties, which may or may not have a current or prior relationship with the Permanent Equity or the Funds, should not be construed as a guarantee that such action will be taken in the future. There is no guarantee that any excess deposits are recoverable. In the event of a Counterparty's default, Permanent Equity will work diligently to access its capital and take actions it deems appropriate while acting in the best interest of the Funds. However, Permanent Equity's access to capital is subject to a variety of external factors that are outside of Permanent Equity's control, including the timing of default, a government agency's or other organization's actions, including the timing of the Counterparty's closure, ability to liquidate the Counterparty's assets, or to effect the Counterparty's sale or dissolution, unforeseeable economic factors or market conditions, and the Counterparty's technology infrastructure operating as intended to facilitate access. Furthermore, Permanent Equity's ability to access capital may have an impact on the Permanent Equity's and/or the Funds' ability to conduct operations in the normal course including, but not limited to paying expenses, funding investment opportunities resulting in delayed or missed opportunities, and calling capital from or making distributions to limited partners. Deposits concentrated at one or a limited number of Counterparties may amplify these risks.

Investing in securities involves risk of loss that investors should be prepared to bear. There can be no assurance that a Fund's objective will be achieved or that the investment strategies a Fund employs will be successful. Investors must be prepared to lose all or substantially all of their investment in the Fund. The past performance of Permanent Equity or any Fund managed or sponsored by Permanent Equity or an affiliate is not necessarily indicative of future performance.

For a more complete description of the risks associated with investing in a Fund, investors should refer to the relevant Governing Documents for each Fund.

C. See Item 8.B. above.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Permanent Equity or the integrity of adviser's management.

There are no legal or disciplinary events that are material to an evaluation of Permanent Equity's advisory services or the integrity of management.

Item 10 - Other Financial Industry Activities and Affiliations

- A. Permanent Equity is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Currently, no staff of Permanent Equity are registered representatives of a broker-dealer.
- B. Neither Permanent Equity nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.
- C. As described under “Advisory Business” above, certain of Permanent Equity Management’s affiliates, such as the General Partners, (each, a “Relying Adviser” and, collectively, the “Relying Advisers”), serve as general partner, manager, managing member or investment manager with respect to one or more of the Funds. While Permanent Equity Management and the Relying Advisers have been organized as separate legal entities, they collectively conduct a single investment advisory business. Accordingly, each Relying Adviser relies and/or will rely on Permanent Equity Management’s investment adviser registration instead of separately registering as an investment adviser with the SEC under the Advisers Act. To rely on Permanent Equity Management’s registration, (i) the Relying Adviser, its employees and persons acting on its behalf will be “persons associated with” and “supervised persons” (as each term is defined in the Advisers Act) of Permanent Equity Management, (ii) any investment advisory services will be subject to Permanent Equity Management’s supervision and control, (iii) any investment advisory functions will be subject to the Advisers Act and the rules and regulations thereunder, and (iv) the activities and books and records of the Relying Adviser will be subject to inspection and examination by the SEC. Each Relying Adviser will be subject to Permanent Equity Management’s compliance policies and procedures and, except as the context otherwise requires, any reference in this Brochure to Permanent Equity Management includes both Permanent Equity Management and the Relying Advisers.

Certain officers, members and/or affiliates of Permanent Equity may serve as directors, managers, officers or committee members of the various portfolio companies of the Funds. Such persons could face conflicts of interest between discharging their duties as directors, managers, officers or committee members, as the case may be, of such companies and acting in the best interest of the applicable Funds. Moreover, certain of Permanent Equity’s affiliates or agents also may serve as directors of public companies and their activities on behalf of those other companies may present actual and/or potential conflicts of interest (including conflicting fiduciary duties). It is possible that Permanent Equity and its affiliates may receive compensation from companies in their capacities as directors, managers, officers or committee members and this compensation generally is not shared with the Funds.

- D. Permanent Equity does not recommend or select other investment advisers for the Funds.

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

- A. Permanent Equity has adopted a written Code of Ethics designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Advisers Act (the “Code of Ethics”). The Code of Ethics sets forth a standard of business conduct and compliance with federal securities laws by all of Permanent Equity's staff. The Code of Ethics contains policies and procedures that ensure that all personal securities trading by staff of Permanent Equity is conducted in such a manner as to avoid actual or potential conflicts of interest or any abuse of an individual's position of trust and responsibility. Permanent Equity (i) prohibits personal trading on initial public offerings or secondary public offerings; (ii) requires periodic reporting of staff's personal securities transactions and holdings; and (iii) requires prompt internal reporting of Code of Ethics violations.

While Permanent Equity does not anticipate having access to non-public information related to public companies, as part of its Code of Ethics, Permanent Equity has established procedures to prevent the abuse of material, non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. Because the structure of Permanent Equity would make information barriers impractical, Permanent Equity has not imposed information barriers to restrict the internal flow of possible material, non-public information. Thus, all professionals are deemed to be in receipt of material, non-public information, in all instances where any professional of Permanent Equity has received material, non- public information, and, therefore, may not trade on the basis of that information.

Permanent Equity will provide a copy of the Code of Ethics to any investor or prospective investor upon request.

- B. Affiliates of Permanent Equity Management serve as General Partners to the Funds, which issue partnership interests to third party investors. Other than with respect to these structures, neither Permanent Equity nor any of its related persons recommend to the Funds, or buy or sell for Funds, investments in which Permanent Equity or any related persons have a material financial interest.
- C. Certain of Permanent Equity's affiliates, the Principal and other members of Permanent Equity's management team directly and/or indirectly make significant capital commitments in each Fund. As such, it is possible that Permanent Equity could cause a Fund to buy or sell securities in which one or more of Permanent Equity's related persons have a financial interest. For example, Permanent Equity could recommend that a Fund invest in a portfolio company in which another Fund previously invested. Because certain of Permanent Equity's related persons or affiliates may have an ownership interest in multiple Funds, Permanent Equity could have a potential conflict of interest in making such a recommendation. Permanent Equity addresses this through disclosure to Funds and Fund investors.
- D. Co-investments by Permanent Equity's affiliates and its related persons are generally subject to limitations and restrictions set forth in the applicable Governing Documents. Subject to certain exceptions specified in the Governing Documents, such co-investments will be made on terms no more favorable than those on which the applicable Fund invests and disposed of at the same time and on substantially the same terms as the applicable Fund disposes of its investment.

Item 12 - Brokerage Practices

- A. Permanent Equity's investment strategy involves making negotiated investments in privately held companies. As a result, Permanent Equity does not select or recommend broker-dealers for Fund transactions. In the event that Permanent Equity is called upon to select and/or recommend broker-dealers or other counterparties to clients in the future, Permanent Equity will implement and adopt policies and procedures reasonably designed to ensure that such brokers are selected in a fair and equitable manner and will promptly amend this Brochure to disclose such policies and procedures.

Permanent Equity does not maintain any trading accounts and does not use "soft" dollars.

- B. Not Applicable.

Item 13 - Review of Accounts

- A. Permanent Equity generally conducts reviews of all portfolio company investments held in each Fund on at least an annual basis (or more frequently upon the occurrence of certain material events). Investment staff participate in the ongoing monitoring of Fund portfolios. The Principal and the management team at Permanent Equity is responsible for leading the reviews.

With respect to accounting matters, Permanent Equity has engaged an independent public accountant to conduct an annual audit of each of the Funds.

- B. See Item 13.A. above.
- C. Annually, each Fund will furnish all investors with (i) audited financial statements prepared in accordance with generally accepted accounting principles, accompanied by the report of its independent certified public accountants, and (ii) tax information necessary for the completion of tax returns. Permanent Equity may also provide other reports and statements to investors on a periodic basis. All such statements and reports are written.

Item 14 - Client Referrals and Other Compensation

- A. Except as otherwise disclosed herein, Permanent Equity does not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to the Funds. Nevertheless, portfolio companies or other third parties may pay certain fees to Permanent Equity and its affiliates or agents, including transaction fees and oversight fees. Permanent Equity and its affiliates may also receive such fees and compensation in connection with a transaction that is not ultimately consummated.
- B. Permanent Equity does not utilize or engage third party placement agents or solicitors for referring or soliciting prospective investors in the Funds.

Item 15 - Custody

Due to Permanent Equity Management's affiliation with the General Partners, Permanent Equity may be deemed under Rule 206(4)-2 under the Advisers Act to have custody of the assets of the Funds. To the extent required pursuant to Rule 206(4)-2 under the Advisers Act, each Fund's cash and securities are maintained and held at one or more qualified custodians. The General Partners are responsible for selecting qualified custodians and they may change custodians at any time and from time to time. Qualified custodians do not provide account statements directly to investors. Permanent Equity has engaged an independent public accounting firm to conduct an annual audit of each of the Funds. Audited financial statements (prepared in accordance with generally accepted accounting principles) are provided to each investor in the Funds within 120 days after the end of each fiscal year, or as promptly thereafter as is practicable.

Item 16 - Investment Discretion

Permanent Equity has discretionary power and authority over the types of financial instruments to be bought or sold, as well as the amount to be bought or sold on behalf of its clients, the Funds. In connection with this discretionary authority, Permanent Equity selects portfolio company investments for each Fund.

Each investor in a Fund generally grants the General Partner thereof a limited power of attorney to enable the General Partner to execute the applicable partnership agreement and perform certain other activities in connection therewith on its behalf.

Item 17 - Voting Client Securities

- A. While Permanent Equity technically has proxy voting authority on behalf of the Funds, it generally does not expect to be called upon to vote proxies with respect to securities owned by the Funds, as the Funds do not acquire or hold publicly-traded securities. Nevertheless, in the event that Permanent Equity is called upon to vote proxies, it will vote such proxies in accordance with its proxy voting policy, which is reasonably designed to ensure that Permanent Equity votes proxies in a manner that furthers the best interests of each Fund. In general, proxy proposals, amendments, consents and/or resolutions are required to be voted in a manner that serves the best interests of the applicable Fund, as determined in the discretion of Permanent Equity.

Permanent Equity generally will attempt to identify actual or potential conflicts of interest that could compromise or be deemed to compromise the independence of the voting decisions when voting proxies on behalf of a Fund. In the event that a material conflict of interest is identified, Permanent Equity generally will attempt to resolve, mitigate or disclose such conflict before voting any proxy. To address or resolve a potential material conflict, Permanent Equity will follow the procedures outlined in its proxy voting policy. In some instances, Permanent Equity may determine that it is in a Fund's best interest for Permanent Equity to "abstain" from voting or not to vote at all, and will do so accordingly.

Proxy voting reports, identifying how proxies were voted in the past and Permanent Equity's proxy voting policy are available upon written request to Permanent Equity Management at the address set forth on the cover page to this Brochure.

- B. See Item 17.B. above.

Item 18 - Financial Information

- A. Not applicable.
- B. Permanent Equity does not believe it has any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients.
- C. Permanent Equity has not been the subject of a bankruptcy petition at any time during the past ten years.