

Firm Brochure
Part 2A of Form ADV

Princeton Portfolio Strategies Group LLC

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This brochure provides information about the qualifications and business practices of Princeton Portfolio Strategies Group LLC. If you have any questions about the contents of this brochure, please contact us at (609) 436-5680. 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.

Additional information about Princeton Portfolio Strategies Group LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Registration as an investment adviser, or any reference to the Firm being or the use of the term "registered", "registration" or "registered investment adviser", does not imply a certain level of skill or training.

CRD Number: 158570

Item 2: Material Changes

This section only discusses material changes to our Form ADV Part 2A disclosure document since the date of our last annual update to this brochure, which was issued on March 30, 2017.

There have been no material changes to the information in this disclosure document since the last annual update of this brochure.

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Item 4: Advisory Business

Firm Description

Princeton Portfolio Strategies Group ("PPSG") is a fee-only SEC-registered investment adviser that has been in business since 2011. The Firm is a limited liability company formed in the State of New Jersey and is 100% owned and managed by active employees. Our investment professionals have broad experience in investment research and portfolio management, and a long history of coordinating financial solutions with our clients' attorneys, accountants and other professionals.

As used in this brochure, the words "Firm," "we," "our," and "us" refer to PPSG and the words "you," "your," and "client" refer to you as either a current or prospective client of PPSG.

Advisory Services:

PPSG provides wealth and portfolio management services to both private and institutional clients through separately managed accounts. We tailor our advisory services to the particular needs of each client as determined through a collaborative review of a client's specific circumstances. Subjects typically covered in the review include current and future financial assets and liabilities, ongoing income and periodic cash needs, investment goals and objectives, time horizons, risk tolerance, tax considerations, and individual needs and preferences. The result of this work - a mutually agreed upon investment program - serves as a strategic guide to the implementation of our portfolio management services in support of the client's goals.

PPSG offers equity, balanced and fixed income portfolio management services in accordance with the methods described in Item 8: Investment Strategies, Methods of Analysis and Risk of Loss. Client portfolios are invested primarily in exchange-listed securities such as common and preferred stock, corporate and municipal bonds, and debt securities issued by the U.S. government and its agencies. Secondly, investment selections may include securities listed over-the-counter, foreign issuers, and mutual funds.

Our advisory services are offered on a discretionary basis, whereby clients authorize the Firm to select securities and execute transactions without their permission prior to each transaction. Clients may request that their portfolios be restricted from investing in certain securities or types of securities. We review and accept such requests on a case-by-case basis.

Under select circumstances the Firm will also accept accounts on a non-discretionary basis. Non-discretionary accounts are those that PPSG may trade only in accordance with the client's instructions. Non-discretionary account clients retain absolute discretion over all portfolio investment decisions and are free to accept or reject any recommendation from the Firm.

PPSG does not act as a custodian of client assets. Assets are held by independent custodians in the client's name, and the client always maintains asset control. PPSG places trades for clients under a limited power of attorney.

Assets Under Management as of December 31, 2017:

Discretionary:	\$451,052,000
Non-Discretionary:	\$ 3,592,000
Total:	\$454,644,000

Additional Information About the Firm's Advisory Services

In connection with the provision of the Firm's advisory services:

- the Firm is authorized to rely on any and all information that is provided to it by the client or any of the client's other professionals (such as the client's attorney or accountant), and shall not be required to independently verify any such information, and
- each client is responsible for promptly notifying the Firm if there is ever any change in their financial situation or investment objectives so that the Firm is positioned to review, evaluate and possibly revise its previous recommendations and/or services.

Miscellaneous Disclosures: Non-Advisory Services

- To the extent requested by the client, the Firm may provide non-investment related services, such as administrative family office services.
- To the extent requested by the client, the Firm may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance brokers, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from PPSG.

Item 5: Fees and Compensation

Princeton Portfolio Strategies Group charges an investment advisory management fee that is based on a percentage of a client's assets under management. PPSG's minimum account size is \$1 million, although the Firm has the discretion to accept accounts below \$1 million

Below is our standard Annual Management Fee schedule in effect for new client relationships.

Assets Under Management	Equity and Balanced Accounts	Fixed Income Accounts
First \$1 million	1.25%	0.50%
Next \$2 million	1.00%	0.50%
Next \$2 million	0.75%	0.50%
Over \$5 million	0.50%	Negotiable

The table above represents PPSG's basic fee schedule. PPSG retains the right to negotiate fees at its discretion. We may agree to vary our standard fee schedule based on such criteria as the level of client assets under management and/or the level of service required by the client, historical relationship, related accounts, etc. The fee we charge is listed in a client's Management Agreement with us.

All investment advisory management fees are charged quarterly in advance. Billing is based upon the market value of the client's portfolio as of the last business day of the prior quarter's end. PPSG reserves the right, at its discretion to:

- Pro-rate the quarterly billing for capital contributions or distributions; and
- Accommodate clients who prefer a different method of calculating their account value for billing purposes.

PPSG's management fees are deducted from a client's custodial account. Both PPSG's Management Agreement and the custodial/clearing agreement authorize the custodian to debit the account for the amount of PPSG's

management fee and to directly remit that fee to PPSG in compliance with regulatory procedures. In the limited event that PPSG agrees to bill a client directly, payment is due upon receipt of PPSG's invoice.

Other Types of Advisory-Related Fees and Expenses

Other expenses borne by the client, but not received by PPSG, may include fees imposed by custodians, brokers, and other third parties. Such fees may include, but are not limited to brokerage commissions, transaction costs, wire transfer and electronic fund transfer fees, and other fees and taxes on brokerage accounts and securities transactions.

Mutual funds and exchange-traded funds may also charge internal management fees and charge for other fund expenses. The total expenses are generally referred to as an expense ratio. These fees and expenses are described in each fund's prospectus.

Item 12 further discusses brokerage and includes a description of the factors we consider in selecting or recommending broker-dealers for client transactions and how we determine that the commissions paid to the broker-dealers are reasonable.

Termination of the Advisory Relationship

The Investment Advisory Agreement may be terminated at any time, by either party, for any reason, upon receipt of written notice.

Upon termination PPSG will refund to the terminating client any prepaid, unearned fees. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period. The client's written termination notice will serve as a request for reimbursement of prepaid, unearned fees.

ERISA Accounts

PPSG is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. For ERISA clients, and non-ERISA clients alike, we will not engage in prohibited transactions and will not receive commissions, 12b-1 fees or any other form of compensation from any investment product we may recommend.

Miscellaneous Disclosures: Non-Advisory Service Compensation

- PPSG may receive compensation for non-investment related services such as administrative family office services. The fees for such service may be set at a fixed amount or an hourly charge. The compensation arrangement is negotiated between the client and PPSG and is set forth in the written service agreement between PPSG and the client.
- Non-advisory service fees are paid directly by the client in quarterly installments, in arrears. PPSG will not deduct such fees from the client's custodial account.

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

Performance-Based Fees

Performance fees are a form of compensation based upon a share of the profits or capital appreciation of client assets.

PPSG is a Member of Princeton Tremson Partners GP, LLC. ("PTP GP"). PTP GP is the General Partner of Princeton Tremson Absolute Return LP ("PTAR") and Princeton Tremson Select Value LP (PTSV"), two private funds for qualified investors. PTP GP may receive a profit allocation of 15% from PTAR and 20% from PTSV, both calculated on a high water mark basis. PPSG, as a Member of the General Partner may benefit from the profit allocation.

Side-By-Side Management

Side-by-side management refers to where an adviser simultaneously manages advisory portfolios with differing structures (e.g. separately managed account, pooled private fund, mutual fund, etc.) In such circumstances, potential conflicts of interest may arise between the different structures when the adviser receives more compensation for managing one or more accounts than it does for other accounts eligible to hold the same securities.

PPSG is the investment manager to two pooled private funds, PTAR and PTSV, and receives an annual management fee of 1.5% from PTAR and 1.0% from PTSV. Neither of the investment strategies employed by PTAR and PTSV are available to individual investors on a separate account basis.

PPSG does have side-by-side potential conflicts of interest to the extent that 1) investment opportunities of interest to PTAR and/or PTSV may also be of interest to other PPSG clients and 2) an affiliate, Princeton Tremson Partners GP LLC may receive a profit allocation from the two pooled private funds.

PPSG has adopted policies and procedures intended to address potential conflicts of interest that arise through the normal course of business.

Item 7: Types of Clients

PPSG offers its wealth and portfolio management services primarily to:

- Individuals and high net worth individuals
- trusts and estates
- charitable organizations
- other business entities
- family offices and other wealth advisers
- private investment funds

Client relationships vary in scope and length of service.

Requirements for Opening or Maintaining an Account

- The minimum account size for all clients is \$1 million. We may agree to aggregate related accounts for the purpose of determining account size, and we may agree to manage accounts below our stated minimum.
- Each client will be required to sign a management agreement prior to the Firm's acceptance of the client's assets for advisory services.

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

Investment Strategies

The separate account investment solutions offered by PPSG accommodate a broad range of client goals and objectives. The investment strategy employed for a specific client is tailored to the objectives, income needs,

and tax situation as stated by the client during consultations. The client may change these objectives at any time.

The primary strategies employed by PPSG in separately managed client accounts include:

- a conservative strategy appropriate for clients who seek equity-like returns over the long-term, but are concerned about the equity market's potential for significant downside volatility. This approach typically favors the stocks of mid-to-large capitalization companies.
- an equity income strategy appropriate for conservatively oriented clients who seek high current income, growth of income and principal, and below market volatility. This approach typically favors well established, mid-to-large capitalization dividend-paying companies.
- a growth equity strategy appropriate for clients who seek growth of capital over the long term and are able to tolerate market-like interim volatility. This approach considers investment opportunities across the entire market capitalization spectrum.
- a fixed income strategy appropriate for clients seeking stability of principal. This approach invests primarily in short and intermediate duration, high quality corporate and municipal bonds, and debt securities issued by the U.S. government and its agencies

When consistent with a client's circumstances and investment objectives, we will position a portfolio to incorporate a blend of two or more of the above mentioned approaches or to address a client's unique, individual situation.

Any type of investment that involves additional degrees of risk will be implemented only when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

The strategies employed by PPSG for its private investment fund clients are proprietary and highly customized. These strategies and the risks associated with them are fully described in each fund's agreement with PPSG and in their respective offering memorandum.

Methods of Analysis and Sources of Information

Our equity investment research incorporates fundamental analysis of both "top-down" and "bottom-up" perspectives. The top-down considerations include economic and industry conditions and focuses on potential investment opportunities arising from changes in government regulations, technology, industry consolidations, and demographics. Our bottom-up, or company-specific, research involves analyzing financial statements to understand the general financial health of a company, reviewing the strengths and weaknesses of the management team, and assessing the advantages or disadvantages the company may have versus its competitors.

We utilize a variety of information sources, including:

- Securities and Exchange Commission filings
- Various industry research materials
- Financial newspapers and magazines
- Company presentations and research conferences
- Technical industry meetings
- Site visits and conversations with company managements, vendors, customers and competitors

Through our analysis, we attempt to establish the future value of a company's security so that we can determine if the security's current price presents a reasonable investment opportunity given our understanding of the security's future potential and risks.

Our analysis of fixed income securities emphasizes fundamental research of the debt issuer where credit risk is of concern. We employ relative valuation analysis to guide our purchase and sale decisions.

Risk of Loss

Investing in securities involves risk, which includes the possibility that your account could go down in value. Additionally, we cannot guarantee that we will achieve the stated investment objectives of our strategies. Below are some of the specific material risks of investing in our separately managed account strategies:

Market Risk: Market risk involves the possibility that an investments' current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

Company Risk: The underlying earnings or operational growth we anticipate may not occur, or the market price of the security may not increase as we expect it to.

Small and Medium Capitalization Company Risk: Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes.

Credit Risk: An issuer of debt securities may fail to make interest payments and repay principal when due, in whole or in part. Changes in an issuer's financial strength or in a security's credit rating may affect a security's value.

Information Risk: Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Risks for longer-term investment horizon: Our investment strategies are principally directed to the long-term outlook. Thus, securities purchased for our clients are generally held for at least a year. A risk in a long-term purchase strategy is that by holding a security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

However, we are always alert to the necessity to respond to changes in the securities markets and in our investment outlook for any particular security. Therefore, we may sell a position that has been in a portfolio for less than a year.

Margin Transaction Risk: If a client has a margin account, we can purchase stock for that portfolio with money borrowed from the client's brokerage account. This allows us to take advantage of opportunities to purchase shares of a company without having to raise cash by selling other holdings. A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in an account minus what is owed to the broker falls below a certain level, the broker will issue a margin call. The margin call is required to be covered either by selling a position(s) in the portfolio or by depositing additional cash in the account. In some circumstances, clients may lose more money than they originally invested.

Minimizing Risk of Loss

PPSG believes the professional and disciplined execution of our investment philosophy will generate sustainable investment returns for our client accounts. However, the cumulative effect of company-specific risk and systemic risk of a domestic and/or global nature clearly imply that no investment is guaranteed. PPSG clients placing assets in our separately managed accounts do so with the full knowledge that loss of principal is a real risk, and that the use of diversification does not assure a profit or protect against loss in a declining market. Securities markets experience varying degrees of volatility and over time, your assets will fluctuate and may be worth more or less than the original amount you invested.

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 the Firm in this item. The Firm and its personnel have no reportable disciplinary events to report.

Item 10: Other Financial Industry Activities and Affiliations

As described in Item 6, PPSG is a Member of Princeton Tremson Partners GP, LLC. ("PTP GP"). PTP GP is the General Partner of Princeton Tremson Absolute Return LP ("PTAR") and Princeton Tremson Select Value LP (PTSV"), two private funds for qualified investors. PPSG has also been engaged as investment manager for PTAR and PTSV. These associations may present a conflict of interest in that the potential for additional compensation from these associations creates an economic incentive for PPSG to advise clients to invest in the funds.

In light of this conflict of interest, PTAR and PTSV are offered only to qualified investors, who are required to review the offering memorandum, which outlines all disclosures and potential conflicts of interest, and to execute a subscription agreement prior to investing.

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

Code of Ethics

We value client trust and place our fiduciary responsibilities to each client first and foremost in all aspects of our business. PPSG has adopted a Code of Ethics, as required by Rule 204A-1 under the Investment Advisers Act of 1940, which describes our standard of business conduct, and our fiduciary duty to our clients. Additionally, it serves as a guide to make our employees aware of what conduct and behavior is expected of them, including their personal securities transactions, and rules against trading upon material nonpublic information so that they do not take inappropriate advantage of their positions and the access to information that comes with their position.

Our Code of Ethics is updated periodically to ensure that it maintains compliance with applicable laws and regulations and meets the needs of our clients. All members of the Firm attest to an understanding of the Code whenever it is amended but no less than annually.

A copy of PPSG' Code of Ethics will be provided to clients and prospective clients upon request.

Participation or Interest in Client Transactions and Personal Trading

PPSG may have a financial interest in private funds that have been, and may continue to be, recommended to clients as discussed in Item 10 above. These practices may create a conflict of interest because PPSG may have an incentive to recommend investments to clients based on its own financial interests, rather than solely the interests of a client. All such recommendations are made in accordance with the investment objectives of the client and only if such recommendations are in the best interests of clients.

PPSG does not buy securities for its own account. Employees of PPSG may purchase, sell or hold positions in securities that are also held by clients, and may participate along with other PPSG clients in aggregated brokerage orders. Because the securities in which PPSG accounts invest are generally highly liquid, and because virtually all employee transactions are de Minimis, we believe that employee trades or the participation of employee accounts in an aggregated order are unlikely to affect the price or availability of the security for other clients and therefore will not normally present any conflict of interest. All of PPSG's access personnel are required to disclose their securities transactions on a quarterly basis.

Item 12: Brokerage Practices

The Custodians and Brokers We Use

PPSG does not maintain custody of the assets the Firm manages for its clients (although from a regulatory perspective PPSG may be deemed to have custody of client assets if the client gives us authority to withdraw assets from their account to pay our management fee as described in Item 15 Custody, below). Client assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank that will hold the assets in a brokerage account and buy and sell securities when we instruct them to.

PPSG currently works with a number of qualified custodians, and in the event that the client requests that PPSG recommend a broker dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct PPSG to use a specific broker-dealer/custodian), PPSG generally recommends that investment management accounts be maintained at Charles Schwab & Co., Inc. ("Schwab"). Schwab is a FINRA-registered broker-dealer and member of the Securities Investor Protection Corporation ("SIPC"). PPSG is independently owned and operated and not affiliated with Schwab or any other custodian/broker.

While we may recommend that a client use Schwab as custodian/broker, the client will decide which custodian/broker they will work with and open their account with that custodian/broker by entering into an account agreement directly with them. We do not open this account for the client. If a client's account is maintained at Schwab and if the client has given us authorization to do so, we can still use other brokers to execute trades for the client's account, as described in the "Your Custody and Brokerage Costs" section below.

How PPSG Selects Brokers/Custodian Firms to Recommend

PPSG seeks to recommend a custodian/broker-dealer that will hold our clients' assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors when selecting brokerage firms to recommend, including, among others, these:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for your account)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, securities transfers, etc.)

- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- their prior service to us and to our other clients
- availability of other products and services that benefit us, as discussed below (see “Products and Services Available to PPSG from Schwab”)

Your Custody and Brokerage Costs

Our clients’ custodians generally do not charge separately for custody services but are compensated by charging our clients commissions or other fees on trades that they execute or that settle into the custody accounts they maintain for our clients.

Because it is generally more cost effective and efficient, PPSG places most trades for execution with the client’s custodian. We may however, at our discretion and when a client’s custody account is so authorized to do so, occasionally place client transactions with broker/dealers other than the client’s custodian. This may occur when the executing broker provides supplemental investment research or other services or products. Such research, services and products may include company and industry information through written and verbal reports and research seminars. The client’s custodian may charge a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client’s account. These fees are in addition to the commissions or other compensation a client pays the executing broker-dealer.

PPSG does not attempt to put a specific dollar value on the services or products received from the brokers executing such trades or to allocate the relative costs or benefits of those services among all clients, believing that the research we receive will help us to fulfill our overall duty to our clients. We may not use each particular research service to service each client. As a result, a client may pay brokerage commissions that are used, in part, to access research services that are not used to benefit that specific client. Broker/dealers we select may be paid commissions that exceed the amounts other broker/dealers or the client’s custodian would have charged. However, we endeavor to determine, in good faith, that such amounts are reasonable in relation to the value of the brokerage and/or research services provided.

The foregoing may be perceived to be a conflict of interest. When PPSG receives products or services from the broker/dealer, it does not have to produce or pay for that benefit. PPSG arguably would have an incentive to select or recommend a broker-dealer based on PPSG’s interest in receiving the products or services, rather than on the client’s interest in receiving most favorable execution.

However, the Firm feels that it has addressed this potential conflict because PPSG’s clients do not pay more for investment transactions effected and/or assets maintained at a particular broker-dealer or custodian as a result of PPSG’s receipt of such products or services. There is no corresponding commitment made by PPSG or any other any entity to invest any specific amount or percentage of client assets in any specific securities, mutual funds or other investment products as a result of PPSG receiving these products or services. Further, and most importantly, the products or services received are available to any investment manager executing securities transactions through the broker-dealer, regardless of the volume of execution.

Products and Services Available to PPSG from Schwab

Schwab Adviser Services is Schwab's business division serving independent, investment advisory firms like PPSG. They provide PPSG and our clients with access to its institutional brokerage – custody, trading, reporting and related services – any of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we don't have to request them) and at no charge to us.

Some of Schwab Adviser Service's support services include products and services that benefit PPSG in providing its services, but may not directly benefit PPSG's client accounts. These services include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. Other services include software and other technology that:

- provide access to client account data (such as trade confirmations and account statements);
- facilitate online trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing information and other market data;
- facilitate payment of PPSG's management fees from its clients' accounts; and
- assist with back-office functions, record-keeping and client reporting.

Schwab Adviser Services also provides PPSG with other services unrelated to client accounts, including publications, educational conferences and other presentations and consulting on such topics as information technology, regulatory compliance and practice management.

Schwab may provide some of these services itself. In other cases, it may arrange for third-party vendors to provide the services to PPSG. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel. Schwab commission rates to clients are not affected by PPSG receiving these services.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits PPSG because we do not have to produce or purchase them. These services are not contingent upon PPSG committing any specific amount of business to Schwab in trading commissions or assets in custody. The availability of such services may give PPSG an incentive to recommend that clients maintain their accounts with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on our clients' interest in receiving the best value in custody services and the most favorable execution of their transactions. This is a potential conflict of interest. We believe, however, that our recommendation of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of Schwab's services (based on the factors discussed above – see "How We Select Brokers/Custodians to Recommend") and not Schwab's services that benefit only us.

Separately, since 2012 we have contracted with Schwab Performance Technologies ("SPT") to assist PPSG with account reconciliation, portfolio accounting and client reporting functions for all client accounts, including those using broker-dealers other than Schwab for custody and brokerage services. SPT and Schwab are separate companies affiliated as subsidiaries of The Charles Schwab Corporation, but their products and services are independent from each other.

Through a benefit made available by Schwab's Adviser Services division, PPSG may receive a discount on the cost of service provided to PPSG by SPT. The availability of this discount is not contingent upon PPSG committing any specific amount of business to Schwab in trading commissions or assets in custody. This discount may give

us an incentive to recommend that clients maintain their accounts with Schwab based on our interest in receiving a discount on the cost of SPT's services that benefits PPSG's business rather than based on our clients' interest in receiving the best value in custody services and the most favorable execution of their transactions. This is a potential conflict of interest. We believe, however, that our recommendation of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of Schwab's services (based on the factors discussed above; – see "How We Select Brokers/ Custodians to Recommend") and not the availability of a discounted fee that benefits only PPSG.

Soft Dollars

Client commissions utilized to pay for brokerage and research through contractual arrangements often are referred to as "soft dollars." Advisers who obtain brokerage and research services through soft dollars arrangements are not paying for those services with their own funds, which benefits the adviser.

Soft dollar arrangements create a conflict of interest in that it may create an incentive to select or recommend a broker-dealer to execute clients' trades based on the adviser's interest in receiving research or a service rather than on the clients' interest in receiving most favorable execution. Soft dollar arrangements may also cause client accounts to pay more than the lowest available commission rate in exchange for soft dollar products or services.

Under Section 28(e) of the Securities Exchange Act of 1934, an adviser is protected from liability for a breach of fiduciary duty solely because the adviser caused its clients' accounts to pay more than the lowest available commission for executing a securities trade in return for brokerage and research services, if: 1) the adviser determines in good faith that the amount of the commission is reasonable in relation to the value of such services; and, 2) the brokerage and research services must provide lawful and appropriate assistance to the adviser in carrying out its investment decision-making responsibilities.

PPSG has an arrangement with the prime broker and other executing brokers of the Firm's private investment fund clients through which the Firm earns soft dollar research credits for executing trades with those brokers. As a result, a portion of the commissions generated are available to the Firm to pay for Section 28(e)-permissible research and brokerage services provided by the broker or an independent provider. Products and services acquired through this arrangement within the last fiscal year were limited to a subscription service that provided electronic access to real-time market data, news and analytics. This service was used primarily in servicing PPSG's private investment fund clients.

PPSG periodically reviews the use of soft dollars to ensure that best execution is provided and that the commissions paid are reasonable in relation to the value of the brokerage and research services provided.

Brokerage for Client Referrals

PPSG does not consider client referrals when we select a broker to execute client transactions. All client brokerage activity is totally independent of any broker-dealer referrals.

Directed Brokerage

PPSG does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer other than the client's custodian/ broker-dealer). When a client directs us to use a particular broker, we may not have authority to negotiate commissions, obtain volume discounts, aggregate that client's orders or ensure best execution. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

In the event that the client directs PPSG to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through PPSG.

Order Aggregation

To the extent that PPSG provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless PPSG decides to purchase or sell the same securities for several clients at approximately the same time. PPSG may (but is not obligated to) combine or "block" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among PPSG's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. PPSG shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13: Review of Accounts

Account Reviews

Client accounts are reviewed on an ongoing basis by PPSG's principals. Account performance and holdings are reviewed in the context of each client's investment objectives and guidelines. Reviews with clients typically include discussion of the economy, financial markets, and the performance of the client accounts. All PPSG clients are advised that it remains their responsibility to advise PPSG of any changes in their investment objectives and/or financial situation.

Special reviews of an account may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

Client Reporting

PPSG clients receive written reports at least semi-annually. These reports generally contain a list of assets, investment results, and statistical data related to a client's account, along with interpretive comments on investment positions and/or the general investment environment. In addition, clients are provided, at least quarterly, with transaction confirmations and statements directly from their custodians.

Item 14: Payment for Client Referrals and Other Compensation

PPSG does not have any arrangements, whether oral or written, to compensate any third party organization or person directly or indirectly for client referrals.

See the discussion in Item 12 Brokerage Practices concerning benefits received by the Firm from custodians and broker-dealers in connection with execution of client securities transactions.

Item 15: Custody

PPSG does not custody client funds or securities. We are deemed to have custody as defined by the Investment Advisers Act of 1940 only to the extent that we have authorization to deduct advisory fees directly from client accounts.

Client assets (securities and funds) are to be maintained with a “qualified” custodian (U.S.-based banks and registered broker-dealers are among those defined as qualified as custodians under the Investment Advisers Act of 1940). Clients receive account statements from their custodian at least quarterly. These statements are considered the official record of your account and require careful review. PPSG urges clients to compare the official custodial records to the account statements that we provide to them. The information in our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

We provide discretionary asset management services for our clients. Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell
- determine the amount of the security to buy or sell
- execute the transaction

Clients give us discretionary authority when they sign a Client Agreement with our Firm. If mutually agreeable, clients may limit this authority through written instructions (for example, directed brokerage or restrictions on particular securities). Clients may change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

Responsibility for Voting

Unless the client designates otherwise, PPSG votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy. As such, we have adopted policies and corresponding procedures to comply with SEC Rule 206(4)-6 and with our fiduciary obligations to ensure that we vote proxies in the best interest of our clients

Clients who have retained authority to vote proxies for their accounts will receive their proxies or other solicitations directly from their custodian or a transfer agent. Clients voting their own proxies may contact PPSG with questions about a particular solicitation.

Primary Consideration in Voting

It is PPSG’s policy to vote proxies in the best interest of our clients. Further, our policy is to vote all proxies from a specific issuer the same way for each client absent client-provided qualifying restrictions. In the absence of specific voting guidelines from a client, or unless there are specific mitigating reasons for doing so, PPSG reviews and follows the voting recommendations of Glass Lewis & Co., a leading provider of independent corporate governance analysis.

Clients may direct a proxy vote at any time by calling or writing to us to inform us of their desired vote.

Conflicts of Interest

PPSG minimizes the potential for a conflict of interest between PPCG and clients regarding the outcome of a proxy vote by voting according to the recommendation of an independent third party such as Glass Lewis & Co.

Proxy Voting Policy and Records

A copy of PPCG's proxy voting policy is available upon request, as is a record of how PPCG voted proxy issues on our clients' behalf.

Item 18: Financial Information

In certain circumstances, registered investment advisers are required to provide financial information or disclosures about their financial condition in this item.

PPSG has no financial commitments that impair its ability to meet contractual and fiduciary commitments to clients and has never been the subject of bankruptcy proceedings. Additionally, PPCG does not receive fees more than six months in advance. Therefore, PPCG is not required to provide such financial information or disclosures for this item.