

**ITEM 1: COVER PAGE**

**Form ADV Part 2A: Firm Brochure**

**Piraeus Management LP**

**February 4, 2018**

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

Additional Information about the Company is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Reference to our being a “registered investment adviser” or as being “registered” does not imply a certain level of skill or training.

**ITEM 2: MATERIAL CHANGES**

This Brochure is our initial brochure. There is no previous annual update to our Brochure.

We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

**Important Note about this Brochure**

Unless otherwise indicated, the term “Piraeus Management” or the “Company” is broadly used within this Brochure to refer to the entire enterprise and not to a specific legal entity. This Brochure is not:

- an offer or agreement to provide advisory services to any person;
- an offer to sell interests (or a solicitation of an offer to purchase interests) in any entity; or
- a complete discussion of the features, risks, or conflicts associated with any investment or advisory service.

As required by the Investment Advisers Act of 1940, as amended (“Advisers Act”), the Company provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors, together with other relevant governing documents, such as offering or private placement memorandum, prior to, or in connection with, such persons’ investment in a pooled investment vehicle. Additionally, this Brochure is available through the SEC’s Investment Adviser Public Disclosure website at <https://adviserinfo.sec.gov/IAPD/Default.aspx>.

Although this publicly available Brochure describes the Company’s services, persons who receive this Brochure (whether or not from the Company) should be aware that it is designed solely to provide the information about the Company necessary to respond to certain disclosure obligations under the Advisers Act. The information in this Brochure does not contain or summarize all information provided in documents governing investment entities managed by the Company. More complete information about each such entity is included in the documents governing such entities and investments therein. These are provided or made available to current and eligible prospective investors only by the Company. To the extent that there is any conflict between discussions herein and any such governing documents, such governing documents shall govern and control.

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#### **ITEM 4: ADVISORY BUSINESS**

##### General Description of Advisory Firm

Piraeus Management LP (“Piraeus Management” or the “Company”) was formed under the laws of Delaware in May 2017. The Company provides investment advisory services and portfolio management for private pooled investment vehicles affiliated with Piraeus Group LLC (each, a “Piraeus Fund”). Piraeus Group LLC (“Piraeus Group”) is the managing member of the Piraeus Funds and the general partner of Piraeus Management. Seán D. Sebastian and Matteo A. Gruelle are the principals and owners of both Piraeus Management and the Managing Member (the “Principals”).

##### Description of Advisory Services

Piraeus Management provides advisory services to the Piraeus Funds: Piraeus Investments 1 LLC, a Delaware limited liability company (“Piraeus Investments 1”), and Piraeus Investments ECI 1 LLC, a Delaware limited liability company (“Piraeus Investments ECI 1”). Piraeus Investments 1 LLC is a private equity fund which is invested both directly and indirectly, through underlying private equity funds (“Strategy Funds”), in a broad range of private equity investments in various companies. Piraeus Investments ECI 1 LLC is a private equity fund which is invested both directly and indirectly, through Strategy Funds, in a broad range of investments that may generate effectively connected income for non-U.S. investors. Piraeus Investments ECI 1 is an alternative investment vehicle for Piraeus Fund investors and is designed to offer opportunities for certain tax exempt, foreign, or other tax sensitive investors to reduce U.S. federal income taxes and/or tax reporting obligations that may arise. Investors purchase limited liability company interests in the Piraeus Funds and investments are made at the fund-level, not for individual investors in the Piraeus Funds. Piraeus Management may enter into separate accounts with institutional and high net worth individuals on terms that are negotiated separately, and Piraeus Management may engage sub-advisors in connection with its advisory business.

##### Assets Under Management

As of February 4, 2018, Piraeus Management manages two hundred million U.S. dollars (USD 200,000,000) of client assets on a discretionary basis. This figure includes committed capital. Piraeus Management does not manage any client assets on a non-discretionary basis.

#### **ITEM 5: FEES AND COMPENSATION**

Piraeus Management is compensated for its services through an annual fee, payable in quarterly installments by the Piraeus Funds to Piraeus Management. The management fee payable by the Piraeus Funds with respect to an investor is one and one half percent (1.5%) per annum of the capital commitment of such investor. The Principals, through Piraeus Management or an affiliate, may also charge and receive from a portfolio investment, and retain for their own account, transaction fees, management, monitoring, consulting, director’s, and similar fees in connection with the Piraeus Funds’ investments.

In addition to the foregoing and the share of profits described in Item 6 below, Piraeus Management is entitled to indemnification from its investors and its Piraeus Funds.

#### **ITEM 6: PERFORMANCE-BASED COMPENSATION AND SIDE-BY-SIDE MANAGEMENT**

An affiliate of Piraeus Management is entitled to a share of the profits derived from the performance of the Piraeus Funds’ investments. Once the Piraeus Funds have returned all contributed capital back to their investors, remaining distributions from direct investments are made eighty percent (80%) to investors, and twenty percent (20%) to an entity controlled by the Principals, while remaining distributions from fund of funds investments are made ninety five percent (95%) to investors, and five percent (5%) to such entity. The

Principals beneficially own at least 90% of distributions to be made from such entity.

## **ITEM 7: TYPES OF CLIENTS**

Piraeus Management provides investment advisory services to the Piraeus Funds and not to investors. Each investor in a Piraeus Fund must make its own analysis and investment decision as to whether it makes a capital commitment. Each investor who makes a capital commitment must meet the eligibility requirements outlined in such Piraeus Fund's offering documents, which include that the investor must be both an accredited investor and a qualified purchaser.

Investors are required to commit to invest a minimum of two hundred million U.S. dollars (USD 200,000,000) in the Piraeus Funds. This amount may be reduced at the discretion of Piraeus Management. There is no minimum investment amount required for a particular Piraeus Fund. When an investment opportunity is ready to be consummated, it is generally funded by investors, pro rata, based on their respective capital commitments relative to the aggregate capital commitments then available to Piraeus Management, and by co-invested capital to the extent that capital commitments are not used. Piraeus Management determines the amount of capital commitments to be invested on a discretionary basis. The primary factor in this decision is preserving enough capital commitments such that an investor's capital commitment will be invested across more than one portfolio investment. Other factors include (1) the size of a given investment opportunity, (2) the number of other investments that Piraeus Management is evaluating at the time the investment closes, and (3) the Principals' judgment as to the appropriate allocation to a given investment based on general concentration.

Investors are required to make certain representations when making capital commitments, including but not limited to the following: (1) they are aware of the risks associated with engaging investment managers and that they understand the risks associated with investments in securities of operating businesses, including that such investments may be illiquid and may involve a high degree of risk and that the investment could suffer substantial diminution in value, including complete loss, (2) their portfolio investments (through the Piraeus Funds or a Strategy Fund) may not be consummated at an attractive valuation, that the portfolio investments may not be able to achieve their business objectives, that the portfolio investments may have technologies or strategies that are untested, and that portfolio companies may be operating in volatile markets, (3) Piraeus Management does not guarantee the performance or success of the portfolio investments, (4) their investments in Piraeus Funds are neither intended to be a complete investment program nor satisfy the investors' need for diversification, and (5) the costs and expenses that investors will incur are regardless of whether any profits are earned from their investments.

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

### Methods of Analysis and Investment Strategies

Piraeus Investments 1 may invest in a portfolio of private equity funds including those engaged in buy-out, venture capital, and niche specialty investments, which in turn invest in a broad range of private equity investments in various companies, and directly in such companies. Piraeus Investments 1's portfolio investments will be diversified by industry, geography, stage of company development, and vintage year. Piraeus Investments ECI 1 will invest in a portfolio of private equity funds or pass-through vehicles that own real estate or provide peer to peer lending and/or fintech lending or other opportunities that may generate effectively connected income for non-U.S. investors of the Piraeus Funds.

Piraeus Management utilizes value-based investment analyses to evaluate properties on the basis of their potential for both yield and capital appreciation.

Material, Significant or Unusual Risks Relating to Investment Strategies

Investing in securities and portfolio companies involves a risk of loss that investors should be prepared to bear. An investment in the Piraeus Funds involves a significant degree of risk and there can be no assurance that the investment objective of the Piraeus Funds is achieved. In addition to the speculative nature of such investments, the risks include limited operating history for the Piraeus Funds, challenges in achieving optimum diversification, dependence on managers to enhance portfolio company values, limitations on withdrawal from the Piraeus Funds, potential conflicts of interest, non-transferability of interests in the Piraeus Funds, and illiquidity of the Piraeus Funds' investments. The Piraeus Funds' risk management cannot entirely eliminate risk.

The following risk factors do not purport to be a complete list or explanation of the risks in an investment in the Piraeus Funds. These risks include only those Piraeus Management believes to be material, significant, or unusual and related to particular significant investment strategies or methods of analysis employed by Piraeus Management. Investors should be prepared to lose some or all of their investment in any of the Piraeus Funds discussed herein.

*Volatility of Financial Markets Can Adversely Affect Fund Returns*

Financial markets may be subject to a high level of volatility. Return on a fund's investments may not be commensurate with the risk of investment in the fund. Continued volatility could disrupt the investment strategies of a Piraeus Fund's Strategy Funds or portfolio companies, decrease the value of a Strategy Fund or portfolio company and adversely impact their profitability. The risk management techniques utilized by the Piraeus Funds may not provide any assurance that a Piraeus Fund will not be exposed to a risk of significant investment losses. All such factors would have an adverse impact on a Piraeus Fund's performance. Investors should not commit money to a Piraeus Fund unless they have the resources to sustain the loss of their entire investment.

*Highly Competitive Market for Investments Makes Investments Difficult to Consummate*

The business of identifying, negotiating, acquiring, monitoring, managing, and selling investments is highly competitive and involves a high degree of uncertainty. Strategy Funds, as well as a Piraeus Fund making direct investments, can be expected to encounter competition from other persons or entities searching for suitable investment transactions, regardless of whether they have similar investment objectives or not, including other private equity firms, institutional investors, private investors, and others. There is no assurance that the Strategy Funds or a direct investing Piraeus Fund will be able to procure investment opportunities to invest their funds effectively and efficiently.

*Dependence on Information Provided by Third Parties and Managers Poses Additional Risks*

Piraeus Management uses information provided by third party resources in researching investment opportunities for the Piraeus Funds and their Strategy Funds and investments. Piraeus Management may depend and rely on information provided by the managers of the Strategy Funds, or operators of directly owned assets. The accuracy, completeness, and timeliness of fund performance reports, quarterly statements, financial reports, tax returns, and other information that Piraeus Management uses and provides to investors may be dependent in large part on the information provided by such sources.

Also, each of the Piraeus Funds is dependent on Strategy Fund managers and portfolio companies to provide it with accurate and timely information necessary to compile tax returns. The Piraeus Funds (and their Strategy Funds) may be unable to complete and distribute tax returns by the federal income tax filing deadline of any given year. Thus, investors may be required to file for an income tax filing extension.

*The Piraeus Funds May Complicate Investors' Tax Reporting Substantially*

Investments in the Piraeus Funds may result in inclusions on the investor's return which may be very complicated. The Piraeus Funds do not invest to achieve a certain tax outcome. Investments can give rise to phantom income. In addition, taxable and tax exempt investors may not have identical returns on the same

amount of dollars invested.

Risks presented by investing in a Fund of Funds include:

*Special Risks of Fund of Funds Structure*

Risks presented in a fund of funds structure include: (i) a lack of transparency of the Strategy Fund's day-to-day positions and portfolio construction; (ii) a lack of liquidity due to the investor's ability to redeem interests only periodically, if at all, with notice, as well as the potential that the Strategy Fund's securities positions may themselves have similar restrictions and may be invested in illiquid assets; (iii) the risk that the investment managers of the Strategy Funds could diverge from the objectives and investments strategies or otherwise engage in improper conduct; and (iv) the economic risks associated with multiple layers of expense between the Strategy Fund and Piraeus Funds.

*No Role in Management*

Piraeus Funds will not have a role in the management of either the Strategy Funds or the portfolio companies of the Strategy Funds. Further, Piraeus Funds will not have the opportunity to evaluate the specific investments made by any Strategy Fund. As a result, the rates of return of Piraeus Funds will primarily depend upon the performance of investment managers and could be adversely affected by the unfavorable performance of one or more Strategy Funds or portfolio companies.

Risks presented by investing in Strategy Funds include:

*Limited Liquidity*

Piraeus Funds may have limited rights pursuant to which it may redeem, transfer, or otherwise liquidate its investments in the Strategy Funds. Such Strategy Funds generally have terms and conditions which offer no right to Piraeus Funds to redeem its interest and that allow the Strategy Fund to make distributions in-kind under certain circumstances. The ability of Piraeus Funds to distribute proceeds from realized investments to its investors may be adversely affected by the inability of Piraeus Funds to redeem its interest in a Strategy Fund or by the decision by a Strategy Fund to make distributions in kind. Any such distribution in kind may result in Piraeus Funds receiving securities that are illiquid or difficult to value. In these circumstances, Piraeus Management would likely intend to dispose of the securities and would do so in a manner that is in the best interests of Piraeus Funds.

*Multiple Levels of Fees and Expenses*

An investor who meets the applicable eligibility requirements could invest directly in a Strategy Fund. By investing in Strategy Funds indirectly through Piraeus Funds, an investor bears asset-based fees and performance-based allocations assessed by both Piraeus Funds and the Strategy Funds. In addition, the investor bears a proportionate share of the other fees and expenses of Piraeus Funds (including operating costs, distribution expenses and administrative fees) and, indirectly, similar fees and expenses of the Strategy Funds. Each Strategy Fund has an investment manager that generally also receives a carried interest to which it is entitled irrespective of the performance of the other Strategy Funds and of Piraeus Funds generally. Accordingly, a Strategy Fund's investment manager with positive performance may receive carry from Piraeus Funds, and thus indirectly from investors, even if the Piraeus Funds' overall investment return is negative.

*Transparency; Valuation of Strategy Funds*

Market prices are not readily available for most Strategy Funds in which Piraeus Funds invests. Piraeus Funds' valuation procedures provide that the value of its investments in Strategy Fund ordinarily will be the value determined in accordance with the underlying investment vehicle's valuation policies and provided to Piraeus Funds. The Strategy Funds generally do not provide details, on a day-to-day basis or otherwise, with respect to the underlying portfolio securities in which they invest. Although Piraeus Management will review the valuation procedures used by the Strategy Funds, Piraeus Management will have little or no means of independently verifying valuations provided by such Strategy Funds. For Piraeus Funds'



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investment in the Strategy Funds, it receives a Net Asset Value Capital Statement each quarter which is used to value these investments. In the case of direct investments, Piraeus Management determines fair valuation after consultation with a third party independent consultant.

### ***Control over Investment Managers***

Although Piraeus Funds is invested in Strategy Funds that Piraeus Management believes will be managed in a manner consistent with their stated investment objectives and strategies, there can be no assurance that the Strategy Fund's investment managers will not diverge from such objectives and strategies or otherwise engage in improper conduct. In addition to the foregoing risk factors, the individual Strategy Funds will pursue a variety of investment strategies and invest in a variety of industries, each of which has its own unique risks. The individual portfolio securities in which the Strategy Funds invest also have their own risks. This disclosure does not purport to describe the risks of the strategies used by the Strategy Funds or the risks of their underlying securities.

### ***Non-U.S. Investments***

Piraeus Funds may invest in Strategy Funds which have portfolio companies domiciled or operating in one or more foreign countries. Investing in non-U.S. companies involves considerations and possible risks and expenses not typically involved in investing in securities of companies domiciled and operating in the United States. The application of foreign tax laws, including the imposition of withholding taxes on dividend or interest payments, or confiscatory taxation may also affect investment in foreign securities. Foreign securities markets also may be less liquid, more volatile, and less subject to governmental supervision than in the United States. If the Strategy Fund's investments are denominated in a foreign currency, they will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies.

Risks presented by Direct Investments include:

### ***Control Positions***

Piraeus Funds may have controlling positions in direct portfolio investments. The exercise of control over a company imposes additional risks of liability for product defects, failure to supervise management and employees, violation of laws, and other potential liabilities. If Piraeus Funds experience control liability, it could materially and adversely affect the Piraeus Funds' performance.

### ***No Role by Piraeus Funds or Investors in Management***

Piraeus Funds will not have a role in the management of any direct portfolio investments. A Piraeus Fund's investments in any portfolio company may not be significant enough to afford the Piraeus Fund blocking rights with respect to certain actions of any such company and amendments to such company's operating documents. Piraeus Funds therefore will be dependent upon the management of the direct portfolio investments, and, to a limited degree, the other investors in the direct portfolio investments, with respect to such actions and amendments.

## **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 an evaluation of the adviser or the integrity of the adviser's management. We have no disclosure applicable to this Item.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS**

### **Other Financial Industry Affiliations**

Piraeus Group LLC is a company which is owned and controlled by the Principals and which serves as the manager of the Piraeus Funds. It is thus an affiliated other investment adviser and related person to Piraeus

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Management and is deemed to have custody of the Piraeus Funds' assets. Please refer to Item 15 below for a further discussion of the Company's compliance with the Custody Rule. Piraeus Management does not expect any conflicts of interest to arise that are material to its advisory role to the Piraeus Funds or to the Piraeus Funds themselves with respect to the Principals' ownership interest in Piraeus Group.

Birchmere Management LLC ("Birchmere") is an investment adviser in part owned and controlled by Seán D. Sebastian. Piraeus Management may cause a Piraeus Fund to invest in a Strategy Fund managed by Birchmere. Piraeus Management will seek the consent of the Piraeus Fund's advisory board or a majority in interest of the Members of the Piraeus Fund prior to making such investment.

The Principals are required to be actively involved in the day-to-day management and services to be rendered to the Piraeus Funds and finding and vetting investment opportunities for future Piraeus Funds. They are required to devote the necessary time and attention to such services for the proper performance of their duties in the management of the Company. However, they are permitted to, and currently do, participate in, manage, and otherwise support affiliated investment funds that existed prior to the formation of Piraeus Management in May 2017. In addition, the Principals may participate in, manage, and otherwise support preexisting business ventures and engagements as well as business ventures and engagements commencing after May 2017, including the formation and operation of other pooled investment vehicles, so long as no such business venture or engagement interferes with their responsibilities to the Company. Other than the Strategy Funds managed by Birchmere, none of Piraeus Management, any Piraeus Funds, or any of their portfolio companies has any business arrangements with any of the ventures or investments with which Principals remain involved. Accordingly, Piraeus Management and the Principals do not expect such relationships to cause any conflicts of interest to arise that are material to their advisory or consulting roles with any Piraeus Funds or their portfolio companies.

### **Competition for Resources, Time or Attention; Competing Duties**

Related persons of Piraeus Management may, from time to time, serve as directors and officers of, and provide business advice to, portfolio companies of Piraeus Funds. Conflicts may arise when such persons are required to make decisions, in their role as officers, directors, or consultants, in the best interest of a portfolio company and its shareholders generally, but the Piraeus Fund's interest diverges from this general interest. This may occur, for example, where a portfolio company is experiencing severe financial distress, near-insolvency, or bankruptcy.

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

Piraeus Management's Code of Ethics (the "Code") is designed to meet the requirements of Rule 204A-1 of the Advisers Act.

The Code applies to Piraeus Management's "Supervised Persons" and "Access Persons". Supervised Persons include any partner, officer, or director (or other person occupying a similar status or performing similar functions) or employee of Piraeus Management, or other persons who provide investment advice on behalf of Piraeus Management and is subject to Piraeus Management's supervision and control. Access Persons are Supervised Persons who have access to nonpublic information regarding any investor's trading or any of the Piraeus Fund's holdings, who are involved in making securities recommendations or who have access to nonpublic securities recommendations.

The Code sets forth a standard of business conduct that takes into account Piraeus Management's status as a fiduciary and requires Supervised Persons to place the interests of the Piraeus Funds and their investors above their own interests and the interests of Piraeus Management. The Code requires Supervised Persons to comply with applicable federal securities laws. Further, the Code requires that Supervised Persons bring

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violations of the Code to the attention of Piraeus Management's Chief Compliance Officer ("CCO") promptly. All Supervised Persons are given, and required to acknowledge receipt of, the Code when they commence working for Piraeus Management. Thereafter, they are required to affirm compliance with the Code on an annual basis.

Piraeus Management mitigates potential conflicts of interest inherent in a Supervised Person's or Access Person's personal trading through diligent enforcement of its Code, including pre-clearance (which is required in connection with transactions in limited offerings and public offerings) and reporting guidelines for Supervised Persons or Access Persons as to personal securities accounts, holdings, and transactions.

Supervised Persons and Access Persons are strictly prohibited from trading on the basis of any material, non-public information. Piraeus Management maintains a list of issuers about which Piraeus Management (or its Supervised Persons or Access Persons) has learned material, non-public information. This list is provided to all Supervised Persons or Access Persons by the CCO and is updated by the CCO as necessary.

### **Participation or Interest in Client Transactions**

Other than as described in Item 10 above, it is not anticipated that Piraeus Management will for its own account, or for the account of any of its employees or affiliates, purchase securities from, or sell securities to, a Piraeus Fund (a "principal transaction"). If persons associated with the Company were to engage in principal transactions, it would only do so in accordance with the requirements of Section 206(3) of the Advisers Act, including the requirement to obtain the requisite consent to the potential conflicts of interest inherent in such transactions.

## **ITEM 12: BROKERAGE PRACTICES**

Piraeus Management expects to invest each Piraeus Fund primarily in private securities, thus it does not anticipate any dealing with any financial intermediary such as a broker-dealer acting on its behalf in making investments, and commissions are not ordinarily payable in connection with such investments. Piraeus Management seeks to execute private transactions on behalf of the Piraeus Funds efficiently in light of relevant circumstances.

In the event that Piraeus Management were to engage in a disposition or liquidity transaction in which a broker is involved, Piraeus Management would select that broker in its sole discretion based on factors it deemed relevant at the time which would maximize the effectiveness of such broker in accomplishing the contemplated transaction. Additionally, Piraeus Management does not have any arrangements with broker-dealers to receive client referrals, research or other products or services.

## **ITEM 13: REVIEW OF ACCOUNTS**

The Piraeus Funds and its portfolio investments are under continuous review by Piraeus Management. However, Piraeus Management and its personnel do not expect ever to be involved in the day-to-day operations of portfolio investments, except to the extent that such services are to be provided by Birchmere. Piraeus Management's level of involvement would potentially increase, to the extent its investment documentation permitted, when (1) the portfolio investment's performance has or may deteriorate and the Piraeus Fund's investment may be at risk; or (2) the Piraeus Fund's investment strategy with the portfolio investment is to own and be significantly involved in the management of the portfolio company. There are no such arrangements currently in place.

Piraeus Management has in place an investment monitoring system which may include the following on a quarterly or other periodic basis:

- review of portfolio investment financial statements;

- review of portfolio investment management prepared budgets;
- periodic contact with executives and management at the portfolio company that are not already directly in contact with or involved with Piraeus Management; and
- board level strategic, financial, and operational assistance.

Generally, investors in a Piraeus Fund will receive unaudited, estimated periodic performance reports. In addition, investors in a Piraeus Fund will receive annual financial statements prepared in accordance with GAAP and audited by an independent public accounting firm that is registered with and subject to inspection by the PCAOB.

#### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

##### Economic Benefits for Providing Services to Clients

As discussed above, Piraeus Management or its related persons may receive fees for consulting services provided to a Piraeus Fund's portfolio companies. This represents a potential conflict of interest to the extent the Piraeus Fund has or will have control or significant influence over such portfolio companies, which is currently not the case. This potential conflict of interest is mitigated by the fact that the amount of such fees is typically negotiated with the applicable portfolio company's management team and/or any roll-over equity holders.

##### Compensation to Non-Supervised Persons for Client Referrals

The Company currently does not have referral arrangements with individuals who are compensated for such referrals. All such future arrangements, if any, will comply with applicable law and in accordance with Rule 206(4)-3 under the Advisers Act.

#### **ITEM 15: CUSTODY**

The Piraeus Funds' cash in connection with any potential transaction will be held by a bank that is a qualified custodian. Currently, the cash holding qualified custodian for Piraeus Investments 1 is First National Bank of Pennsylvania, and the cash holding qualified custodian for Piraeus Investments ECI 1 is TriState Capital Bank. All of the securities of portfolio companies owned directly or indirectly by a Piraeus Fund are expected to be uncertificated. Piraeus Group LLC, a related person to Piraeus Management, is deemed to have custody of Piraeus Fund assets. To comply with the Custody Rule, each Piraeus Fund's audited financial statements will be prepared in accordance with generally accepted accounting principles by an independent auditor (which is registered with and subject to inspection by the PCAOB) and distributed within 120 days after each Piraeus Fund's fiscal year end.

#### **ITEM 16: INVESTMENT DISCRETION**

Piraeus Management has discretionary authority to manage all securities owned by the Piraeus Funds.

#### **ITEM 17: VOTING CLIENT SECURITIES**

Under the Advisers Act, an investment adviser is a fiduciary that owes each of its clients a duty of care and loyalty with respect to all services undertaken on its clients' behalf, including proxy voting.

Rule 206(4)-6 under the Investment Advisers Act of 1940 requires that the investment adviser:

- Adopt and implement written policies and procedures reasonably designed to ensure that the adviser votes client securities in the client's best interests. Such policies and procedures must

address the manner in which the adviser will resolve material conflicts of interest that can arise during the proxy voting process;

- Disclose to clients how they may obtain information from the adviser about how the adviser voted with respect to their securities; and
- Describe to clients the adviser's proxy voting policies and procedures and, upon request, furnish a copy of the policies and procedures.

The Company currently does not manage any equity securities or other assets that are traded on an exchange or other established market, subject to vote. Therefore, the Company has not adopted any proxy voting policies and procedures at this time.

**ITEM 18: FINANCIAL INFORMATION**

- We do not require or solicit prepayment of fees by Clients six months or more in advance.
- We are not aware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to Clients.
- We have not been the subject of a bankruptcy petition at any time during the past ten (10) years.

**ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

Not applicable.