

FORM ADV PART 2A: FIRM BROCHURE

B-29 Advisors, LLC

1700 Pacific Avenue; Suite 3840
Dallas, TX 75201

Firm Contact

Kelly Bub Smith
General Counsel

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This Brochure provides information about the qualifications and business practices of B-29 Advisors, LLC. B-29 Advisors, LLC is registered as an Investment Adviser with the United States Securities and Exchange Commission ("SEC"). Registration with the SEC does not imply a certain level of skill or training. If you have any questions about the contents of this Brochure, please contact us at (940) 665-4373. The information in this Brochure has not been approved or verified by the SEC or any state securities agency. Additional information about B-29 Advisors, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

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Advisory Business

B-29 Advisors, LLC (“**B-29 Advisors**”) is a limited liability company formed in Delaware in 2017. It is intended that B-29 Advisors will serve as a private equity investment adviser that will provide non-discretionary investment management and advisory services to private equity investors through pooled private equity funds. Because the private funds are pooled investment vehicles, in general, each investor will participate in each private fund’s investments on the same terms and conditions as set forth in the respective private fund’s governing documents.

It is intended that B-29 Advisors will invest funds in small to middle market companies focused on energy. B-29 Advisors intends to initially provide investment advisory services to B-29 Investments, LP (a private fund with a twenty-one year history of investments in the energy sector) and Sunray Capital, LP (a limited partnership affiliated with B-29 Investments that invests in oilfield services, midstream, surface and mineral interests, along with exploration and production companies). All of the private funds to which B-29 Advisors intends to provide advice are privately offered.

B-29 Advisors’ advisory services will include, primarily, investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the funds, managing and monitoring the performance of such investments and disposing of such investments.

B-29 Advisors’ investment services will be carefully tailored to the objectives of each private fund, but not to the objectives of underlying investors participating in those private funds. From time to time, investors that participate in the private funds, and others, may be offered an opportunity to make an investment along with, but separate from, the investments made by the private funds. Each investor is individually responsible for determining whether it wants to participate in such a co-investment opportunity.

B-29 Advisors is wholly-owned by Schmitz & Schmitz Properties, Inc. (“**Schmitz & Schmitz**”). Schmitz & Schmitz is wholly owned by John Schmitz and Steve Schmitz, the President and Vice-President of B-29 Advisors, respectively.

Fees and Compensation

It is intended that B-29 Advisors will enter into an advisory services contract with each private fund to which it provides investment advisory services. The contract will provide for payment of an annual fixed fee (the “**Fees**”) that will represent each private fund’s anticipated pro-rata share of expenses incurred by B-29 Advisors in providing the advisory services. The Fees will be evaluated and adjusted annually, to ensure that the Fees cover the expenses incurred by B-29 Advisors. The Fees will be payable on either a monthly or quarterly basis in arrears. To the extent any fees are paid in advance and a client cancels its advisory agreement with B-29 Advisors before the end of such period, B-29 Advisors will prorate any fees received through the end of such period and return any paid but unearned fees to the client. In addition to the Fees, B-29 Advisors may charge investors hourly or fixed charges, depending on the services provided (outside the scope of the advisory services contract) on an individually-negotiated basis.

Performance-Based Fees and Side-By-Side Management

The general partners of the funds and, in certain cases, other entities specifically formed for the purpose of acting as a carried-interest vehicle, may receive carried-interest distributions depending on the returns generated by the funds' investments. Carried-interest distributions typically will be 20% of the gains realized on the disposition of investments after returning invested capital, management fees, and other expenses and priority returns to the investors.

As the sole owner of B-29 Advisors, Schmitz & Schmitz may have an incentive to take increased investment risk with respect to accounts which are charged performance based fees. B-29 Advisors has policies and procedures in place designed to address this conflict and to ensure allocation of investments to client accounts on a fair and equitable basis, taking into account factors such as the client's size, investment objectives, risk tolerance, return targets, diversification considerations, and the liquidity needs of each client. In addition, Schmitz & Schmitz has a financial stake in each of the private funds that B-29 Advisors advises, which we believe better aligns the interest of Schmitz & Schmitz and our clients and reduces the risks related to charging performance fees.

Types of Clients

It is intended that B-29 Advisors will provide advisory services to privately offered pooled investment funds that make private equity investments. Investors in such funds will generally be institutional investors, including, high net worth individuals, trusts, estates, corporations, limited partnerships, limited liability companies, or other entities. It is also expected that each investor will not be obligated to make a formal minimum commitment in a private fund.

Methods of Analysis, Investment Strategies, and Risk of Loss

It is intended that B-29 Advisors' private funds will invest in small to middle market companies in the energy market, investing one million dollars to twenty-five million dollars in companies with enterprise values that are typically between one million dollars and one hundred million dollars.

With respect to energy-investments, B-29 Advisors' investment strategy includes identifying and investing in companies in the energy sector that B-29 Advisors believes have innovative and technologically-focused management teams, able to persevere in all commodity cycles.

Investment decisions will be reviewed at multiple levels within B-29 Advisors. Each potential investment will be reviewed by one or more investment professionals who will make an initial determination regarding the suitability of each potential investment. Investment opportunities that pass this initial review are then assessed by B-29 Advisors' investment committee. The investment committee will be responsible for approving any investment by the fund.

Following an investment in a portfolio company, the investment team responsible for such investment will continue to have a primary responsibility for monitoring the portfolio company's performance. Material events, along with acquisition, divestiture and disposition opportunities, will be discussed at B-29 Advisors' monthly investment committee meetings.

All investments in the private funds will involve a high degree of risk of loss that investors should be prepared to bear, including risk of complete loss. B-29 Advisors will not provide individualized advice to individual investors in the funds that it advises (the "**Underlying Investors**") regarding

the suitability of an individual investor's investment in any private fund, in the context of a total portfolio. Underlying Investors are responsible for determining what an appropriate allocation of their total investment portfolio should be for an investment in the private funds (if any) and B-29 Advisors will bear no responsibility for such determination by an Underlying Investor.

A brief summary of some of the risks associated with an investment in one of B-29 Advisors' private funds is set forth below. This summary is not, nor is intended to be, a comprehensive listing of all of the risks, potential conflicts of interest and the tax, legal and regulatory considerations that an investor should consider before making any decision to invest in a private fund. Underlying Investors are advised that they should consult with their own legal, financial, tax and other professionals before deciding to make any investment decision.

Despite B-29 Advisors' efforts to identify promising investment opportunities for its private funds, an investment in a private fund entails a high degree of risk. These risks will include, but are not limited to, the following:

1. *No Assurance of Return.* There can be no assurance that the private fund's investment objectives will be achieved or that there will be any return of capital.
2. *Lack of Diversification.* The private funds will make relatively few investments, so poor performance by any investment could have a materially adverse effect on the private fund.
3. *Illiquidity and Long Holding Periods.* Interests in private funds are highly illiquid, and Underlying Investors generally may not withdrawal capital from the private funds.
4. *Leverage.* The private funds may use leverage in connection with making investments, and their portfolio companies may incur a significant amount of leverage. The leverage increases exposure to adverse economic factors and could result in permanent loss of capital.
5. *Tax Risks.* Tax consequences to investors in private funds are complex, and the structure of the private fund's investments could result in different tax consequences for different Underlying Investors.
6. *Minority Investments.* The private funds may make minority investments in portfolio companies and may be unable to control the business and affairs of such companies. In these cases, B-29 Advisors will be significantly relying on existing management and boards of directors of the portfolio companies, which may include representation of other investors who interests conflicts with the fund's interests.
7. *Highly Competitive Market for Investments.* The business of identifying and structuring transactions for the private funds is highly competitive. The private funds will be competing for investments with other private equity investment vehicles and other types of investors.
8. *Legal and Regulatory Risks.* Legal, tax, and regulatory changes could occur during the term of the private funds that may adversely affect the private funds. The regulatory environment for private investment funds is evolving, and changes in the regulation of private investment funds may adversely affect the value of investments held by the private funds and the ability of the private funds to pursue their investment strategies.
9. *Risks related to the Energy Industry.* The companies in the energy industry in which the private funds may invest are subject to unique risks arising from operations such as: (i) the uncertainty of estimating hydrocarbon reserves and their value; (ii) the risks of conducting drilling operations; (iii) risk associated with the marketing of hydrocarbon production; (iv) risks associated with environmental regulations governing the production of natural resources; and (v) risks of catastrophic and other force majeure events. Further, companies operating in the energy sector may be affected by fluctuations in the prices of energy

commodities. Fluctuations in energy commodity prices can result from changes in economic conditions, market conditions, weather patterns, domestic levels, volume of important, governmental regulations, policies of the Organization of Petroleum Exporting Countries, taxation, tariffs, and the costs of transportation.

Disciplinary Information

Neither B-29 Advisors nor B-29 Advisors' management have any pending legal or disciplinary events or any history of disciplinary events that would be material to a client's or a prospective client's evaluation of B-29 Advisors' business or the integrity of its management.

Other Financial Industry Activities and Affiliations

The general partner of B-29's private fund clients (and their related entities) are under common control with B-29 Advisors, as wholly owned subsidiaries of Schmitz & Schmitz. As discussed above, we believe that the direct or indirect financial interest in the performance of each of these entities serves to reduce any risk that arises from the payment of performance fees by our private fund clients. B-29 Advisors financial industry affiliates are:

B-29 Investments, LP

B-29 Investments, LP is a private pooled investment vehicle which invests primarily in the energy sector. The legal entities that principally compose the B-29 Investments, LP structure are as follows:

- B-29 Investments, LP
- Schmitz & Schmitz Properties, Inc. (the general partner)
- B-29 Management, LLC (the carried-interest vehicle)

Sunray Capital, LP

Sunray Capital, LP is a private pooled investment vehicle which invests primarily in the energy sector. The legal entities that principally compose the Sunray Capital, LP structure are as follows:

- Sunray Capital, LP
- Sunray Capital GP, LLC (the general partner)

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

All supervised persons of B-29 Advisors will have a fiduciary duty to place the interests of clients ahead of their personal interests and ahead of the interests of B-29 Advisors. B-29 Advisors' supervised persons must avoid activities, interests and relationships that might interfere with, or improperly influence, decisions made in the best interests of each client. All persons and principals within B-29 Advisors are required to annually certify their compliance with the firm's Code of

Ethics (or “**Code**”). A copy of the Code will be available to clients or prospective clients of B-29 Advisors upon written request.

The Code requires each supervised person of B-29 Advisors to disclose the following items to the Chief Compliance Officer (“**CCO**”): outside business activities, political contributions, and gifts/entertainment expenditures. In doing so, each supervised person must obtain CCO approval to participate in such activities. Each supervised person affiliated with B-29 Advisors is also encouraged to disclose to the CCO any other relationships that may pose potential or actual conflicts of interest.

B-29 Advisors personnel may recommend to clients that they buy or sell securities or investment products in which the applicant or a related-person has some financial interest. B-29 Advisors’ supervised persons also may buy or sell securities recommended to clients. As such, B-29 Advisors will mitigate potential conflicts of interest by requiring all B-29 Advisors’ supervised persons to have personal or related-persons’ personal transactions approved, in advance, by B-29 Advisors’ CCO.

Brokerage Practices

B-29 Advisors, by nature of its private equity focus, will invest primarily in private companies. On occasion, however, B-29 Advisors will take portfolio companies public or merge portfolio companies into public companies for cash and/or publicly-traded securities. As part of an exit strategy, any publicly-traded securities acquired on behalf of a private fund may be sold in the public markets.

When B-29 Advisors decides to transact in publicly-traded securities in the open market as part of a portfolio company acquisition or exit strategy, investment professionals will evaluate strategies for trading in such public securities. Strategies may include holding securities over the short or long term, selling securities over the short or long term, or distributing securities to investors, among other things. The investment professionals will seek “best execution” for any open market purchase or sale of securities in connection with the implementation of these strategies.

“Best execution” is not synonymous with lowest brokerage commissions or other transaction costs. In determining whether a particular broker-dealer is likely to provide best execution in a particular transaction, B-29 Advisors will take into account all factors that it deems relevant to the broker-dealer’s execution capability, which may include, but not be limited to the following: listed bids and asks, market making activities of the broker-dealer in the securities, the opportunity for price improvement, transaction costs, anonymity, liquidity, speed of execution, expertise with difficult securities, trading style and strategy, geographic location, and frequency of errors.

B-29 Advisors may receive products or services from broker-dealers and other counterparties that, to B-29 Advisors’ knowledge, are generally made available to all institutional clients doing business with these counterparties, provided that these products and services are made available to B-29 Advisors on an unsolicited basis and without regard to transaction costs paid by the funds or the volume of business that B-29 Advisors directs to these counterparties.

Review of Accounts

Each of the private funds' investments is assigned to a team of investment professionals who have an ongoing responsibility to monitor the asset for any material developments. Additionally, B-29 Advisors' investment staff will meet monthly, at a minimum, to review the private funds' holdings and to confirm that such holdings conform to the investment guidelines of the private fund.

Client Referrals and Other Compensation

B-29 Advisors' clients will be the private funds to which it provides advisory services. B-29 Advisors will not compensate any third parties for client referrals.

Custody

As B-29 Advisors provides only non-discretionary investment advice, it does not have custody of any client assets.

Investment Discretion

B-29 Advisors does not accept discretionary investment authority on behalf of its clients. B-29 Advisors' investment decisions and advice with respect to each private fund will be subject to investment advisory agreements between B-29 Advisors and each such fund and each such fund's limited partnership agreement, including any investment policies adopted by each such private fund client. Ultimately, any decision to act on the advice provided by B-29 Advisors to its clients will be in the sole discretion of such client.

Voting Client Securities

Although B-29 Advisors may provide advice on certain proxy votes when requested by our clients, we do not vote proxies on behalf of our clients.

Financial Information

B-29 Advisors and its affiliates have never filed for bankruptcy and are not aware of any financial condition that is expected to affect its ability to manage the private funds.