

INVESTMENT ADVISER BROCHURE
PFINGSTEN PARTNERS, L.L.C.
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March 27, 2020

This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Pfingsten Partners, L.L.C. (“Pfingsten Partners”). If you have any questions about the contents of this Brochure, please contact us at (312) 222 8707 and/or pfingsten@pfingsten.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

Pfingsten Partners is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information regarding Pfingsten Partners is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2

MATERIAL CHANGES

This Brochure, dated as of March 27, 2020, amends and replaces the Brochure dated as of March 29, 2019 (the “2019 Brochure”). This Brochure includes changes relating to the amount of our assets under management and other routine updates regarding fees and expenses (and allocation thereof) as well as enhanced and updated conflicts of interest.

ITEM 3

TABLE OF CONTENTS

<u>MATERIAL CHANGES</u>	2
<u>TABLE OF CONTENTS</u>	3
<u>ADVISORY BUSINESS</u>	4
<u>FEES AND COMPENSATION</u>	5
<u>PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT</u>	9
<u>TYPES OF CLIENTS</u>	10
<u>METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS</u>	11
<u>DISCIPLINARY INFORMATION</u>	17
<u>OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS</u>	18
<u>CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING</u>	19
<u>BROKERAGE PRACTICES</u>	30
<u>REVIEW OF ACCOUNTS</u>	31
<u>CLIENT REFERRALS AND OTHER COMPENSATION</u>	32
<u>CUSTODY</u>	33
<u>INVESTMENT DISCRETION</u>	34
<u>VOTING CLIENT SECURITIES</u>	35
<u>FINANCIAL INFORMATION</u>	36

ITEM 4

ADVISORY BUSINESS

Pfingsten Partners, a Delaware limited liability company and a registered investment adviser formed in 1989, provides investment advisory services to its clients, which consist of private investment funds, including the funds described herein (collectively and together with any future private investment fund, the “Funds” and each individually, a “Fund”). For purposes of this brochure, “Pfingsten Partners” shall include (where the context permits) other affiliates that provide advisory services to and/or receive management fees from the Funds and/or serve as general partners of the Funds. Such affiliates are under common control with Pfingsten Partners, L.L.C. As disclosed in Part 1A of the Form ADV, no single shareholder controls more than 25% of Pfingsten Partners.

Pfingsten Partners, through its Funds, invests in middle market manufacturing, distribution and business services companies with a strategy to build better businesses through operational improvements, professional management practices, global capabilities and profitable business growth rather than financial engineering.

Pfingsten Partners’ investments consist of portfolio companies, where Pfingsten Partners’ Senior Managing Directors and Managing Directors (the “Pfingsten Partners Directors”) will, in most cases, serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies held by the relevant Fund.

Pfingsten Partners provides investment advisory services to the Funds which invest directly in portfolio companies. As of December 31, 2019, Pfingsten Partners managed approximately \$687 million in client assets.

Pfingsten Partners’ advisory services for Funds are detailed in the applicable private placement memoranda and limited partnership agreements (collectively, the “Governing Documents”) and are further described below under “Methods of Analysis, Investment Strategies and Risk of Loss.” Investment restrictions, if any, are detailed in the Funds’ Governing Documents.

Pfingsten Partners Fund Program

Pfingsten Partners is the investment manager of the following Funds, each of which invests directly in portfolio companies and has as its general partner a Pfingsten Partners affiliate of which Pfingsten Partners is the managing member:

- Pfingsten Executive QP Fund III, L.P.
- Pfingsten Executive Fund III, L.P.
- Pfingsten Partners Fund IV, L.P.
- Pfingsten Partners Co-Investment Fund IV, L.P.
- Pfingsten Partners Fund V, L.P.
- Pfingsten Partners Fund V-A, L.P.

ITEM 5

FEES AND COMPENSATION

Pfingsten Partners charges management fees to the Funds which are passed on to the Funds' limited partners and also receives performance-based compensation. Such compensation complies with Rule 205-3 under the Advisers Act, and, where applicable, relevant provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Pfingsten Partners or its affiliates may receive additional compensation in connection with management and other services performed for portfolio companies of Funds, and such additional compensation will be credited in part to the applicable Fund in the form of an offset to the management fee. Please see Item 14: Client Referrals and Other Compensation for a further description of such fees. Fund limited partners also bear certain Fund expenses which are further described below.

The Funds invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Partnership Agreement, over the term of the relevant Fund, as applicable, and limited partners generally are not permitted to withdraw or redeem interests in a Fund.

The fees that Pfingsten Partners charges for Fund investments are described below:

Each Fund's general partner charges its respective Funds a gross annual management fee equal to 2.0% of the aggregate commitments to such Fund. The gross annual management fee is reduced by 75% of any allocable portfolio company Monitoring Fees (defined below) received during the previous three or six months (depending on the Fund), and is paid quarterly in advance by the Funds to their respective general partner: Client Referrals and Other Compensation. The management fee charged to the Funds will be reduced to 2.0% of investment contributions (i.e., the cost basis of existing portfolio companies) generally after a period of five to five-and-a-half years. If the advisory contract is terminated before the end of any full three-month billing period, the Funds will be eligible for a refund for the pro rata portion of the prior installment payment of the management fee based on the actual number of days in such period.

The management fees and other fees and distributions described herein are generally subject to modification, waiver or reduction by Pfingsten Partners in its sole discretion, both voluntarily and on a negotiated basis with selected investors via side letter and other arrangements, which may not be disclosed to other investors in the same Fund. The fee structures described herein may be modified from time to time. Fees may differ from one Fund to another, as well as among investors in the same Fund.

Certain investors in the Funds that are employees, business associates and other "friends and family" of Pfingsten Partners or its personnel ("Pfingsten Investors") will not typically pay management fees in connection with their investment in a Fund. Notwithstanding that Pfingsten Investors will generally not pay management fees, Pfingsten Investors will pay for their pro rata share of certain Fund expenses or the pro rata portion of such Pfingsten Investors' expenses will be allocated to Pfingsten Partners or the general partner of the applicable Fund.

The management fees paid by a Fund will generally be reduced by a percentage of: (1) the amount of fees paid by such Fund to persons acting as a placement agent in connection with the offer and sale of interests in such Fund to certain potential investors, (2) the fees incurred by Pfingsten Partners in connection with the organization of such Fund that exceed a limit specified in such Fund's Governing Documents and/or (3) certain Monitoring Fees (as defined and described below) received by Pfingsten Partners or its affiliates. The amount and manner of such reduction, if any, is set forth in the Governing Documents of

the applicable Fund. To the extent a Monitoring Fee relates to more than one Fund, Pfingsten Partners shall allocate the resulting management fee reduction among the applicable Fund(s) in proportion to their interest (or prospective interest) in the portfolio company. Generally, the portion of Monitoring Fees allocable to capital invested by a Fund, co-investment vehicle or third-party investor that does not pay management fees will be retained by Pfingsten Partners and such amounts will not offset any management fee.

Pfingsten Partners and its affiliates receive portfolio company monitoring fees (“Monitoring Fees”) pursuant to monitoring agreements with portfolio companies of the Funds governing the advice, consultation and other similar ongoing services provided by Pfingsten Partners to such portfolio companies. Such services include being available to consult with and render such services to the portfolio companies and their subsidiaries as such board of directors or other governing body of the portfolio companies may from time to time request, which services shall include providing management and advisory services, operational consulting, reviewing requests for proposals for competitive bidding of services and products for the portfolio companies, attending periodic management meetings, providing other services related to business plans and strategy, employee benefits and compensation, insurance, cash management and expenditures, accounting systems and controls, financing and bank relationships, customer and supplier relationships, and review and analysis of capital expenditures. Further, depending on the particular needs of the portfolio company, certain members of each portfolio company’s transaction team may participate in the audit and compensation meetings of such portfolio company and are often involved with the recruitment of new management team members.

The payment of Monitoring Fees by portfolio companies will, in some, but not all, circumstances create a conflict of interest between Pfingsten Partners and its affiliates, and the Funds and their investors because the amounts of these Monitoring Fees and reimbursements are often substantial and the Funds and their investors generally do not have a direct interest in these fees and reimbursements. Pfingsten Partners determines the amount of these Monitoring Fees for the services provided and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions, and the amount of such fees and reimbursements may not (except in connection with the reductions described herein) be directly disclosed to investors in the Funds.

In many cases with respect to the implementation of the arrangements described above, there is not an independent third-party involved on behalf of the relevant portfolio company. Therefore, a conflict of interest exists in the determination of any such fees and other related terms in the applicable agreement with the portfolio company.

Additionally, a portfolio company will typically reimburse Pfingsten Partners for expenses, including without limitation, travel and travel-related expenses, meals and entertainment expenses (including, as applicable, closing dinners and mementos, social and entertainment events with portfolio company management, customers, clients, borrowers, brokers and service providers), expenses relating to training programs, meetings or other events (to the extent such programs, meetings or events are attended by portfolio company personnel), expenses relating to hiring portfolio company personnel (including background checks, recruiting and relocation expenses), indemnification expenses, certain legal and accounting expenses and similar out-of-pocket expenses, as well as consulting fees and other cash and non-cash compensation and expenses, incurred by Pfingsten Partners in connection with its performance of services for such portfolio company. Such reimbursed expenses are generally not included in the definition of “Monitoring Fees” under the terms of the applicable Governing Documents, and such reimbursements do not reduce the management fee. As used throughout this brochure, “travel and “travel-related” expenses shall be deemed to include, without limitation, commercial and non-commercial transportation costs (including first class or business class travel and private car travel), lodging and accommodations.

Due to scheduling constraints and the short notice nature of such travel, Pfingsten Partners may not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses.

Each Fund also pays a carried interest of 20%. Carried interest may be distributable to Pfingsten Partners on a deal-by-deal basis, assuming the cost basis, allocable cost contributions and preferred return hurdles are met, but the general partner in its discretion may defer carried interest distributions. The use by the general partner of both an annual management fee which is based on assets under management and a carried interest based on a percentage of net profits may create a conflict of interest and create an incentive for the general partner to cause the Funds to make riskier or more speculative investments than would otherwise be the case.

In addition to the management fee and carried interest payable to Pfingsten Partners, the Funds may be required to pay all fees, costs, expenses, liabilities and obligations relating to the applicable Fund's activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including, without limitation: (i) all fees, costs, expenses, liabilities and obligations attributable to structuring, organizing, acquiring, managing, operating, holding, valuing, winding up, liquidating, dissolving and disposing of the applicable Fund's investments, including follow-on investments and refinancings (including interest on money borrowed by or on behalf of the applicable Fund, registration expenses and brokerage, finders', custodial and other fees); (ii) legal, administration, accounting, auditing, consulting, custodian, depositary, financing, filing and other fees and expenses (including, without limitation, fees, costs and expenses associated with the preparation, distribution or filing of (A) the Fund's financial statements, tax returns, tax estimates or Schedule K-1s, (B) any other administrative, regulatory or other Fund-related filing or reporting to the limited partners, or (C) other information (including an allocable portion of any licensing, maintenance, upgrade and/or implementation fees, expenses and costs of any investor administrative tools (including software and extranet tools) related to the foregoing); (iii) each Fund's pro rata share of the fees, costs and expenses of the relevant Fund's Advisory Board; (iv) all fees, costs, expenses, liabilities and obligations incurred by the Fund (including, without limitation, insurance (including directors and officers and errors and omissions liability insurance), travel, consulting, litigation and indemnification costs and expenses, judgments and settlements, finders', financing, appraisal, filing and other fees and expenses); (v) all fees, costs, expenses, liabilities and obligations incurred by the Fund, the general partner of such Fund or any Pfingsten person relating to investment and disposition opportunities for the Fund not consummated (including, without limitation, legal, accounting, auditing, insurance, travel, consulting, finders', financing, real estate title and appraisal, filing, printing, survey and other fees and expenses); (vi) all unreimbursed out-of-pocket fees, costs and expenses incurred by a Fund, the general partner of such Fund or any Pfingsten person in connection with any conference or meeting of the limited partners, including the annual meetings of the limited partners and any other conference or meeting with any limited partner(s); (vii) any taxes, fees and other governmental charges levied against a Fund, (viii) any placement fees, (ix) costs and expenses that are classified as extraordinary expenses under GAAP, (x) all fees, costs and expenses incurred in connection with the organization, management, operation, and dissolution, liquidation and final winding up of any alternative investment vehicles, (xii) any organizational expenses, and (xiii) unreimbursed costs and expenses incurred in connection with any transfer contemplated by the Governing Documents but not including (A) ordinary overhead and administrative expenses which are payable by the general partner or Pfingsten Partners as contemplated by the Fund's Governing Documents and (B) any expenses included in the definition of "investment contributions," as defined in the Governing Documents.

From time to time Pfingsten Partners will be required to decide whether certain fees, costs and expenses should be borne by a Fund, on the one hand, or Pfingsten Partners on the other hand, and/or whether certain fees, costs and expenses should be allocated between or among Funds and/or other parties. Certain expenses may be the obligation of one particular Fund and may be borne by such Fund or, expenses

may be allocated among multiple Funds and entities. In exercising its discretion to allocate investment opportunities and fees and expenses, Pfingsten Partners is faced with a variety of potential conflicts of interest. For example, in allocating an investment opportunity among Funds with differing fee, expense and compensation structures, Pfingsten Partners has an incentive to allocate investment opportunities to the Funds from which Pfingsten Partners or its related persons derives, directly or indirectly, a higher fee, compensation or other benefit. Such allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process.

To the extent not allocated to a portfolio company, Pfingsten Partners will allocate fees and expenses incurred in the course of evaluating and making investments that are consummated between Funds in accordance with each Fund's Governing Documents or, to the extent not addressed in such Governing Documents, pro rata based on the respective total capital commitments of such Funds.

With respect to allocating other expenses among Fund(s), Pfingsten Investors and/or co-investors (including third parties), as appropriate, Pfingsten Partners will make any such allocation determination on a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation. Pfingsten Partners will make any corrective allocations and take any mitigating steps if it determines such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a particular service may not reflect the relative benefit derived by such Fund from that service in any particular instance.

For more information regarding fees and compensation, please see the applicable Fund's Governing Documents.

ITEM 6

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described in greater detail under Item 5: Fees and Compensation, Pfingsten Partners may receive a performance-based fee in the form of a carried interest from the Funds.

ITEM 7

TYPES OF CLIENTS

Pfingsten Partners provides investment advice to the Funds. The Funds are investment partnerships formed under domestic laws and operated as investment pools exempt from registration under the U.S. Investment Company Act of 1940, as amended. The limited partners participating in Funds may include pension and profit sharing plans, family offices, governmental entities, charitable organizations, high net-worth individuals and other corporations or business entities and may include, directly or indirectly, principals or other employees of Pfingsten Partners.

Generally, the minimum Fund investment that Pfingsten Partners accepts is \$1.0 million. In its discretion, Pfingsten Partners may from time to time increase or decrease the minimum investment amount and may allow deviations from such amounts for specific limited partners. Prior to investing in a Fund, a limited partner is required to complete a subscription agreement and limited partner qualification statement containing representations needed to establish the limited partner's eligibility to invest in the Fund. For more information regarding limited partner qualifications, please see the applicable Fund's Governing Documents.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Methods of Analysis

Pfingsten Partners' investment decision making process for the Funds typically proceeds as follows:

Pfingsten Partners investment professionals make an initial evaluation of each investment opportunity and conduct initial due diligence.

- A transaction team, generally comprised of at least one Senior Managing Director or Managing Director, a Corporate Finance Vice President and/or a Corporate Finance Associate, and an Operations professional, is assigned to analyze each investment opportunity that is determined to merit serious consideration.
- Decision-making is conducted in a consensus manner by the entire Pfingsten Partners transaction team. Once the Pfingsten Partners investment committee approves a decision to pursue an investment in a company, the transaction team works to negotiate a letter of intent and subsequent acquisition agreements and documents.
- The transaction team conducts due diligence, which includes but is not limited to an extensive review of the business, management and employee interviews, customer and management reference calls, calls with industry and technical experts, an intellectual property review, competition and market review, financial review, legal review and tax review.
- Assuming that an agreement can be reached, the transaction team develops an informational presentation and the investment opportunity is reviewed in its entirety by all Senior Managing Directors, Managing Directors, Corporate Finance professionals and Operations professionals. After that review, the investment may be approved by the Pfingsten Partners investment committee.

The sources of information that Pfingsten Partners uses in its investment decision making process include due diligence and research conducted by Pfingsten Partners' investment professionals and due diligence and information provided by other professional service firms.

Investment Strategies

While Pfingsten Partners believes most private equity firms create value through financial engineering, it seeks to create value by building better businesses. Pfingsten Partners, through the Funds, typically invests a minimum of 50% equity into the capital structure of each portfolio company and seeks to create value through operational improvements, professional management practices, global capabilities and profitable business growth. Pfingsten Partners seeks to exit Fund investments through a successful sale of stock or assets. The probability and timing of these exits vary across the portfolio and are highly dependent upon the specific progress made by a given company. While Pfingsten Partners investment professionals are always cognizant of opportunities to take advantage of favorable exit environments, their focus is primarily on building better businesses.

Pfingsten Partners believes many middle market companies that meet its investment criteria have significant growth and profit potential, but lack adequate capital, operational and financial management resources, infrastructure, a global vision and capabilities, professional management practices, and strategic, tactical and financial planning processes. These limiting factors often result in less than optimal growth and profitability. Pfingsten Partners supports its portfolio company management teams with the following:

- Operating professionals
- A team-based continuous improvement operating process and training programs
- Global capabilities
- Conservative capital structures

Investment Criteria

- Pfingsten Partners, through the Funds, seeks investments in companies that generally meet the following investment criteria:

Industry Segments	<ul style="list-style-type: none"> • Manufacturing, distribution and business service companies
Transaction Values	<ul style="list-style-type: none"> • Between \$15 and \$100 million for platform investments (transaction values for add-on acquisitions may be less than \$15 million)
Geographic Preference	<ul style="list-style-type: none"> • All platform companies must be headquartered in the United States • No geographic preference for add-on acquisitions
Investment Stage	<ul style="list-style-type: none"> • Established and profitable
Transaction Types	<ul style="list-style-type: none"> • Private companies undergoing an ownership transition, recapitalization or requiring growth capital • Corporate divestitures • Select financial restructurings or turnarounds • Strategic add-on acquisitions for platform companies
Control	<ul style="list-style-type: none"> • Required (alone or with a compatible co-investor)

- Pfingsten Partners does not intend to make direct investments in: (i) real estate; (ii) natural resource companies; (iii) highly regulated businesses such as banks, insurance companies and utilities; (iv) retail businesses; (v) restaurant chains; (vi) early stage companies; and (vii) technology or telecommunication companies.

Risk of Loss

Inherent in Pfingsten Partners' investment advisory business are a number of risks, including those associated with Pfingsten Partners' strategy of investing in private companies. These risks result in a risk of investment loss for Funds and their limited partners. The risks may include, but are not limited to:

Business Risks

The Funds' investment portfolio will consist primarily of securities issued by privately held companies, including highly leveraged companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Future and Past Performance

The performance of the Funds' prior investments is not necessarily indicative of the Funds' future results. While the general partner intends for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that the targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

Investment in Junior Securities

The Funds may invest in securities which may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect a Fund's investment once made.

Concentration of Investments

Each Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Funds may invest in fewer portfolio companies and thus be less diversified.

Lack of Sufficient Investment Opportunities

It is possible that the Funds will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty.

Illiquidity; Lack of Current Distributions

An investment in the Funds should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the initial investment. Before such time, there may be no current return on the investment.

Limited Transferability of Fund Interests

There will be no public market for Funds' interests, and none is expected to develop. There are substantial restrictions upon the transferability of Funds' interests under the Governing Documents and applicable securities laws. In general, withdrawals of Funds' interests are not permitted. In addition, Funds' interests are not redeemable.

Restricted Nature of Investment Positions

Generally, there will be no readily available market for investments made by the Funds, and hence, most of such Funds' investments will be difficult to value. Certain investments may be distributed in-kind to limited partners and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such limited partners. After a distribution of securities is made to

the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the applicable partnership agreement, including the value used to determine the amount of carried interest available to the Fund's general partner with respect to such investment.

Reliance on the General Partner and Portfolio Company Management

At the time of formation, the Funds have no operating history and will be entirely dependent on Pfingsten Partners. Control over the operation of the Funds will be vested entirely with Pfingsten Partners, and the Funds' future profitability will depend largely upon the business and investment acumen of the Pfingsten Partners Directors. The loss of service of one or more of the Pfingsten Partners Directors could have an adverse effect on the Funds' ability to realize its investment objectives. Funds' limited partners generally have no right or power to take part in the management of the Funds, and as a result, the investment performance of the Funds will depend entirely on the actions of Pfingsten Partners. Although Pfingsten Partners will monitor the performance of each Funds' investment, it will primarily be the responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis. Although the Funds generally intend to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will continue to operate a company successfully.

General Partner's Carried Interest

The fact that the general partner's carried interest is based on a percentage of net profits may create an incentive for the general partner to cause the Funds to make riskier or more speculative investments than would otherwise be the case.

Need for Follow-On Investments

Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that such Fund will make follow-on investments or that such Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or the dilution of the Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Limitation of Recourse and Indemnification

The Governing Documents will limit the circumstances under which a general partner and its affiliates will be held liable to the applicable Fund. As a result, limited partners may have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, such Governing Document will provide that the Fund will indemnify the general partner and its affiliates for certain claims, losses, damages and expenses arising out of their activities on behalf of the Fund. Such indemnification obligations could materially impact the returns to limited partners.

Advisory Board

The general partner of the Fund will appoint one or more limited partner representatives to an advisory board of each Fund (the “Advisory Board”). The applicable Governing Documents may provide that to the fullest extent permitted by applicable law, none of the Advisory Board members shall owe any fiduciary duties to the applicable Fund or any other partner. In addition, representatives of the Advisory Board may have various business and other relationships with the Fund’s general partner and its partners, employees and affiliates. These relationships may influence their decisions as members of the Advisory Board.

Conflicts of Interest

Pfingsten Partners manages the Funds and will continue to form additional private investment funds. As Pfingsten Partners invests and manages assets for the Funds, it is possible for conflicts of interest to arise between these Funds. Pfingsten Partners has policies and procedures designed to address and resolve such conflicts of interest.

Valuation of Assets

There is not expected to be an actively traded market for most of the securities owned by the Funds. When estimating fair value, the general partner of the applicable Fund will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the general partner may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of management fees.

Co-Investments

The general partner of a Fund may, in its sole discretion, provide or commit to provide co-investment opportunities to one or more of the limited partners of the applicable Fund and/or other persons, in each case on terms to be determined by the general partner in its sole discretion. Conflicts of interest may arise in the allocation of such co-investment opportunities. The allocation of co-investment opportunities, which may be made to one or more persons for any number of reasons as determined by the general partner in its sole discretion, may not be in the best interests of the applicable Fund or any individual limited partner. A Fund may co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments may involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-investor or partner may at any time have economic or business interests or goals that are inconsistent with those of the applicable Fund, or may be in a position to take action contrary to the investment objectives of such Fund. In addition, such Fund may in certain circumstances be liable for actions of its third-party co-investor or partner. See “Co-Investment Opportunities,” below.

Additional risks relevant to investments in the Funds are described in the applicable private offering memoranda.

Market Disruption, Health Crises, Terrorism and Geopolitical Risk

A Fund is subject to the risk that war, terrorism, global health crises or similar pandemics, and other related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as adverse effects on issuers of securities and the value of a Fund's investments. War, terrorism and related geopolitical events, as well as global health crises and similar pandemics have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events as well as other changes in world economic, political and health conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of a Fund's investments. At such times, a Fund's exposure to a number of other risks described elsewhere in this section can increase.

Coronavirus Outbreak Risks

The recent global outbreak of the 2019 novel coronavirus ("COVID-19"), together with resulting voluntary U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel and quarantines, has meaningfully disrupted the global economy and markets. Although the long-term economic fallout of COVID-19 is difficult to predict, it has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national and global economy. In particular, the COVID-19 outbreak has already, and will continue to, adversely affect several of the Fund's investments and the industries in which they operate. Furthermore, the Adviser's ability to operate effectively, including the ability of its personnel or its service providers and other contractors to function, communicate and travel to the extent necessary to carry out the Funds' investment strategies and objectives and the Adviser's business and to satisfy its obligations to the funds, their investors, and pursuant to applicable law, has been, and will continue to be, impaired. The spread of COVID-19 among the Adviser's personnel and its service providers would also significantly affect the Adviser's ability to properly oversee the affairs of the Funds (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of a Fund's investment activities or operations.

ITEM 9

DISCIPLINARY INFORMATION

Pfingsten Partners and its management persons have no legal or disciplinary events that are material to a limited partner's evaluation or its advisory business or integrity of its management.

ITEM 10

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Pfingsten Partners has no relationships or arrangements that are material to its advisory business or to its clients with related persons except as described below.

Other Pooled Investment Vehicles

Pfingsten Partners acts as an investment manager to the Funds. Such Funds may be organized as limited partnerships whose general partners are affiliates of Pfingsten Partners. Such affiliated general partners generally will receive the carried interest from the Funds. The terms of such arrangements are set forth in each Fund's Governing Documents.

The Funds maintain direct investments in portfolio companies, with approximately \$687 million in committed assets under management as of December 31, 2019. Each of the Funds is organized as a Delaware limited partnership.

Sponsor or Syndicator of Limited Partnerships

See "Other Pooled Investment Vehicles" above.

ITEM 11

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

Code of Ethics and Personal Trading

Pfingsten Partners has adopted a Code of Ethics that is intended to meet the requirements of Rule 204A-1 under the Advisers Act and to ensure that Pfingsten Partners professionals give precedence to the interests of Pfingsten Partners' clients and limited partners and treat all clients and Fund limited partners fairly. The Code of Ethics is designed to minimize the potential for conflicts of interest and includes policies and procedures that, among other things: (i) require all Pfingsten Partners employees to report their personal securities holdings and transactions; (ii) to obtain pre-approval before engaging in certain types of securities transactions (including transactions in "restricted list" securities, securities in an initial public offering and securities in a limited offering); (iii) prohibit certain investments and other transactions that could create a conflict of interest; and (iv) prohibit unlawful or otherwise inappropriate use of confidential and/or material nonpublic information. Pfingsten Partners employees are required each year to acknowledge their receipt of the Code of Ethics and affirm their understanding of, and agree to comply with, the Code of Ethics. In addition, Pfingsten Partners employees annually receive training regarding their obligations under the Code of Ethics. A copy of Pfingsten Partners Code of Ethics is available to prospective clients and Fund limited partners upon request.

Pfingsten Partners may from time to time come into possession of material nonpublic or other confidential information about public companies that, if disclosed, might affect a limited partner's decision to buy, hold or sell a security. Under applicable law, Pfingsten Partners and its affiliates would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Pfingsten Partners. Accordingly, if Pfingsten Partners or any of its affiliates comes into possession of material nonpublic or other confidential information with respect to any public company, Pfingsten Partners would be prohibited from communicating such information to clients. Pfingsten Partners shall have no responsibility or liability for failing to disclose such information to clients as a result of following its policies and procedures designed to comply with applicable law.

Material Financial Interest in Transactions

Principals and employees of Pfingsten Partners and its affiliates may directly or indirectly own an interest in the Funds, including through certain co-investment vehicles. Such vehicles may invest in one or more of the same portfolio companies as the Funds, subject to any restrictions set forth in the Governing Documents.

Allocation of Investment Opportunities

In connection with its investment activities, Pfingsten Partners may encounter situations in which it must determine how to allocate investment opportunities among various clients and other persons, which may include, but are not limited to, the following:

- The Funds;
- Any co-investors or co-investment vehicles that have been formed to invest side-by-side with one or more Funds in all or particular transactions entered into by such Fund(s) (the co-investors or

investors in such co-investment vehicles which may include Pfingsten Investors and/or individuals and entities that are not investors in any Funds (“Third Parties”));

- Pfingsten Investors and/or Third Parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more Funds in particular transactions entered into by such Fund(s); and
- Pfingsten Investors and/or Third Parties acting as “co-sponsors” with Pfingsten with respect to a particular transaction.

Pfingsten Partners has adopted written policies and procedures relating to the allocation of investment opportunities and will make allocation determinations consistently therewith.

The Funds are generally subject to investment allocation requirements (collectively, “Investment Allocation Requirements”), which will also apply directly or indirectly to certain co-investment vehicles with investments contractually tied to the Funds. Investment Allocation Requirements are generally set forth in the Fund’s Governing Documents. To the extent the Investment Allocation Requirements of a Fund do not include specific allocation procedures and/or allow Pfingsten discretion in making allocation decisions among the Funds, Pfingsten will follow the process set forth below.

Pfingsten Partners must first determine which Funds will participate in an investment opportunity. Pfingsten Partners assesses whether an investment opportunity is appropriate for a particular Fund(s), based on the Fund’s investment objectives, strategies and structure, which are typically reflected in the Fund’s Governing Documents.

Once Pfingsten Partners identifies the Funds that will participate in a particular investment, Pfingsten Partners, in its discretion, decides how to allocate such investment opportunity among the participating Funds. In allocating such investment opportunity, Pfingsten Partners may consider some or all of a wide range of factors, which include, but are not necessarily limited to, one or more of the following:

- Each Fund’s investment objectives and investment focus;
- Transaction sourcing;
- Each Fund’s liquidity and reserves;
- Each Fund’s diversification (including the actual, relative or potential exposure of a Fund to the type of investment opportunity in terms of its existing portfolio);
- Lender covenants and other limitations;
- Amount of capital available for investment by each Fund as well as each Fund’s projected future capacity for investment;
- Each Fund’s targeted rate of return;
- Stage of development of the prospective portfolio company or other investment and anticipated holding period of the portfolio company;
- Composition of each Fund’s portfolio;
- The suitability as a follow-on investment for a current portfolio company of a Fund;
- The availability of other suitable investments for each Fund;
- Supply or demand of an investment opportunity at a given price level;

- Risk considerations;
- Cash flow considerations;
- Asset class restrictions;
- The seniority of an investment and other capital structuring criteria;
- Industry and other allocation targets;
- Minimum and maximum investment size requirements;
- Tax implications;
- Whether an investment opportunity requires additional consents or authorizations from the Fund, investors or third parties;
- Whether an investment opportunity would enable a Fund to qualify for certain programmatic benefits or discounts that are not readily available to other Funds including, but not limited to, the ability to enter into credit arrangements with certain financial or governmental institutions;
- Legal, contractual or regulatory constraints; and
- Any other relevant limitations imposed by or conditions set forth in the Governing Documents of each Fund.

Pfingsten Partners will not allocate investment opportunities based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any Fund or (ii) the profitability of any Fund. The application of the Investment Allocation Requirements and factors set forth above will often result in allocation on a non-pro rata basis and there can be no assurance that a Fund will participate in all investment opportunities that fall within its investment objectives.

Follow-On Investments

Investments to finance follow-on acquisitions may present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Fund in a portfolio company in which another Fund has previously invested. In addition, a Fund will from time to time participate in leveraging and recapitalization transactions involving portfolio companies in which another Fund has already invested or will invest. Conflicts of interest arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms.

Management of the Funds

Pfingsten Partners manages a number of Funds that may have investment objectives similar to each other. Pfingsten Partners expects that it or its personnel will in the future establish one or more additional investment funds with investment objectives substantially similar to, or different from, those of the current Funds. Allocation of available investment opportunities between the Funds and any such investment fund could give rise to conflicts of interest. Pfingsten Partners may give advice or take actions with respect to, the investments of one or more Fund that may not be given or taken with respect to other Funds with similar investment programs, objectives or strategies. As a result, Funds with similar strategies may not hold the same securities or achieve the same performance. In addition, a Fund may not be able to invest through the same investment vehicles, or have access to similar credit or utilize similar investment strategies as another

Fund. These differences may result in variations with respect to price, leverage and associated costs of a particular investment opportunity.

It is expected that employees of Pfingsten Partners responsible for managing a particular Fund will have responsibilities with respect to other Funds managed by Pfingsten Partners, including funds raised in the future or to proprietary investments made by Pfingsten Partners and/or its principals of the type made by a Fund. Conflicts of interest arise in allocating time, services or functions of these officers and employees.

In addition, Pfingsten Partners receives and generates various kinds of portfolio company data and other information, including related to financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors and other metrics. This information may, in certain instances, include material non-public information received or generated in connection with efforts on behalf of one Fund's investment (or prospective investment) in a portfolio company. As a result, Pfingsten Partners is better able to anticipate macroeconomic and other trends, and otherwise develop investment strategies. Pfingsten Partners has in the past and is likely in the future to enter into information sharing and confidentiality arrangements with portfolio companies and other sources of information that may limit the internal distribution and use of such data. Pfingsten Partners has already and is likely in the future in certain instances to use this information in a manner that may provide a material benefit to Pfingsten Partners, its affiliates, or to certain other Funds without compensating or otherwise benefitting the Fund or Funds from which such information was obtained. In addition, Pfingsten Partners may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. Pfingsten Partners has in the past and is likely in the future to utilize such information to benefit Pfingsten Partners, its Affiliates or certain Funds in a manner that may otherwise present a conflict of interest but does not intend to specifically disclose such conflicts to the relevant Funds.

Conflicts Relating to Pfingsten Partners and the Funds

From time to time Pfingsten Partners will, in its discretion, enter into transactions with investors in one or more Funds or other related parties to dispose of all or a portion of certain investments held by one or more Funds. The sales price for such transactions will be mutually agreed to by Pfingsten Partners and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by Pfingsten Partners. Although Pfingsten Partners is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, it will first determine that such transaction is in the best interests of the applicable Fund(s), taking into account the sales price and the other terms and conditions of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Fund(s). Any such transactions will comply with the Governing Documents of the applicable Fund(s).

A Fund has in the past and may, from time to time in the future sell down an interest in its portfolio companies to co-investors, portfolio company management, or other related persons. Subject to the Governing Documents, Pfingsten Partners may charge (or may decide not to charge) interest costs for the time period between the closing of the applicable Fund's investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-investors, portfolio company management, or other related person.

Transactions between Funds and Limited Partners

While uncommon, certain situations may arise where a limited partner in a Fund managed by Pfingsten Partners may buy a portfolio company from a Fund managed by Pfingsten Partners and such business opportunities may not be appropriate or available to all limited partners. Pfingsten Partners has policies and procedures in place in the event such an opportunity should arise. In the event Pfingsten Partners is provided a purchase or sale opportunity involving a transaction between a Fund and a limited partner, it will discuss the potential transaction with the Advisory Board of the Fund that will be purchasing or selling such portfolio company and disclose the transaction to limited partners of the applicable Fund or Funds.

Co-Investment Opportunities

Pfingsten Partners may, on occasion, offer co-investment opportunities to certain of its Funds' limited partners. Pfingsten Partners will determine if the amount of an investment opportunity exceeds the amount Pfingsten Partners determines would be appropriate for the Funds (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to Pfingsten Partners and/or the Funds or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by Pfingsten Partners to be in the best interest of the applicable Fund), and any such excess may be offered to one or more co-investors pursuant to the procedures included in such Funds' Governing Documents and as set forth in the following paragraphs.

Subject to any Investment Allocation Requirements, in general, (i) no investor in a Fund has a right to participate in any co-investment opportunity and investing in a Fund does not give an investor any rights, entitlements or priority to co-investment opportunities, (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of Pfingsten Partners or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities typically will be offered to some and not other investors in the Funds, in the sole discretion of Pfingsten Partners or its related persons and investors may be offered a smaller amount of co-investment opportunities than originally requested, and (iv) certain persons other than investors in the Funds (e.g., consultants, joint venture partners, persons associated with a portfolio company and other third parties), rather than one or more investors in a Fund, will, from time to time be offered co-investment opportunities, in the sole discretion of Pfingsten Partners or its related persons. Additionally, non-binding acknowledgements of interest in co-investment opportunities are not Investment Allocation Requirements and do not require Pfingsten Partners to notify the recipients of such acknowledgements if there is a co-investment opportunity.

In addition, certain Pfingsten Partners Directors have personal investments in certain investors that, from time to time, are offered co-investment opportunities. Such an interest creates an incentive for Pfingsten Partners to offer more, or larger co-investment opportunities to such investors. In the event that Pfingsten Partners is considering offering a co-investment opportunity to any such investor, any Pfingsten Partners Directors with a personal investment in such investor will recuse themselves from making any allocation determinations with respect to such co-investment opportunity.

In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the potential co-investors, Pfingsten Partners may consider some or all of a wide range of factors, which include, but are not limited to, one or more of the following:

- Pfingsten Partners' evaluation of the size and financial resources of the potential co-investment party and Pfingsten Partners' perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise and other resources) to efficiently and expeditiously participate in the investment opportunity with the relevant Fund(s) without harming or otherwise prejudicing such Fund(s), in particular when the investment opportunity is time-sensitive in nature, as is typically the case (including whether the potential co-investment party has a complicated tax structure that would require particular structuring implementation or covenants that would not otherwise be required);
- Any confidentiality concerns Pfingsten Partners has that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;
- Pfingsten Partners' perception of its past experiences and relationships with the potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously offered by Pfingsten Partners and the expected amount of negotiations required in connection with a potential co-investment party's commitment;
- The character and nature of the co-investment opportunity (including the potential co-investment amount, structure, geographic location, tax characteristics and relevant industry);
- Level of demand for participation in such co-investment opportunity;
- The ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investment party and the potential co-investment party's chemistry with the management team of the potential portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;
- Any interests a potential co-investment party has in any competitors of the portfolio company;
- Pfingsten Partners' perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, competitive, confidentiality, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- Pfingsten Partners' evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Funds to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which a Fund wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of a Fund being able to capitalize on a potential investment opportunity); and
- Whether Pfingsten Partners believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits (including strategic, sourcing or similar benefits) to current or future Funds and/or Pfingsten Partners and whether the potential co-investment party has demonstrated a long-term and/or continuing commitment to the potential success of the current or future Funds and/or Pfingsten Partners.

The factors above are not listed in order of importance or priority and Pfingsten Partners is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. Pfingsten Partners' exercise of its discretion in allocating investment opportunities with

respect to a particular investment among the persons, including the Funds, potential co-investors, Pfingsten Investors and Third-Parties, and in the manner discussed above often will not, result in proportional allocations among such persons, and such allocations often will be more or less advantageous to some such persons relative to other such persons. For example, Pfingsten Partners may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons. While Pfingsten Partners determines how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in its sole discretion, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which Pfingsten Partners is subject, discussed herein, did not exist.

Limited partners that are provided co-investment opportunities may also be provided the opportunity to sit on the board of directors or similar governing body of the applicable portfolio company. Holding a position on a board of directors or similar governing body of a portfolio company may provide such limited partners with voting rights, access to information and potentially the ability to influence the operations and decision-making of such portfolio company not necessarily available to other limited partners.

In the event Pfingsten Partners determines to offer an investment opportunity co-investors, there can be no assurance that Pfingsten Partners will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Fund or that expenses incurred by the Fund with respect to the syndication of the co-investment will not be substantial. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Fund and as a result, may take a different view from Pfingsten Partners as to appropriate strategy for an investment or may be in a position to take a contrary action to a Fund's investment objective. In the event that Pfingsten Partners is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, the Fund may consequently hold a greater concentration and have exposure in the related investment opportunity than was initially intended, which could make the Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto.

Fee Structure

Because there is a fixed investment period after which capital from investors in the Funds will only be drawn down in limited circumstances and because management fees are, at certain times during the life of the Funds, based upon capital invested by the Funds, this fee structure creates an incentive to deploy capital when Pfingsten Partners would not otherwise have done so.

The general partners of the Funds are entitled to carried interest under the terms of the Governing Documents of such Funds. Such general partners are affiliates of Pfingsten Partners. The existence of the general partners' carried interest creates an incentive for the general partners to cause such Funds to make more speculative investments than they would otherwise make in the absence of performance-based compensation. However, the investment made by Pfingsten Partners or its affiliates in a Fund, the giveback obligation of the general partner (as described below) and the fact that the preferred return is calculated on an aggregate basis reduces the incentive to make speculative investments or otherwise time the sale of an investment in a manner motivated by the personal benefit of Pfingsten Partners' personnel.

Pursuant to the Governing Documents, the general partners may be required to return excess amounts of carried interest as a “GP Giveback”. This GP Giveback obligation may create an incentive for the general partners to defer disposition of one or more investments or delay the liquidation of a Fund if the disposition and/or liquidation would result in a realized loss to the Fund or would otherwise result in a GP Giveback situation for the general partner.

Business with and Among Portfolio Companies

Given the collaborative nature of Pfingsten Partners’ business and the portfolio companies in which the Funds have invested, there are often situations where Pfingsten Partners is in the position of recommending the services of a portfolio company to other portfolio companies of the Funds, which may involve fees, commissions, servicing payments and/or discounts to Pfingsten Partners, an affiliate, or a portfolio company. Pfingsten Partners will generally have a conflict of interest in making such recommendations, in that Pfingsten Partners has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Funds. The benefits received by a portfolio company providing a service may be greater than those received by the Fund(s) and its portfolio companies receiving the service.

In addition, certain portfolio companies controlled by a Fund have in the past, and may, from time to time in the future engage in activities that could adversely affect another Fund and/or its portfolio company, including, for instance, as a result of laws and regulations or certain jurisdictions (such as bankruptcy, environmental, consumer protection and/or labor or union laws) that may not recognize or permit the segregation of assets and liabilities between separate entities. Such jurisdictions may also allow for recourse against assets that are under common control with, or part of the same economic group as the entity that has incurred the liability. This may result in the assets of a Fund and/or a portfolio company being used to satisfy the obligations or liabilities of another Fund or its portfolio company.

Pfingsten Partners and/or its affiliates may engage in business opportunities arising from a Fund’s investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company). This creates a conflict of interest, as such interests are a benefit arising from the Fund’s investment and may vary from the applicable Fund’s interest (e.g., whether to make a follow-on investment and, if so, how much should be allocated to the Fund).

Service Providers

Services required by a Fund (including some services historically provided by Pfingsten Partners or its affiliates to the Funds) may, for certain reasons including efficiency and economic considerations, be outsourced in whole or in part to third parties in the discretion of Pfingsten Partners or its affiliates. Pfingsten Partners and its affiliates have an incentive to outsource such services at the expense of the Funds to, among other things, leverage the use of Pfingsten Partner personnel. Such services may include, without limitation, deal sourcing, information technology, license software, depository, data processing, client relations, administration, custodial, accounting, legal and tax support and other similar services. Outsourcing may not occur universally for all Funds and accordingly, certain costs may be incurred by a Fund for a third-party service provider that is not incurred for comparable services by other Funds. The decision by Pfingsten Partners to initially perform a service for a Fund in-house does not preclude a later decision to outsource such services (or any additional services) in whole or in part to a third-party service provider in the future. The costs and expenses of any such third-party service providers will be borne by the Funds.

Pfingsten Partners and/or its affiliates may engage certain service providers to provide services to Pfingsten Partners, the Funds and/or the portfolio companies, including services during the due diligence and acquisition process. Such service providers are, in certain circumstances, investors in a Fund or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel pension consultants and/or other investors who provide services (including mezzanine and/or lending arrangements). The engagement of any such service provider may be concurrent with an investor's admission to a Fund, or during the term of such investor's investment in the Fund. This creates a conflict of interest, as Pfingsten Partners may give such investor preferred economics or other terms with respect to its investment in a Fund, or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor.

Additionally, employees of Pfingsten Partners or its affiliates, and/or their family members or relatives may have ownership, employment, or other interests in such service providers. These relationships that Pfingsten Partners may have with a service provider can influence Pfingsten Partners in determining whether to select, or recommend such service provider to perform services for a Fund or a portfolio company. Pfingsten Partners will have a conflict of interest with the Funds in recommending the retention or continuation of a service provider to the Funds or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Funds or will provide Pfingsten Partners information about markets and industries in which Pfingsten Partners operates or is interested or will provide other services that are beneficial to Pfingsten Partners. Although Pfingsten Partners selects service providers that it believes will enhance portfolio company performance (and, in turn, the performance of the relevant Fund(s)), there is a possibility that Pfingsten Partners, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. While Pfingsten Partners often does not have visibility or influence regarding advantageous service rates or arrangements, there will be situations in which Pfingsten Partners receives more favorable service rates or arrangements than the Funds or their portfolio companies.

Pfingsten Partners or its affiliates and service providers often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required and the time demands of the service provider. As a result, to the extent the services required by Pfingsten Partners or its affiliates differ from those required by the Funds and/or its portfolio companies, Pfingsten Partners and its affiliates will pay different rates and fees than those paid by the Funds and/or its portfolio companies. Notwithstanding the foregoing, Pfingsten Partners generally does not negotiate for any arrangement with a service provider that provides for a lower rate or discount than those available to a Fund or a portfolio company for comparable services.

Possibility of Fraud and Other Misconduct of Employees and Service Providers

Misconduct by employees of Pfingsten Partners, service providers to Pfingsten Partners or the Funds and/or their respective affiliates could cause significant losses to such Funds. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Funds, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Funds and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to such Funds. Pfingsten Partners has controls and procedures through which it seeks to minimize the risk of such misconduct occurring. However, no assurances can be given that Pfingsten Partners will be able to identify or prevent such misconduct.

Positions with Portfolio Companies

Members and/or employees of Pfingsten Partners serve as directors of, or observers on boards with respect to, certain portfolio companies. While conflicts of interest may arise in the event that such employee's fiduciary duties as a director conflicts with those of the Fund, it is expected that the interests will be aligned. In addition, to the extent an employee serves as a director on the board of more than one portfolio company, such employees' fiduciary duties among the two portfolio companies may create a conflict of interest. In addition, employees of Pfingsten Partners have in the past, and may in the future, on occasion leave the employment of Pfingsten Partners or its affiliates and become an officer or employee of a portfolio company. Employees are prohibited from receiving consulting, management or other fees personally from portfolio companies.

Decisions made by a director may subject Pfingsten Partners, its affiliate or a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims.

From time to time employees of Pfingsten Partners may also be asked to serve as directors of, or observers with respect to, certain entities in which a Fund has fully exited its ownership interest and/or following the termination of such employee's employment with Pfingsten Partners. In such circumstances, any compensation or fees received by such Pfingsten Partner employee or former employee is not subject to the management fee offset described above, or otherwise shared with the Funds and/or investors.

In connection with co-investment opportunities, some co-investors (which may include one or more investors in the Funds) are often provided with the opportunity to serve on the board of directors or board of advisors of the applicable portfolio company. Positions on board of directors or board of advisors of such portfolio companies provide such co-investors with voting rights, access to information and the ability to potentially influence the operations and decision-making of the portfolio company that are not available to other investors in the Funds. In certain cases, co-investors have contractual rights that require the approval of the co-investors for certain major actions relating to the applicable portfolio company, such as a sale of the company or the issuance of additional equity by the company. Such rights may limit the ability of Pfingsten Partners to take actions with respect to the portfolio company that Pfingsten Partners considers to be in the best interests of the Funds.

Other Conflicts

The Governing Documents of a Fund establish complex arrangements among the Funds, Pfingsten Partners, investors, and other relevant parties. From time to time, questions may arise regarding certain parties' rights and obligations in certain situations, some of which may not have been contemplated upon the negotiation and execution of such documents. In some instances, the operative provisions of the Governing Documents, if any, may be broad, unclear, general, conflicting, ambiguous, and vague and may allow for multiple reasonable interpretations. In other instances, there may not be a directly applicable provision. While Pfingsten Partners will construe the relevant provisions in good faith and in a manner consistent with its fiduciary duty and legal obligations, the interpretations used may not be the most favorable to a Fund or its investors.

Pfingsten Partners and the Funds will generally engage common legal counsel and other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent the Funds may be investors in a Fund, and may also represent one or more portfolio companies or investors in a Fund. In the event of a significant dispute or divergence of interest between Funds, Pfingsten Partners and/or its affiliates, the parties may engage separate counsel in the sole discretion of Pfingsten Partners and its affiliates, and in litigation and other circumstances separate

representation may be required. Additionally, Pfingsten Partners and the Funds and the portfolio companies of the Funds will, from time to time engage other common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to Pfingsten Partners, the Funds, and/or the portfolio companies. This may result in Pfingsten Partners receiving a more favorable rate on services provided to it by such a common service provider than those payable by the Funds and/or the portfolio company, or Pfingsten Partners receiving a discount on services even though the Funds and/or the portfolio companies receive a lesser, or no, discount. This creates a conflict of interest between Pfingsten Partners, on the one hand, and the Funds and/or portfolio companies, on the other hand, in determining whether to engage such service providers, including the possibility that Pfingsten Partners will favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Funds and/or the portfolio companies.

Pfingsten Partners and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses may result in “miles” or “points” or credit in loyalty/status programs to Pfingsten Partners and/or its personnel, and such rewards and/or amounts will exclusively benefit Pfingsten Partners and/or such personnel and will not be subject to the offset arrangements described above or otherwise shared with such Fund, its investors and/or the portfolio companies.

Pfingsten Partners has in the past and may, from time to time in the future, cause one or more Funds to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the applicable Funds, the applicable general partner, Pfingsten Partners and/or their respective directors, officers, employees, agents, representatives, members of the advisory committee and other indemnified parties, against liability in connection with the activities of the Funds. This may include a portion of any premiums, fees, costs and expenses for one or more “umbrella” or other insurance policies maintained by Pfingsten Partners that cover one or more Funds and/or Pfingsten Partners (including their respective directors, officers, employees, agents, representatives, members of the advisory committee and other indemnified parties). Pfingsten Partners will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among one or more Funds, and/or Pfingsten Partners on a fair and reasonable basis, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would not result in a Fund bearing less (or more) premiums, fees, costs and expenses for insurance policies.

ITEM 12

BROKERAGE PRACTICES

Given the nature of its advisory services, Pfingsten Partners does not contemplate using the services of a broker-dealer to effect client transactions. As described further under Item 14: Client Referrals and Other Compensation, Pfingsten Partners may enter into solicitation arrangements pursuant to which it compensates placement agents that are broker-dealers for referrals of potential limited partners in Pfingsten Partners' clients, the Funds.

ITEM 13

REVIEW OF ACCOUNTS

Pfingsten Partners conducts ongoing review of its clients' accounts and Fund investments. By playing an active role in each stage of the investment (pre-investment due diligence, post-investment or ongoing monitoring, and post-divestiture escrow-related monitoring), Pfingsten Partners gathers information that helps it to better manage existing investments, ensure accurate and timely Fund reporting, and make new investments.

With respect to Fund review, responsibilities include analyzing the Fund's quarterly reports, conducting annual meetings, advisory board and informal meetings, and managing the underlying portfolio companies. Review and monitoring also includes gathering portfolio company information required in assessing valuations, checking allocations of income and loss, reviewing distribution procedures and allocations, and approving any necessary amendments or extensions of the Funds' Governing Documents.

With respect to each portfolio company, once an investment decision is made, the Pfingsten Partners' transaction team (which is generally comprised of at least one Senior Managing Director or Managing Director, a Corporate Finance Vice President and/or a Corporate Finance Associate, and an Operations professional) is responsible for that investment with involvement from other Pfingsten Partners investment professionals, as appropriate. Review and monitoring includes monthly assessments of each portfolio company's performance and the performance of such company's management opposite budget and expectations, with detailed financial statement review conducted regularly.

Each quarter, the portfolio information contained in Pfingsten Partners' database is updated, including Fund interest valuations, transactions (i.e., capital calls and distributions), and the underlying portfolio company information. For each underlying portfolio company investment, Pfingsten Partners tracks its location, business description, industry sector and the partnership's cost and value. Pfingsten Partners also tracks cumulative liquidations and write-downs of the portfolio company holdings. Pfingsten Partners uses its database to calculate the performance of the portfolio.

At the end of a Fund's life, Pfingsten Partners monitors for proper accounting and administration of allocations, distributions, and claw backs. Members of Pfingsten Partners' client service team periodically check to confirm that each Fund is maintained in accordance with its stated objectives.

Pfingsten Partners provides annual audited and quarterly unaudited financial statements of the Funds to limited partners in the Funds. Each year, Fund limited partners are also provided with information relevant to their annual tax returns.

ITEM 14

CLIENT REFERRALS AND OTHER COMPENSATION

Client Referrals

While not a “client referral arrangement”, from time to time, Pfingsten Partners may enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. The payment of such fee is subject to compliance with federal securities laws or applicable exemptions to such laws. Any fees and expenses payable to any such placement agents will be borne by Pfingsten Partners directly or indirectly through an offset against the management fee.

Success Fee Arrangements

From time to time, a Fund portfolio company may pay success fees to certain persons that source transactions to such Fund. Such success fees are payable only upon the successful closing of a transaction, are paid in connection with the other transaction expenses incurred by the portfolio company and may take the form of cash and/or securities. The payment of such success fee is subject to compliance with federal securities laws (including those regarding the registration of brokers and dealers) or applicable exemptions to such laws. Persons eligible to receive such success fees may include, among others, executives of portfolio companies held by Funds or limited partners in Funds.

ITEM 15

CUSTODY

Pfingsten Partners is deemed to have custody of the assets and securities of the Funds that are organized as limited partnerships, indirectly through its affiliates, who are the general partners of the Funds, and is therefore subject to Rule 206(4)-2 under the Advisers Act (the “Custody Rule”). However, Pfingsten Partners complies with the “pooled vehicle annual audit exception” of the Custody Rule by delivering to the limited partners in the Funds audited financial statements of the Funds, prepared in accordance with generally accepted accounting principles, within 120 days of each Funds’ fiscal year-end pursuant to the terms of each Funds’ Governing Documents.

Fund limited partners should review carefully any audited financial statement of the Fund in which they invest.

ITEM 16

INVESTMENT DISCRETION

Pfingsten Partners has discretionary authority to manage investments on behalf of the Funds. As a general policy, Pfingsten Partners does not allow clients to place limitations on this authority.

The general partner of the Fund reviews the Governing Documents of the relevant Fund to ensure (i) compliance with any investment restrictions agreed to in such documents and (ii) that the general partner has proper authority to assume discretionary investment authority.

ITEM 17

VOTING CLIENT SECURITIES

Policy Regarding Proxy Voting

Pfingsten Partners recognize that voting rights have economic value and that the exercise of such voting rights is an important part of their fiduciary duties. Pfingsten Partners Directors will evaluate shareholder issues that may have an impact on the economic value of an investment and will vote on those issues with a view toward maximizing the ultimate economic value of such investment during the time period in which Pfingsten Partners expects to hold the investment. All proxies will be voted prudently, considering the prevailing circumstances, and consistent with both the fiduciary standards of the Advisers Act and ERISA.

Proxy Voting Procedures

All amendments to partnership agreements and shareholder votes by privately held direct portfolio companies are recorded by Pfingsten Partners Directors as proxy votes.

The following procedures are performed when proxies are received by Pfingsten Partners Directors:

- The individual responsible for the investment ensures all materials are received and all proxies are voted.

ITEM 18

FINANCIAL INFORMATION

Pfingsten Partners has no financial commitments that impair its ability to meet contractual or fiduciary obligations to its Funds, and has not been subject to any insolvency proceedings.

**BROCHURE SUPPLEMENT
FORM ADV PART 2B**

**THOMAS S. BAGLEY
JAMES J. NORTON
JOHN H. UNDERWOOD
SCOTT A. FINEGAN
DENIO R. BOLZAN
JOHN J. STARCEVICH**

**Pfingsten Partners, L.L.C.
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(312) 222-8707
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March 27, 2020

This brochure supplement provides information about certain supervised persons of Pfingsten Partners, L.L.C. ("Pfingsten") that supplements Pfingsten's brochure. Please contact Andrew W. Petri at 312-222-8707 if you have any questions about the contents of this supplement.

THOMAS S. BAGLEY

Educational Background and Business Experience

Thomas S. Bagley, age 67, holds a B.A. in Economics, with honors, from North Park College and an M.B.A. in Finance from DePaul University.

Mr. Bagley founded Pfingsten in 1989 and has been involved in all aspects of Pfingsten's activities since its formation.

Prior to the formation of Pfingsten, Mr. Bagley was employed by Citicorp North America, Inc. as the Midwest Area Head of the Leveraged Capital Group in Chicago from 1984 to 1988, where he was responsible for leveraged acquisition activities in 12 Midwestern states. From 1975 to 1984 he held various management and lending positions at Continental Bank, N.A. in Chicago and Cleveland.

Disciplinary Information

None.

Other Business Activities

None.

Additional Compensation

None.

Supervision

Pfingsten has adopted a Compliance Manual and Code of Ethics to which each supervised person is subject. Andrew W. Petri, Chief Compliance Officer, 312-222-8707, supervises Pfingsten's and its employees' compliance with applicable rules and regulations.

JAMES J. NORTON

Educational Background and Business Experience

James J. Norton, age 63, holds a B.A. in Accounting from the University of Illinois-Chicago and is a Certified Public Accountant.

Mr. Norton joined Pfingsten in 2000. Mr. Norton has been involved in all aspects of Pfingsten's activities and leads the firm's operating team.

Prior to joining Pfingsten, Mr. Norton was President of Washington Specialty Metals, and a senior executive with its successor company, Lukens, Inc. from 1986 to 1999. Before 1986, he was Director of Coopers & Lybrand's Emerging Business Services Group, a middle-market audit, tax and business consulting practice.

Disciplinary Information

None.

Other Business Activities

None.

Additional Compensation

None.

Supervision

Pfingsten has adopted a Compliance Manual and Code of Ethics to which each supervised person is subject. Andrew W. Petri, Chief Compliance Officer, 312-222-8707, supervises Pfingsten's and its employees' compliance with applicable rules and regulations.

JOHN H. UNDERWOOD

Educational Background and Business Experience

John H. Underwood, age 61, holds a B.B.A. in Accounting and Finance and an M.B.A. in Finance from the University of Wisconsin.

Mr. Underwood joined Pfingsten in 1996. Mr. Underwood has been involved in all aspects of Pfingsten's activities and leads the firm's corporate finance team.

Prior to joining Pfingsten, Mr. Underwood was employed by Heller Equity Capital Corporation ("Heller") from 1989 to 1996, where he was one of five individuals responsible for creating and implementing Heller's private equity investment strategy. From 1986 to 1989, he was a Vice President in the Midwest Leveraged Capital Group at Citicorp North America, Inc., where he worked with Mr. Bagley, Pfingsten's founder.

Disciplinary Information

None.

Other Business Activities

None.

Additional Compensation

None.

Supervision

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SCOTT A. FINEGAN

Educational Background and Business Experience

Scott A. Finegan, age 51, holds a B.S. in Business Administration from Marquette University and an M.B.A. in Finance and Marketing from Northwestern University.

Mr. Finegan joined Pfingsten in 1997, as a member of the corporate finance team. Mr. Finegan has been involved in business development and transaction activities (such as generating, screening and processing platform company investment opportunities, add-on acquisitions and divestitures), financing activities, investment management activities and currently leads the business development function.

Prior to joining Pfingsten, Mr. Finegan was a Vice President at American National Bank and Trust Company of Chicago from 1991 to 1997. From 1990 to 1991, he was an Analyst at Horizon Partners, Ltd., a private equity investment firm in Milwaukee, Wisconsin.

Disciplinary Information

None.

Other Business Activities

None.

Additional Compensation

None.

Supervision

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DENIO R. BOLZAN

Educational Background and Business Experience

Denio R. Bolzan, age 63, holds a B.S. in Commerce from DePaul University and is a Certified Public Accountant.

Mr. Bolzan joined Pfingsten in 2000, as a member of the operating team. Mr. Bolzan has been involved in screening investment opportunities, operational due diligence, investment management activities, and the development of best practice forums.

Prior to joining Pfingsten, Mr. Bolzan was Central Region Vice President of Operations at Ryerson Tull, Inc. from 1999 to 2000. From 1990 to 1998, he was employed by Washington Steel Corporation and its successor, the Washington Specialty Metals division of Lukens, Inc. as a Vice President of Operations and Vice President of Finance. Before 1990, he was a Manager in Coopers & Lybrand's Emerging Business Services Group, a middle-market audit, tax and business consulting practice.

Disciplinary Information

None.

Other Business Activities

None.

Additional Compensation

None.

Supervision

Pfingsten has adopted a Compliance Manual and Code of Ethics to which each supervised person is subject. Andrew W. Petri, Chief Compliance Officer, 312-222-8707, supervises Pfingsten's and its employees' compliance with applicable rules and regulations.

JOHN J. STARCEVICH

Educational Background and Business Experience

John J. Starceвич, age 62, holds a B.S. in Accounting and Business Administration from St. Joseph College, an M.B.A. in Finance from the University of Chicago and is a Certified Public Accountant.

Mr. Starceвич joined Pfingsten in 2000 as a member of the operating team. Mr. Starceвич has been involved in screening investment opportunities, operational due diligence, investment management activities, and the development of best practice forums.

Prior to joining Pfingsten, Mr. Starceвич was Chief Financial Officer of the Washington Specialty Metals division of Lukens, Inc. from 1995 to 2000. From 1990 to 1995, he was employed by Jupiter Mechanical, a mechanical construction company, and Jupiter Industries, Inc., a private holding company, as Treasurer and Corporate Controller. Before 1990, he was a Manager in Coopers & Lybrand's Emerging Business Services Group, a middle-market audit, tax and business consulting practice.

Disciplinary Information

None.

Other Business Activities

None.

Additional Compensation

None.

Supervision

Pfingsten has adopted a Compliance Manual and Code of Ethics to which each supervised person is subject. Andrew W. Petri, Chief Compliance Officer, 312-222-8707, supervises Pfingsten's and its employees' compliance with applicable rules and regulations.