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This brochure provides information about the qualifications and business practices of Patriot Financial Manager, L.P. and its Relying Advisers. If you have any questions about the contents of this brochure, please contact Michelle Vaughn at (215) 609-3365 or mvaughn@patriotfp.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Patriot Financial Manager, L.P. is available on the SEC's website at www.adviserinfo.sec.gov.

Patriot Financial Manager, L.P. is registered as an investment adviser with the United States Securities and Exchange Commission. Registration does not imply a certain level of skill or training.

Item 2. Material Changes

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization, which are included herein.

Patriot has made some material updates to its Form ADV filing since our last filing on February 24, 2020. These updates are noted below:

- Item 4 - General Information about Patriot Financial Manager, L.P. was updated to include the firm’s year-end regulatory asset under management;
- Item 6 - Performance Based Fees and Side-By-Side Management was revised to further describe conflicts regarding side by side management of various fund structures;
- Item 12 - Brokerage Practices was further expanded to describe Patriot usage of research services.

We encourage you to carefully read this document in its entirety.

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Item 4. General Information about Patriot Financial Manager, L.P.

Patriot Financial Manager, L.P., (“Patriot”) is a private fund management firm focused on primarily investing in community banks, thrifts and other financial services related companies throughout the United States.

Patriot was co-founded in 2007 by Ira M. Lubert, James Lynch and Kirk Wycoff (collectively, “the Co-Founders”). The day-to-day operations of Patriot are led by Messrs. Lynch, Wycoff and James F. Deutsch (“Managing Partners”). Patriot’s investment team consists of more than 15 experienced investment professionals with various backgrounds in banking and the financial services industry.

Patriot provides investment management services exclusively to its Funds, which are privately offered pooled investment vehicles generally organized as limited partnerships, to which each Fund’s general partner is an affiliate of Patriot. No Fund’s shares are offered hereby, and each Fund is open for investment only via a “private offering.” Patriot manages both closed end private equity and hedge fund structures. The Funds are intended only for investment by “accredited investors,” “qualified clients” and “qualified purchasers” as those terms are defined under the Federal securities laws. References herein to Patriot may include, as the context requires, various entities controlled by Patriot or its principals and partners, and through which Patriot provides investment management services including Patriot Financial Advisors, L.P., Patriot Freedom Advisors, LLC and entities that serve as the Funds’ general partners collectively known as Relying Advisers.

For Patriot Financial Partners II, L.P. (“Fund II”) and Patriot Financial Partners III, L.P. (“Fund III”) (“collectively known as “Patriot Private Equity Funds”), Patriot will invest in both publicly traded and private community banks and financial services firms whose businesses are “closely related” to banking (including financial services companies such as finance companies, asset management companies, and technology companies).

The Patriot Freedom Fund, L.P. (“Freedom Fund”) will invest in securities of financial services companies with a focus on banks with significant U.S. operations that are traded on U.S. securities exchanges, with an emphasis on U.S. banks. As part of the Freedom Fund’s risk management strategies, the Freedom Fund will also invest in and short stocks, options and Exchange Traded Funds (“ETFs”), including non-bank ETFs, bond ETFs and broad market-based ETFs.

Each Funds’ investment objective aims to provide investment returns net of fees and expenses as described in further detail in each of the Fund’s organizational documents including but not limited to the private placement memorandum, limited partnership agreement, management and advisory agreements provided to investors (collectively, the “Governing Documents”).

Assets under Management – As of December 31, 2019, Patriot manages \$801,007,653 in regulatory assets under management on a discretionary basis.

Item 5. Fees and Compensation

Patriot is compensated for advisory services through asset-based management fees and performance-based compensation.

Patriot Private Equity Funds:

Management Fee - The specific terms of Patriot's compensation by each Fund is dictated by the Fund's Governing Documents. Each Private Equity Fund generally pays a management fee (the "Management Fee") quarterly in advance, regardless of when an investor is admitted to the Fund. The Management Fee is a percentage calculated on the aggregate capital commitments to a Fund by its investors or of the equity invested, reduced by permanent and unrecoverable write-downs, and will vary based on the stage of the Fund's lifecycle and the amounts of capital committed to the Fund. Management Fees typically range from 1.875% to 2.00% but will be negotiated for certain investors based on the size of the investor's commitment to the respective Fund.

Carried Interest - Patriot is entitled to receive a portion of distributions from the disposition of portfolio securities and other current income of a Fund, net of partnership expenses. However, Patriot's distribution entitlement is subject to certain conditions such as the prior return of capital to Fund investors and/or prior payment to Fund investors of a certain preferential rate of return (generally 8%) on invested capital. Certain of these distributions are referred to as the "Carried Interest." Carried Interest is paid on proceeds generated by the realizations of each Fund's portfolio investments pursuant to a priority distribution waterfall as described in each of the Fund's Governing Documents, and typically occurs after the payment to investors of the preferred return and a return of all capital. A Carried Interest is charged in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended ("Advisers Act").

For administrative purposes, Patriot is not obligated to make any distributions to Fund investors until an aggregate amount exceeds a monetary threshold level as described in each of the Fund's Governing Documents. Furthermore, subject to certain provisions, Patriot will, in its sole discretion, make distributions either in cash or in-kind, as well as, postpone part or all distributions.

Patriot's compensation described above is deducted from the assets or distributions of the Fund and investors are not separately billed for any services.

From time to time, Patriot will recruit a management team to pursue a new "platform" opportunity expected to lead to the formation of a future portfolio company. In other cases, Patriot will form a new portfolio company and recruit a management team to build the portfolio company through acquisitions and organic growth. In both cases, the Patriot Fund will bear the expenses of the management team or portfolio company including any overhead expenses, diligence expenses or other related expenses in connection with backing the management team or the build out of the platform company. Such expenses may be borne directly by a Patriot Fund as partnership expenses or indirectly as Patriot bears the start-up and ongoing expenses of the newly formed platform portfolio company. None of these expenses will offset any Management Fees.

Other Fees Received - On occasion, Patriot will receive supervisory, acquisition, disposition, break-up, origination, or other transaction fees in direct connection with a

Fund's portfolio securities ("Special Income"). If Patriot or its affiliates receive any such Special Income, it will be used to offset the Management Fee or otherwise be credited to, or shared with, in a manner more fully described in each of the Fund's Governing Documents. For Fund II and Fund III, any board of director fees earned are retained by Patriot and are not paid to the Fund nor do they offset the Funds' Management Fee.

The Freedom Fund

Management Fee - The specific terms of Patriot's compensation are dictated by the Fund's Governing Documents. The Freedom Fund's Management Fee will be paid to Patriot in advance as of the beginning of each month. The Freedom Fund's Management Fee is equal to an annual rate of 1.50% (a .0125% monthly rate) of the aggregate net asset value of each investor's capital account as of the beginning of the month and will be negotiated lower for certain investors based on the size of the investor's commitment to the respective Fund. Investors which are part of the first \$50,000,000 in investments accepted into the Fund will receive a 25% discount on the annual Management fee rate, reducing the annual rate to 1.125%, or (ii) investors with at least \$15,000,000 invested will receive a 16.67% discount on the annual Management Fee rate reducing the annual rate to 1.25%.

Incentive Fees - As of the last calendar day of each performance period, the Freedom Fund will calculate, and in a reasonable amount of time distribute, 20% of that performance period's appreciation in respect of each interest to Patriot provided that investors which are part of the first \$50,000,000 in investments accepted into the Fund will receive a 10% reduction in such percentage (reducing such percentage to 18%) (the "Incentive Allocation"), subject to a loss carry forward amount.

The initial "performance period" will begin on the initial admission day and end on the last day of the calendar year. Thereafter, each performance period will begin on the date immediately after the end of the previous performance period and end on (a) each December 31, (ii) the effective date of any redemption, and (iii) the date of dissolution of the Fund. The last day of each performance period shall be referred to herein as a "Incentive Allocation Date."

"Appreciation" for each performance period will be equal to the increase in the net asset value of the interests attributable to each memorandum account for such performance period after allocation of all fees and expenses (including, without limitation, any Management Fee), but prior to reduction for any accrued Incentive Allocation and only to the extent such increase exceeds any positive loss carryforward amount for such memorandum account. For purposes of determining the performance fee due on an Incentive Allocation Date, "Appreciation" will include the value of any instruments held (directly or indirectly) by the Fund, net of any withholding, sales, use, stamp or other tax assessed (directly or indirectly) against, or required to be withheld by, the Fund with respect to such instrument.

Investors will be permitted to redeem all or a portion of its investments after the expiration of the one-year lock-up period applicable to such Limited Partner (see "Lock-up Period," above) on a quarterly basis as of the last business day of each calendar quarter (each a "Redemption Date"), in each case upon at least sixty (60) days' prior

written notice to the Fund. Redemptions are subject to a \$50,000 minimum; which minimum may be waived by the Patriot in its sole discretion.

All Patriot Funds

Patriot may elect to waive or defer a portion or all of its Funds' Management Fee. If any Management Fee is waived, Patriot can be entitled to receive a priority allocation of a Fund's profits equal to the amount of the waived Management Fee in either a cash distribution of such amount or, if it so chooses, to be given credit for the waived amount against its commitment.

Certain investors in the Funds, who are generally related persons, employees, and partners of Patriot or affiliated firms will not be subject to a Management Fee, Carried Interest or Incentive Fees in connection with their investment in the Funds.

If a Fund's investment advisory agreement with Patriot terminates during a period covered by Management Fees paid in advance, Patriot would pro rate such Management Fee and reimburse the portion of such Management Fee covering the remainder of the period.

Patriot Fund Expenses - All Patriot Funds generally pay all offering and organizational expenses incurred in the formation, origination and syndication of the Fund and the related entities up to a certain maximum limit set forth in each Fund's Governing Documents, including, but not limited to, legal, travel, lodging, meals and lodging, side letter reviews and negotiations, accounting, and printing.

All Patriot Funds generally pay all investment expenses related to its activities including all costs related to (i) investigation, research, purchase and sale (whether or not consummated) and holding of the Fund's investments; (ii) due diligence and underwriting including third-party consultants fees, travel, industry conferences, lodging and meals, legal, auditing and tax (including applicable services provided by Independence Capital Partners, LLC), (iii) holding and exiting investments including custodial services, investment banking, commissions and brokerage fees, interest expenses and debt service attributable to borrowed money, margin and premium expenses, transfer and escrow agent fees, legal expenses, credit analysis software, valuation or appraisal costs, accounting expenses and systems, insurance, tax advisory expenses, litigation and threatened litigation expenses; (iv) third-party software licenses, related to managing investments and investor communications, upgrades or implementation costs of systems, subscriptions and membership fees in industry organizations and travel to and attendance at, industry conferences (provided that after the Fund's commitment period any such expenditures for such subscriptions, membership fees and industry conferences must directly benefit a Fund) (v) other operating expenses including fund-level leverage, auditing, tax advisory expenses, out-of-pocket research and market analysis costs including dues and subscriptions, risk management services or consulting and appropriate insurance coverage for the Funds including, without limitation, premiums for liability insurance to protect the Funds and Patriot, indemnification costs, taxes and assessments; (vi) costs incurred in registering (or obtaining exemptions from registration for) securities owned with the SEC or a banking regulator and any securities exchange including the Commodities Exchange Act or any other similar authority, costs for qualifying and maintaining qualifications of such

securities under applicable state “Blue Sky” laws; (vii) report preparation fees, including internal costs of preparing reports and internal or third-party printing and copying costs and expenses associated with Partners’ meetings and mailings; (viii) principal, interest on and fees and expenses arising out of all borrowings made by a Fund (including any costs related to arranging, establishing or maintaining the subscription facility, margin line or the working capital facility); (ix) expenses relating to meetings of the investors (whether individual or fund level) and advisory committee, investor communication portals and system implementation; (x) extraordinary administrative or operating fees or expenses, including litigation; and (xi) indemnification expenses. None of these Fund expenses noted above will be considered “Special Income” to the Fund and therefore, will not offset Management Fees.

Additionally, Patriot’s Freedom Fund will pay all ordinary and extraordinary expenses related to the (i) Freedom Fund’s administrator, outsourced operations providers, the custodian(s), prime-broker(s), any sub-administrators, sub-custodians, sub-prime-brokers and other service providers (including certain out-of-pocket expenses); (ii) transaction-related expenses, including hedging transactional costs, brokerage fees and commissions, custody charges, costs relating to the use of execution systems and services and other transaction-related costs and expenses in connection with its trading, investment and risk management activities; (iii) research and due diligence expenses related to the Fund’s investments, appraisal fees and expenses and investment banking expenses, including related consulting fees for research firms, advisors or other professionals, reasonable travel and transportation (including meals, lodging and entertainment), background investigations, fees for subscription databases, news wire, data processing, quotation services, data aggregation and risk reporting or other risk management services; provided, that the Fund shall not incur such research and due diligence expenses until aggregate net asset value of the Fund is \$25 million. The Fund’s administrator provides fund administration, valuation, back-office, middle-office, investor relations and related services to the Freedom Fund, its general partner and/or Patriot at what Patriot believes to be a market-based rate pursuant to the administration agreement between the administrator, the Fund and Patriot.

The Funds will incur brokerage commission fees and other transaction costs. For more information on brokerage fees, see Item 12 Brokerage Practices. Fund investors are not directly charged for the above fees or expenses, but in effect will pay their pro rata share of any fees or expenses as they are charged to the Fund.

Patriot does not receive compensation for the sale of any Fund interests. However, on occasion, if Patriot were to receive transaction fees in direct connection with the Fund’s portfolio securities, these fees will be used to offset the Management Fee or otherwise be credited to the Fund.

The above list of fees and expenses is not intended to be exhaustive; existing and prospective investors in the Funds are advised to review the specific Fund’s Governing Documents for a more extensive description of all fees and expenses.

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

As discussed in Item 5 (“Fees and Compensation”) of this Brochure, fee arrangements vary by Fund, and are based on a number of different factors. Where applicable,

performance fees or other performance-based compensation is generally based on exceeding disclosed “hurdle” or incentive and generally are payable: (i) on a quarterly or annual basis; (ii) at the time of withdrawal or redemption with respect to the amount withdrawn and/or redeemed; or (iii) as investments are realized and/or capital is distributed. Patriot’s Private Equity Funds charge performance fees or allocations based on the relevant Funds’ certain preferential rate of return on invested capital. In other cases, certain Patriot Private Equity Funds have periodic or cumulative performance hurdles prior to Patriot receiving a performance fee or allocation. Clawback or deferral provisions also apply to performance fees paid with respect to certain Private Equity Funds. For the Freedom Fund, these arrangements are subject to a high-water mark or other provisions intended to assure that prior losses are recouped before giving effect to any performance fees or allocations. The timing and amount of any such performance fee or allocation is described in the relevant Governing Documents. .

As described above, Patriot may be paid Carried Interest distributions and Incentive Allocations. Patriot’s Co-Founders, partners of Patriot or affiliated firms, and certain of its employees will receive incentive compensation, which is tied explicitly to the performance of a Fund as a whole and such compensation is earned based upon the performance of a Fund’s entire portfolio rather than individual transactions. The existence of the Carried Interest or Incentive Allocations may create an incentive for Patriot to cause a Fund to make riskier or more speculative investments than would be the case if the Fund didn’t have performance fees. In addition, Patriot may have an incentive to favor one Fund over another when allocating investment opportunities. To mitigate these conflicts, Patriot’s policies and procedures seek to provide that investment personnel make decisions based on the best interests of each individual fund, without consideration of Patriot’s financial interests. Patriot has adopted an Allocation Policy that seeks to allocate investments to the Patriot Funds in a fair and equitable manner. Please see Item 12 for additional detail on Patriot’s Allocation Policy.

Item 7. Types of Clients

Patriot provides discretionary investment advisory services exclusively to its Funds that are privately offered pooled investment vehicles (generally, structured as partnerships). Each Fund investor is required to meet certain suitability qualifications, such as being “accredited investors,” “qualified clients” and “qualified purchasers” within the meaning set forth under the Federal securities laws. Investors in the Funds will include, but are not limited to, pension plans, unions, corporate and business entities, endowments and foundations, trusts, and high net worth individuals. The Funds require minimum capital commitments from investors and under certain circumstances may be negotiable at some discretion of Patriot. Patriot has the discretion to waive or reduce the minimum initial investment or commitment. Required commitments by Patriot to its Funds will be funded by contributions from its Co-Founders, partners, employees, affiliates and others.

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

Patriot’s Private Equity Funds’ investment strategy is generally to provide risk-adjusted returns by applying a hands-on, value-added investment model. Patriot on behalf of its Funds invests primarily in both public and private community banks and financial services firms whose businesses are closely related to, or closely aligned with,

banking (including financial services companies, asset management companies, and technology companies).

The Freedom Fund's investment objective is investing in growth companies at a reasonable price with a goal of seeking superior returns to the median returns of publicly traded banks and mitigating risk. The Freedom Fund will target institutions with book value and earnings growth that are poised to outpace current market expectations, based on the Investment Team's and the Investment Committee's fundamental analysis. The Freedom Fund will from time-to-time employ a number of risk management strategies to help minimize the risk of permanent loss of capital. Significantly, the Patriot Freedom Team will utilize position size limitations (particularly in low volume, low liquidity stocks), hedging and net market exposure limitations in this process. Hedging will be accomplished through shorting securities (including shorting of common stocks, options, and ETFs, including non-bank ETFs, bond ETFs and broad market-based ETFs), purchasing options, and the strategic use of cash.

All Patriot Funds

Investment in private equity and hedge funds involves a substantial degree of risk. A Fund may lose all or a substantial portion of its investments and Fund investors must be prepared to bear the risk of a complete loss of their committed capital. Material investment risks relating to Patriot's methods of analysis and investment strategies are noted below, however, they will be described in more detail in the applicable Fund's Governing Documents:

No Assurance of Investment Return - Patriot cannot provide assurance that it will be able to choose, make and realize gains on investments in any portfolio company. There is no assurance that its Funds will be able to generate returns for investors or that the returns will be commensurate with the risks of investing in the type of companies and transactions. There can be no assurance that projected or targeted returns will be achieved or that any distribution will be made to the investors.

Concentration of Investments – Patriot's Private Equity Funds generally participate in a limited number of investments and, therefore, the aggregate return of the Funds may be materially and adversely affected by the unfavorable performance of a single investment.

Focused Investment Strategy - The Funds will be focused on investments in the financial services industry, and community banks and, thus, may not enjoy the reduced risks of a broadly diversified portfolio. A specific investment focus is inherently riskier and could cause Fund investments to be more susceptible to economic, political, regulatory, technological or industry conditions or occurrences compared with a fund, or a portfolio of funds, that is more diversified or has a broader industry focus.

Market Conditions May Dramatically Affect Fund Investments - Volatile market conditions at various times have had a dramatic effect on private investments. In addition, global pandemics, terrorist attacks and other acts of violence or war will affect the operations and profitability of Fund investments. Such events could

cause consumer confidence and spending to decrease or result in increased volatility in the U.S. and worldwide financial markets and economies. They also could result in a continuation of the current economic uncertainty in the U.S. or abroad. Any of these occurrences could have a significant impact on the operating results of banks, and, in turn, on the return of Fund investments.

Market Price Fluctuations - General fluctuations in the market prices of securities, especially equities will affect the value of the investments held by the Funds. Instability in the securities markets will also increase the risks inherent in the Funds' investments. Many of the companies in which the Funds will make investments will be susceptible to economic slowdowns or recessions. An economic slowdown will affect the ability of a company to engage in a liquidity event such as a sale, recapitalization, or initial public offering. The value of each Fund's portfolio is likely to decrease during these periods and could lead to financial losses. In addition, terrorist attacks and other acts of violence or war will affect the operations and profitability of each Fund's investments. Furthermore, certain losses resulting from these types of events are uninsurable. Such events could cause consumer confidence and spending to decrease or result in increased volatility in the U.S. and worldwide financial markets and economy. They also could result in a continuation of the current economic uncertainty in the U.S. and abroad.

Market for Investments in Securities is Volatile - The Funds will acquire investments through the acquisition of stock, securities or other interests in which there is no public market or there is limited trading in such securities. There can be no assurance that an active trading market for such securities will develop or, if developed, be sustained. If a market for investments does not exist or is limited, a Fund may have difficulty selling or disposing of such investments. Even if a market for such securities exists or develops, it may not provide significant liquidity or trade at prices advantageous to a Fund. Compliance with rules and regulations that restrict the trading of securities of companies where a Fund maintains a board of director representative or similar inside position will also restrict the timing of an exit strategy or the disposition of investments. Such limitations will restrict the ability of a Fund to liquidate investments or realize an exit price in accordance with a Fund's business plan and such events will limit the returns to investors.

Risk and Illiquid Investments - The Funds' performance will be dependent on the growth and performance of the portfolio companies in which the Funds invest, some of which will be troubled or have little operating history. The success of these companies will be subject to factors over which the Funds will have little or no control, including without limitation for risks identified in the preceding risk factors. It is anticipated that investments in portfolio companies generally will be highly illiquid in nature. Resale of securities in which the Funds invest will generally be restricted by applicable securities laws, and there will generally be no public market for such securities. Purchase of Fund interests should be considered a long-term investment. For Patriot's Private Equity Funds, investors may not be able to withdraw capital from the Funds. Transfer of the interests is

subject to significant restrictions. Interests are not transferable except with the consent of Patriot under certain conditions and there is no public market for Fund interests.

Because of various restrictions and the absence of a public market for Fund interests, an investor may be unable to liquidate its investment even though its personal financial circumstances would make liquidation advisable or desirable. Fund interests will not be readily acceptable as collateral for loans.

Investment Strategy that includes Privately Held Companies Presents Certain Challenges – Patriot’s Private Equity Funds will invest in privately-held companies. Generally, very little public information exists about these companies, and the Funds will be required to rely on the ability of Patriot to obtain adequate information to evaluate the potential returns from investing in these companies. Moreover, these companies typically depend upon the management talents and efforts of a small group of individuals, and the loss of one or more of these individuals could have a significant impact on the investment returns from a portfolio company. Also, these companies frequently have less diverse product lines and a smaller market presence than larger competitors. They are, thus, generally more vulnerable to economic downturns and may experience substantial variation in operating results.

Unidentified Portfolio Assets - An investment in the Funds represents an investment in the ability of Patriot to select appropriate investments on behalf of the Funds rather than an investment in a specific portfolio of assets. Investors will not have the opportunity to evaluate personally the relevant economic, financial and other information that will be utilized by Patriot in their selection and evaluation of additional investments. There can be no assurance that the Funds will be able to identify and complete investments or that Funds’ investments will be assessments.

Troubled Companies - The Funds will invest in portfolio companies that are in various stages of correcting previous operational or regulatory problems. Some or all companies will operate at a loss or with substantial variation in operating profits and losses from period to period and may have a need for substantial additional capital to support expansion or to achieve or maintain a stable operating position. If turnarounds are not achieved, these portfolio companies could experience failures or substantial declines in value, and a Fund may not be able to divest itself of such unprofitable investment in a timely fashion or at all. Additionally, turnarounds may not be achieved within the contemplated investment horizons.

Minority Investments in Portfolio Companies - The Funds will invest in minority positions of companies and in companies for which the Funds have no right to appoint a director or otherwise exert significant influence. In such cases, each Fund will be significantly reliant on the existing management and board of directors of such companies, which may include representatives of other financial investors with whom each Fund is not affiliated and whose interests may conflict with the interests of each Fund. If the Funds do not maintain a controlling

interest, the Funds will be subject to the discretion of one or more third parties as to the management of such companies. These parties may execute a management plan or make strategic judgments that differ from that of a Fund, in which case, the performance of a Fund's investment may be subject to the decisions of such parties. There can be no assurance that the existing management team, or any successor, of a portfolio company will be able to operate the portfolio company in accordance with each Fund's plans.

Lending - The risk of non-payment (or delayed payment) of loans is inherent in community banking, and such non-payment or delayed or deferred payment, if it occurs, this will have a material adverse effect on the earnings and overall financial condition of the Funds' portfolio companies, as well as on the value of their securities. In addition, the marketing focus of the Funds' portfolio companies of community banks and middle market financial services companies may result in the assumption of certain lending risks that are different from and greater than loans made to larger companies.

Community Banks Face Intense Competition - Banking is a highly competitive industry. This is particularly true for community banks and de novo banks, which must compete with established financial institutions. In addition, competition also comes from other businesses which provide financial services, including consumer loan companies, credit unions, mortgage brokers, insurance companies, securities brokerage firms, money market mutual funds, internet banks and private lenders.

Bank Performance is Significantly Dependent on Economic Conditions and Related Uncertainties - Commercial banking is affected, directly and indirectly, by domestic and international economic and political conditions and by governmental monetary and fiscal policies. Conditions such as inflation, recession, unemployment, volatile interest rates, real estate values, governmental monetary policy, international conflicts, the actions of terrorists and other factors beyond a banking organization's control will adversely affect its results of operations. Moreover, because community banks generally serve a limited primary trade area, adverse economic conditions in the region served by a community bank could adversely affect such banking organization's ability to attract deposits and make loans, as well as result in an increase in loan delinquencies, foreclosures and nonperforming assets and a decrease in the value of the property or other collateral which secures loans, all of which could adversely affect a banking organization's results of operations.

Bank Performance is Significantly Affected by Changes in Interest Rates - The operations of banking institutions are dependent to a large extent on net interest income, which is the difference between the interest income earned on interest-earning assets such as loans and investment securities and the interest expense paid on interest-bearing liabilities such as deposits and borrowings. Changes in the general level of interest rates can affect net interest income by affecting the difference between the weighted average yield earned on interest-earning assets and the weighted average rate paid on interest-bearing liabilities, or interest rate spread, and the average life of interest-earning assets and interest-bearing

liabilities. Changes in interest rates can also affect, among other things, the ability to originate loans, the value of interest-earning assets and the ability to realize gains from the sale of such assets; the ability to obtain and retain deposits in competition with other available investment alternatives; and the ability of borrowers to repay adjustable or variable rate loans. Interest rates are highly sensitive to many factors, including governmental monetary policies, domestic and international economic and political conditions and other factors beyond a Fund's control.

Banking Institutions Face Significant Operational Risk - Financial holding companies, bank holding companies, banks, savings and loan holding companies, thrifts and their subsidiaries and affiliates (collectively, "banking institutions") are exposed to many types of operational risk, including reputation risk, legal and compliance risk, the risk of fraud or theft by employees or outsiders, unauthorized transactions by employees or operational errors, including clerical or record-keeping errors or those resulting from faulty or disabled computer or telecommunications systems. Negative opinion can result from a banking institution's actual or alleged conduct in any number of activities, including lending practices, corporate governance and acquisitions and from actions taken by government regulators and community organizations in response to those activities. Negative public opinion can adversely affect a banking institution's ability to attract and keep customers and can expose it to litigation and regulatory action.

Banking Institutions are Subject to Extensive Federal and State Banking Regulations - If a Fund acquires a controlling investment in (i) one or more banks or bank holding companies it may, although it is not its current intent to do so, become a bank holding company under the Bank Holding Company Act of 1956, as amended ("BHC Act"), or (ii) one or more savings associations or savings and loan holding companies it may become a savings and loan holding company under Section 10 of the Home Owners' Loan Act, as amended. In each case, a Fund would become subject to regulation, supervision and examination by the Federal Reserve Board. Bank holding companies and savings and loan holding companies are together referred to herein as "depository institution holding companies." Each of the portfolio companies also will be subject to extensive regulation, supervision and examination under federal banking laws and regulations regardless of whether a Fund becomes a depository institution holding company.

Banking institutions and other financial institutions operate in a highly regulated environment and are subject to extensive federal and state legal and regulatory restrictions and limitations and to regulation, supervision and examination by regulatory authorities. Regulation of these banking institutions is intended primarily for the protection of depositors, the deposit insurance fund of the Federal Deposit Insurance Corporation ("FDIC") and the banking system. The regulation is not intended for the protection of shareholders or other investors and in some instances, will be contrary to their interests.

Insured depository institutions and their holding companies are subject to changes in federal and state laws, as well as changes in regulations, governmental policies and accounting principles. The laws and regulations governing financial institutions in general, and the commercial banking industry have been modified substantially in recent years, and additional changes are likely.

Potential Concentration of Voting Power – Fund investors will be able to vote on matters concerning their respective Funds only in a very limited set of circumstances, such as removing Patriot or terminating the commitment period in certain circumstances. Patriot will control most decisions, including decisions relating to the day-to-day operations of the Funds. Even in situations where investors vote on a Fund matter, a small group of investors with relatively large commitments could have the requisite percentage of votes to determine the outcome of such decisions (although the concentration of voting power will not be known until a Fund conducts a closing). Such a concentration of voting power, if it occurs, could have the effect of limiting the ability of investors with relatively smaller commitments to have a meaningful vote on matters requiring a vote of investors.

Investments in Regulated Industries –Patriot will invest in businesses that operate in sectors that are under close and frequently changing regulation, regulatory and legislative oversight, and governmental agency scrutiny. In addition, various legislative proposals are introduced from time to time at the federal and state level, and any such proposals, if adopted, could have a significant adverse impact on the industries in which a Fund will invest. In addition, if a portfolio company fails to comply with the regulatory requirements for its business, it could face significant monetary liabilities, fines and penalties, as well as reputational damage, each of which would have a significant adverse effect on the operating results of the portfolio company and in turn, the performance of a Fund.

Investment in Software and Technology-Enabled Business Models – Patriot will invest in businesses that operate business models characterized by rapidly changing market conditions and participants, new competing products, changing consumer preferences, short product life cycles, and improvements in existing products. There is no assurance that products or services sold by the portfolio companies will not be rendered obsolete or adversely affected by other challenges, including downward pressure on pricing which may occur as the result of technology innovations that may get introduced. Fund portfolio companies may suffer decreased business success, worsened financial condition, and negative cash flow and operations results if they are unable to adequately respond to changes in market conditions due to rapid technological and other changes, which may adversely affect a Fund's investment in such companies.

Limited Recourse Against Patriot - The Fund's Governing Document limit the circumstances under which Patriot or its affiliates will be held liable to the Funds. Thus, investors will have a more limited right of action in certain cases.

Consequences of Default - If investors fail to fund their commitment obligations or make their required capital contributions when due, the Fund's ability to

complete its investment program or otherwise continue operations may be substantially impaired as an investor's failure to fund such amounts when due is an event of default. A default by a substantial number of investors will severely limit opportunities for investment diversification and would likely reduce returns to a Fund. A default by any single investor could result in substantial costs to a Fund if such default causes a Fund to fail to meet its contractual obligations or if Patriot must pursue remedial action against such investor. A default will have significant adverse consequence to the defaulting investor.

Time Required to Maturity of Investment - Generally, there will be no readily available market for a substantial number of investments made by the Funds. Disposition of such investments may require a lengthy time period or may result in distributions in-kind to investors. It is anticipated there will be a significant period before a Fund realizes its investments in portfolio companies. Such investments may typically take several years from the date of the initial investment to reach a state of maturity when realization of the investment can be achieved, but it also may take longer. Transaction structures typically will not provide for liquidity of a Fund's investment prior to that time.

Foreign Investment – Patriot's Private Equity Funds may invest, to a limited extent, in companies located outside the U.S and overseas investments will entail risks not present in U.S. markets. These risks include the possibilities that foreign markets may not be as developed or efficient as those in the U.S., that securities of some foreign issuers may be less liquid than those of comparable U.S. issuers, that volume and liquidity in most foreign markets are less than in the United States, and that at times volatility of price can be greater than in the United States. In addition, applicable regulations may be less stringent or different than in the U.S., less information may be publicly available, and non-U.S. issuers may not be subject to accounting and financial reporting standards, practices and requirements comparable to those applicable to U.S. issuers. Moreover, since evidences of ownership of such instruments may be held outside the United States, a Fund may be subject to additional risks, including possible adverse political and economic developments, possible seizure or nationalization of foreign deposits and possible adoption of governmental restrictions, which might adversely affect payments on foreign instruments or might restrict payments to foreign investors.

Competition for Investments - Each Fund expects to encounter competition from other entities with similar investment objectives. Potential competitors include venture capital funds, angel investors, corporate venture programs, private equity funds and mezzanine funds, investment banks, hedge funds and other equity and non-equity-based investment funds, and other sources of financing, including traditional financial services companies such as commercial banks. Some of these competitors could have more relevant experience, greater financial resources and more personnel than Patriot. Additionally, such competitors will also be able to accept more risk than the Funds can prudently manage or desire. Increased competition would make it more difficult for each Fund to purchase or originate investments at attractive prices. In addition, the Funds may make investments in

foreign markets, which would add a new level of competition. Because of this competition, a Fund may be limited in or precluded from making otherwise attractive investment.

Preferred Stocks - Preferred stocks which the Funds may hold as a result of corporate actions are generally fixed income securities. Holders of preferred stocks normally have the right to receive dividends at a fixed rate when and as declared by the issuer's board of directors, but do not participate in other amounts available for distribution by the issuing corporation. Dividends on the preferred stock may be cumulative, and generally all cumulative dividends usually must be paid prior to common shareholders receiving any dividends. Because as a general matter preferred stock dividend must be paid before common stock dividends, preferred stocks generally entail less risk than common stocks.

Warrants - The Funds may hold warrants. Warrants are securities that are usually issued together with a debt security or preferred stock and give the holder the right to buy a proportionate amount of common stock at a specified price until a stated expiration date. Buying a warrant generally can provide a greater potential for profit or loss than an investment of equivalent amounts in the underlying common stock. The market value of a warrant does not necessarily move with the value of the underlying securities. If a holder does not sell the warrant, it risks the loss of its entire investment if the market price of the underlying security does not, before the expiration date, exceed the exercise price of the warrant. Investing in warrants is a speculative activity. Warrants pay no dividends and confer no rights (other than the right to purchase the underlying securities) with respect to the assets of the issuer.

Convertible Securities - The Funds may hold convertible securities as a result of corporate actions. Convertible securities are generally exchangeable into common shares of an issuer based on a specified formula or occurrence of a specified date or event; certain convertible securities are mandatorily convertible in certain circumstances. Convertible securities provide higher yields than the underlying equity securities, but generally offer lower yields than non-convertible securities of similar quality. The value of convertible securities fluctuates, as do bonds, in relation to changes in interest rates and, in addition, fluctuates in relation to the market price of the underlying common stock.

Use of Leverage - The Funds may directly leverage their investments and may utilize leverage embedded in derivative instruments and securities. This may result in the Funds controlling substantially more assets than the Funds have equity. Direct leverage increases the Funds' returns if the Funds earn a greater return on investments purchased with borrowed funds than the Funds' cost of borrowing such funds. However, the use of leverage exposes the Funds to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Funds not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Funds' cost of borrowing such funds.

Third-Party Participants – Patriot’s Private Equity Funds may co-invest with third parties through joint ventures or other entities. Such investments will involve risks not present in investments with no third-party involvement, including the possibility that a co-venture or partner of a Fund may at any time have economic or business interests or goals that are inconsistent with those of a Fund or may act contrary to a Fund’s investment objectives.

Limitation on Fund Management - Investors have no rights or powers to participate in the management of the Funds or to otherwise participate in making decisions that will materially affect the value of their investment. Accordingly, no person should purchase interests in a Fund unless such person is willing to entrust all aspects of the management of the Fund to Patriot.

Funds are Dependent on Management - Decisions with respect to the management of a Fund will be made by Patriot. The success of a Fund will depend on the ability of Patriot to identify and consummate suitable investments, to improve the operating performance of the portfolio companies and to dispose of investments of a Fund sufficient to produce required returns. The loss of the services of one or more of the senior investment professionals providing service to Patriot could have a material adverse impact on a Fund’s ability to realize its investment objectives.

Uninsured Losses - Patriot will attempt to maintain insurance coverage against liability to third parties as is customary for similarly situated businesses. However, there can be no assurance that insurance will be available or sufficient to cover any such risks. In addition, there can be no assurance that the risks, which are currently insurable, will continue to be insurable on an economic basis. Because each Fund is a pooled investment fund, the assets of the Funds will be at risk in the event of an uninsured liability to third parties.

Liabilities Upon Disposition - In connection with the disposition of an investment in a portfolio company, the Funds may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business. The Funds may also be required to indemnify the purchasers of their investments or other third parties to the extent that any such representations prove inaccurate.

Cybersecurity Risks – Patriot, the Funds’ service providers, portfolio companies and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. Patriot has taken steps to evaluate and mitigate cybersecurity risks, but there can be no assurance that such steps and any policies or practices will adequately address or prevent all types of cybersecurity risks. Such systems are subject to several different threats or risks that could adversely affect the Funds and their investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to our systems. Third parties may also attempt to fraudulently induce employees or investors to disclose sensitive information to gain access to Patriot’s data or that of the Funds’ investors. A successful penetration or circumvention of the security of the

Patriot's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause Patriot or its Funds to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

Tax Considerations - An investment in a Fund will involve complex U.S. federal income tax considerations that will differ for each investor. Under certain circumstances, investors could be required to recognize taxable income in a taxable year for U.S. federal income tax purposes, even if a Fund either has no net profits in such year or has an amount of net profits in such year that is less than such amount of taxable income. Funds may not make any distributions to their investors, and an investor's tax liability attributable to an investment in a Fund may in each tax year exceed the cash distributed. Funds may invest in entities which would cause them to have to report taxable income for U.S. Federal income tax purposes prior to the time the Fund receives distributions from such investments.

Non-Disclosure of Positions; Differential Disclosures - In an effort to protect the confidentiality of its positions, the Funds may not disclose any or all of its positions to investors on an ongoing basis, although Patriot, in its sole discretion, will provide a list of its Funds' positions, if it determines that there are sufficient confidentiality agreements and procedures in place. Such portfolio and other information could give certain investors an advantage over others in making investment and withdrawal decisions. Patriot and the Funds may provide certain investors with additional reports relating to regulatory events, changes in key personnel, exposure levels, liquidity levels, expenses and the like.

Other Regulatory Risks - Each Fund relies on various exemptions from federal and state statutes and rules, such as ERISA, the Investment Company Act of 1940 ("1940 Act") and the Securities Act of 1933 (the "Securities Act"), to operate without having to register under such statutes and rules. Loss of any such exemption, or a change in these statutes and rules or certain others, such as the Advisers Act, anti-money laundering rules, and the U.S. Internal Revenue Code, could impact a Fund's ability to continue to operate as it currently does. A Fund's exemption from certain investor protection laws means that a Fund's investors do not have the benefit of protections afforded by such laws, including ERISA, the 1940 Act and the Securities Act.

Conflicts of Interest - Conflicts will arise in instances where the interests of Patriot and its affiliates may conflict with the interests of the Funds and the investors. Fund investments are subject to various conflicts of interest, including those between co-investors in specific projects, between various investors in a Fund, and between Patriot and a Fund. Prospective investors are advised to review the applicable Funds' Governing Documents that discuss the conflicts of interests when investing in that specific Fund. Additional conflicts of interest information are described below in Item 10.

Materials Risks Specific to the Freedom Fund

Directional Trading - Certain of the positions taken by Patriot in the Freedom Fund may be designed to profit from forecasting absolute price movements in a particular instrument. Predicting future prices is inherently uncertain and the losses incurred, if the market moves against a position, will often not be hedged. The speculative aspect of attempting to predict absolute price movements is generally perceived to exceed that involved in attempting to predict relative price fluctuations.

High Portfolio Turnover - The strategies employed by the Freedom Fund are expected to lead to frequent changes in the Fund's investment portfolio. Higher portfolio turnover generally involves additional expense to the Fund, including brokerage commission, dealer mark-ups and other transaction costs on the sale of securities and reinvestment in other securities and may generate short-term capital gains.

Importance of Market Judgement - Although Patriot may use quantitative models in evaluating the economic components of certain prospective trades, Patriot's investment strategies are by no means wholly systematic; the market judgment and discretion of the Patriot's personnel are fundamental to the development and implementation of these strategies.

Duration of Investment Positions - Patriot may not know, except in the case of certain options or derivatives positions which have pre-established expiration dates, the maximum — or even the expected (as opposed to optimal) — duration of any particular position at the time of initiation. The length of time for which a position is maintained may vary significantly, based on the Patriot's subjective judgment of the appropriate point at which to liquidate a position so as to augment gains or reduce losses.

Exchanged Traded Funds - The Freedom Fund will invest in or short ETFs from time to time. ETFs represent shares of ownership in either funds or units of investment trusts that hold portfolios of common stocks, bonds or other instruments, which are designed to generally correspond to the price and yield performance of an underlying index. A primary risk factor relating to ETFs is that the general level of stock or bond prices may decline, thus affecting the value of an equity or fixed income ETF, respectively. An ETF may also be adversely affected by the performance of the specific sector or group of industries on which it is based. Moreover, although ETFs are designed to provide investment results that generally correspond to the price and yield performance of their underlying indices, ETFs may not be able to exactly replicate the performance of the indices because of various sources of tracking error, including the expenses associated with ETFs and a number of other factors.

Short Sales - The Freedom Fund may sell securities short during the course of implementing its trading or hedging strategies. Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the Fund's portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short. Because the

borrowed securities sold short must later be replaced by securities purchased in the market, any appreciation in the market price of these securities results in a loss. Purchasing securities to close out a short position can itself cause the market price of the securities to rise further, increasing losses. Furthermore, the Fund may be prematurely forced to close out a short position if a counterparty from which the Fund borrowed securities demands their return or increases the borrowing costs. There can be no assurance that securities necessary to cover a short position will be available for purchase.

Hedging Generally - Patriot will not, in general, attempt to hedge all market or other risks inherent in the Fund's positions. Specifically, Patriot may choose not, or may determine that it is economically unattractive, to hedge certain risks, either in respect of particular position or in respect of the Freedom Fund's overall portfolio. The Fund's portfolio composition may result in various directional market risks remaining unhedged.

Derivatives - The Freedom Fund may use derivative financial instruments, including, without limitation, warrants, options, swaps, convertible securities, notional principal contracts, contracts for differences, forward contracts, futures contracts and options thereon, and may use derivative techniques for hedging and for other trading purposes. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage often embedded in such instruments and the possibility of counterparty non-performance as well as material and prolonged deviations between the actual and theoretical value of the derivative. In addition, the markets for certain derivatives are frequently characterized by limited liquidity, which can make it difficult as well as costly to the Fund to close out positions in order either to realize gains or to limit losses.

Futures Contracts and Options- The Freedom Fund may trade futures and options. Futures markets are highly volatile. In investing in futures, the Fund must be able to analyze correctly such markets, which are influenced by, among other things, changing supply and demand relationships, weather, governmental, agricultural, commercial and trade programs and policies designed to influence world political and economic events and changes in interest rates. Purchasing options involves the risk that the instruments underlying the option will not change price in the manner expected such that the investor may lose its premium. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received, which could result in a potentially unlimited loss.

Trade Execution Risk - Certain of the trading techniques to be used by the Freedom Fund require the rapid and efficient execution of transactions. Inefficient executions can eliminate the small pricing differentials which the Patriot seeks to exploit.

Item 9. Disciplinary Information

Neither Patriot nor any of its employees have been involved in the past ten years in any legal or disciplinary event that Patriot believes is material to an investor or prospective investor in their evaluation of Patriot's advisory business or management.

Item 10. Other Financial Industry Activities and Affiliations

Patriot has financial relationships and arrangements that are material to Patriot's advisory business with the following entities:

Patriot utilizes Independence Capital Partners, LLC ("ICP"), an affiliated entity, to provide certain non-investment services such as compliance, accounting and tax support, information technology and insurance. ICP also provides similar services to its other affiliated investment advisory firms which include: Lubert-Adler Management Company, L.P.; LLR Walnut, L.P.; Quaker Partners Management, L.P. (an exempt filer); LBC Credit Management, L.P.; and LEM Capital, L.P. (collectively, the "ICP Affiliate Firms"). Each ICP Affiliate Firm is separately managed by its partners and investment professionals and offers advisory services to private investment funds focused on varying investment strategies and asset classes.

Mr. Lubert, a Co-Founder of Patriot, has voting and non-voting ownership interests in ICP and all the above ICP Affiliate Firms. In addition, Messrs. Lynch, Wycoff and Deutsch have passive, non-voting ownership interests in certain ICP sponsored funds and personal business interests separate and apart from their interests of the Patriot Funds. Each ICP Affiliate Firm manages private investment funds that may invest in real estate, private equity, debt or venture capital companies, some of which will have investment mandates that are similar to, but not directly overlapping with, the investment mandates of the Patriot Funds.

In addition to his interests in ICP and the ICP Affiliate Firms, Mr. Lubert's outside business interests include holding: voting and non-voting interests in several investment advisers to private equity funds; controlling, voting and non-voting interests in numerous operating companies, including gaming establishments and a hotel management company; and controlling, voting and non-voting interests in several private real estate investments. He also serves, or has served, on the board of directors of several private and public companies and non-profit organizations. Mr. Lubert intends to pursue additional investment opportunities to the extent these opportunities are not suitable for the Patriot Funds or not prohibited by any applicable Funds' Governing Documents.

Allocation of Insurance Coverage - The ICP Affiliate Firms and the Funds they manage will share coverage under certain insurance policies, such as general partner liability insurance, cybersecurity and crime insurance. The cost of such shared policies will be allocated as reasonably determined by the ICP Affiliate Firms, considering such factors as the ICP Affiliate Firms will reasonably determine, including, without limitation, the estimated relative costs of standalone policies for the ICP Affiliated Firms, the relative capital called or estimated to be called for each Fund, and the relative claims experience of the ICP Affiliated Firms.

Allocation of Time Commitment by Managing Partners - Messrs. Wycoff, Deutsch and Lynch will, during the commitment periods of Patriot Fund II & Fund III, devote substantially all of their business time to the management of those Funds. Thereafter, they will devote such business time to the management as is necessary to perform their duties. While Mr. Lynch expects to devote all of his business activity to Fund III and Patriot's prior Funds, he will not focus as much of his time on the day-to-day management of Fund III as will Messrs. Wycoff and Deutsch but rather his time will be

spent assisting in investment activities and individual portfolio company strategy. He will also advise the investment team on aspects of due diligence and financial analysis. After the expiration of the Commitment Period, Mr. Lynch expects to gradually curtail his time spent on managing Fund III. For the Freedom Fund, Messrs. Wycoff, Lynch and Deutsch are members of the Investment Committee. Their involvement in this Fund is to provide oversight, advice and participation in the Investment Committee, including evaluating recommendations made by the investment professionals. Messrs. Lynch and Deutsch will not be responsible for the day-to-day operations of the Freedom Fund and investors should have no expectation of additional or more substantive involvement.

Co-Investments Between Funds - Co-investment opportunities which are subject to certain restrictions and approvals may arise that are appropriate for co-investments by the Funds and are more fully described in each the Fund's Governing Documents which all investors are encouraged to read carefully before investing. The Freedom Fund is prohibited from co-investing with any of Patriot Private Equity Funds or ICP Affiliate Firms Funds.

Co-Investment Opportunities between the Funds and ICP Affiliate Firms - Certain potential investment opportunities that may be appropriate for the Patriot Funds also may be appropriate for one of the ICP Affiliate Firms funds or for co-investment by both a Patriot Fund and a fund managed by the other ICP Affiliate Firms. Patriot does not believe that there will be significant overlap of investment opportunities between the Funds and other ICP Affiliate Firms funds, however, in situations in which overlap opportunities do exist, potential conflicts exist as to the allocation of such investment opportunities between, or the terms and conditions of any co-investment by, such entities.

In these situations, the investment opportunity will need to be cleared by a conflict resolution procedure as described below before any such investment can be made by a Patriot Fund. There can be no assurance that the resolution procedure established will clear the conflicts so that the investment can be made by a Patriot Fund. Accordingly, there may be situations in which investment opportunities that otherwise would be appropriate for a Patriot Fund cannot be made. Each ICP Affiliate Firm's investment team that first sourced or originated the opportunity may invest in the opportunity without offering it to the other ICP Affiliate Firms. If an ICP Affiliate Firm does not invest in an opportunity it sources or originates, the other ICP Firms may be offered the opportunity to make the investment.

If Patriot determines in its reasonable discretion that it would be advantageous to co-invest in an opportunity with one or more other ICP Affiliate Firms funds, then the Fund will co-invest with another ICP Affiliate Firms' funds on a *pari passu* basis (that is, in the same security and in the same financing round). These co-investment opportunities will be subject to the approval of the co-investing ICP Affiliate Firms' advisory committees or executive boards in accordance with their respective Fund's Governing Documents. Patriot expects that the co-investment amounts by the ICP Affiliate Firms funds will be determined in the reasonable discretion by Patriot or the investment teams of the other applicable ICP Affiliate Firms funds in view of the amount made available for co-investment by the investment team who initially sourced or originated the deal and the relative available capital, investment objectives, financing capacity and diversification limits of each fund participating in the co-investment. Because of this conflict resolution

process, the amount a Fund invests in a co-investment opportunity may be less than it otherwise would be willing and able to invest, and in certain cases, a Fund will be required to forego certain investment opportunities that otherwise would be appropriate. In addition, co-investment by other ICP Affiliate Firms will curtail their co-investment opportunities available to investor.

Co-Investments with Fund Investors – Patriot’s Private Equity Funds may offer institutional investors as defined by the Fund’s Governing Documents, an opportunity to co-invest in an investment on the same terms as those offered to a Fund. Patriot will establish minimum and maximum co-investment amounts and procedures for co-investment and will offer co-investment opportunities to any qualifying Fund investor or a designated affiliate in its sole discretion, as it is understood that Patriot shall have no obligation to offer any co-investment opportunity to any or all Fund investors. If a co-investment is offered, such qualifying Fund investors or their designated affiliates will have the right to co-invest pro rata based on their Fund commitments. Patriot will receive fees or amounts representing a promoted interest, Management Fee or origination fee attributable to co-investment and such fees or amounts will not be deemed to be Special Income” and subject to the Fund’s Management Fee offset.

Co-Investments with Non-Related Third Parties - Patriot may enter from time to time into investments with other third-party sponsors and syndicators of other non-related pooled investment vehicles.

Cross Trades and Principal Trades - Patriot Funds will not acquire any securities from or sell any securities to any of its affiliates, other than the respective parallel funds as set forth in each of the Fund’s Governing Documents, without applicable advisory committee approval.

Fund Bank Accounts - In the ordinary course of business, a Fund may maintain deposit accounts or lines of credit with banks in which a Fund invests.

Investment Committee Membership - Certain members of Patriot’s investment team and Investment Committee members are involved in investment decisions relating to one or more of the Patriot Funds, including serving on their investment committees and providing board of director representation for their portfolio investments. As a result, it is possible that a conflict will present itself that could impact one of the Funds’ investment decisions. For example, an investment by a Patriot Private Equity Fund may, in making its own independent investment decision, desire to purchase the securities of one or more of the Freedom Fund’s portfolio companies. This may occur in a situation where, for example, a principal of the Patriot Private Equity Fund has a seat on the board of directors of such portfolio company. These types of situations can affect the actions and investments of a Patriot Fund as a result of ERISA and/or securities law requirements. The possibility of a principal in Patriot Private Equity Fund having material non-public information relating to one of its portfolio investments may lead to restrictions on the other Patriot Funds including but not limited to the Freedom Fund’s ability to purchase new assets, sell existing assets or engage in other transactions. As a result, both the Freedom Fund and Patriot’s Private Equity Funds must evaluate each issue where such a conflict or apparent conflict exists on a case by case basis. Depending on the specific facts, the impact will vary, but could result in a Patriot Fund not being

able to acquire an investment that is otherwise appropriate for the Fund or dispose of an investment at the time it desires to do so. The Freedom Fund and Patriot's Private Equity Funds will attempt to resolve each of these issues in a fair and equitable manner.

Personal Transactions - No Co-Founder, partner or employee may invest directly in a publicly traded or private portfolio company in which a Fund may invest without seeking pre-approval as required by Patriot's code of ethics. Additionally, no Co-Founder, partner or employee may acquire portfolio securities issued by a private portfolio company without obtaining preapproval from the Chief Compliance Officer as required under Patriot's code of ethics. Patriot's Co-Founders, partners and employees will hold bank securities which were acquired by such individual prior to the date of a Patriot Fund's limited partnership agreement. In addition, a Managing Partner will acquire securities of a privately held company of the type in which a Patriot Fund may invest if such investment opportunity is first offered to the Patriot Fund which is then in its commitment period and such Fund by vote of its Investment Committee (with the individual or individuals requesting such approval recusing himself or themselves) declines the investment so long as the cost of such investment for each such individual is no more than the specified amount indicated in the Fund's Governing Documents. Because of the foregoing, Patriot's Co-Founders, partners and employees will hold, and will continue to hold, investments in financial institutions and banks that may be currently held by a Patriot Fund.

Relying Advisers - Patriot provides investment advisory services and its affiliates serve as sponsors of the Funds, and will, in the future provide investment advice to and/or serve as sponsors of affiliated investment partnerships, limited liability companies and their general partners or managing members, as applicable. The general partners and the managing members are also investment advisers registered in accordance with SEC guidance under the Advisers Act pursuant to Patriot Financial Manager's registration. These affiliated investment advisers operate as a single advisory business, are under common control and are subject to Patriot's Code of Ethics and compliance programs adopted pursuant to the requirements of the Advisers Act.

Service Providers - Certain advisors and service providers (including accountants, administrators, lenders, brokers, attorneys, consultants, investment or commercial banking firms) will be investors in the Patriot Funds. These relationships may influence Patriot in deciding whether to select or recommend such a service provider to perform various services for a Fund or a portfolio company (the cost of which will generally be borne directly or indirectly by a Fund or portfolio company, as applicable). Notwithstanding the foregoing, investment transactions for a Fund that require the use of a service provider will generally be allocated to service providers on the basis of best execution and other considerations, such as service provider's provision of certain investment-related services that Patriot believes benefits a Fund. In certain circumstances, advisors and service providers will charge different rates or have different arrangements for services provided to other ICP Affiliate Firms and affiliates as compared to services provided to a Fund and its portfolio companies, which will result in more favorable rates or arrangements than those payable by a Fund or such portfolio companies.

Serving as Board Member or Director – Patriot's Managing Partners, partners, directors and principals and certain consultants to the Funds will serve as members of various

boards of directors for Patriot's Private Equity Funds and the time they spend in connection with such board activities will reduce the time they devote to Patriot. Such directorships may create potential conflicts relating to potential investments of which they become aware. If required by state banking regulations or as a condition of an individual serving as a board member, Patriot's Managing Partners, partners and directors and principals and certain consultants will hold a nominal amount of bank stock in their individual name.

Side Letters - Patriot and its Funds will from time to time enter into other written agreements or side letters with one or more investors whereby, in consideration for agreeing to invest certain amounts in a Fund and other consideration deemed material to a Fund, such investors may be granted rights not otherwise afforded to other investors. These side letters may entitle an investor to make an investment in a Fund on terms other than those described in the Funds' Governing Documents. These differing terms will typically address: (i) reporting obligations; (ii) transfer rights to affiliates; (iii) withdrawal rights due to adverse tax or regulatory events; (iv) consent rights to certain partnership agreement amendments; or (v) any other matters described in Funds' Governing Documents may be more favorable than those offered to any other investor. Such agreements will have the effect of establishing rights under, or altering or supplementing the terms of, the partnership agreement with respect to such investor.

Taxable and Non-Taxable Entities - Investors in the Patriot Funds are expected to include both taxable and tax-exempt entities. In addition, investors likely will include persons and entities organized in various jurisdictions. Thus, decisions made by Patriot will create conflicts of interest among such investors because those decisions will be more beneficial for one type of investor than for another. In selecting investments that are appropriate for a Fund, Patriot will consider the investment objectives of each Fund and not the investment objectives of any individual investor.

Third Party Consultants - In certain circumstances, consultants will provide due diligence, research, loan credit services and directorships to Patriot and its Funds. These consultants will be considered access persons under its Code of Ethics, but their due diligence and credit analysis costs will be paid by a Patriot Fund and will not be considered "Special Income" under the Fund's Governing Documents.

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

Patriot has adopted a written Code of Ethics (the "Code") that is applicable to all its Co-Founders, partners, officers, employees and applicable consultants ("Access Persons") and is designed to comply with Rule 204A-1 of the Advisers Act. Patriot's Code is based upon the premise that Patriot and its Access Persons have a fiduciary responsibility to render professional, continuous and unbiased investment advisory service and put the interests of its Funds first. The Code requires all Access Persons to i) comply with all applicable laws and regulations; ii) observe all fiduciary duties and put Fund interests ahead of those of Patriot; iii) observe Patriot's personal trading policies so as to avoid "front-running" and other conflicts of interests between Patriot and its Funds; iv) report any perceived violations of the Code; and v) ensure that they

have read the Code, agreed to adhere to the Code, and are aware that a record of all violations of the Code will be maintained by Patriot's Chief Compliance Officer ("CCO").

The Code governs the securities trading and investment activities of all Access Persons for their own personal accounts. All Access Persons must first seek pre-clearance for personal trades in securities, as defined in the Code. Access Persons must also seek preapproval when participating in a private placement transactions or initial public offerings ("IPOs"). A pre-clearance request may be denied if such securities or an issuer is (i) under consideration for investment by a Patriot Fund; (ii) is held by a Patriot Fund; (iii) Patriot or its affiliates are in receipt of material non-public information regarding the issuer; or (iv) another potential conflict has been determined.

Under the Code, Access Persons are also required to file certain periodic reports and certifications. A copy of the Code is distributed to each Access Person at the time of hire and annually thereafter. Access Persons are required to attend an annual Code of Ethics training and certify that they are in compliance with the Code. Access Persons who violate the Code can be subject to sanctions by Patriot's CCO and Compliance Committee, including possible employment termination. A copy of the Code is available upon request from Patriot's CCO, Michelle Vaughn at mvaughn@patriotfp.com.

Patriot has a duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) its clients. Underlying these policies and procedures are two primary principles. First, confidential information must be maintained in confidence. Second, Access Persons of Patriot who possess non-public information, whether or not it is material, must not trade in the securities affected by such information and must not disclose such information to anyone who does not have a legitimate need to know it. As a result of possessing material non-public information, Patriot will be prohibited from making a purchase or sale on the Funds that it would otherwise make.

Co-Founders, Managing Partners, partners and employees will have business interests separate and apart from their interests in Patriot and its Funds. Such outside business interests will include controlling, voting and non-voting interests in private equity funds, operating companies and private real estate investments. New outside business interests are subject to review by the CCO to check for obvious conflicts of interest. Existing outside business interests are reviewed at least annually for changes in circumstances which may be expected to lead to material conflicts. If a Co-Founder, partner or employee becomes aware of a material conflict of interest between such employee or such employee's role with respect to a Fund and one of such employee's outside business interests, such employee is expected to inform Patriot's CCO and, where possible, propose methods to mitigate the conflict. Mitigation efforts may include, among other things, recusing oneself from participating in certain decisions, and, where required by a Fund's limited partnership agreement, disclosing such conflict to, or seeking a waiver of such conflict from, the applicable Fund's executive committee. Nevertheless, from time to time, various conflicts of interest will arise.

Co-Founders, partners, certain employees, affiliated persons of Patriot and others will invest in the Funds, either through a general partner affiliate or as direct investors in the

Funds. Patriot, as applicable, will reduce all or a portion of the Management Fee and/or Carried Interest related to investment held by such persons.

Item 12. Brokerage Practices

Allocation of Investment Opportunities

Patriot will evaluate all new investment opportunities based upon the below factors as, but not limited to:

- Investment objectives and strategy of each Fund as noted in the Fund's Governing Documents;
- Ability for Patriot to obtain a governance role at the underlying portfolio company (e.g., board of directorship or observation rights);
- Whether the investment is publicly traded or privately offered;
- Investment limitations and restrictions as noted in each of the Fund's Governing Documents
- Amounts of available capital commitments of each Fund;
- Committed, available, remaining or recallable capital (may include adjustments for reserves and other reasonable anticipated future expenditures) of each Fund; and
- Diversification and concentration by security type or industry sector.

New investment opportunities will be evaluated to determine the allocation of such opportunities among Patriot Private Equity Funds and the Freedom Fund. Each investment will be identified, analyzed, and acquired using a consistent process and discipline. The Freedom Fund will only invest in publicly traded companies and will not invest in any privately held companies. One of the most significant differentiating investment allocation factors between the Freedom Fund and Patriot's Private Equity Funds typically relates to whether there is an opportunity for governance at the portfolio company. Patriot's Private Equity Funds focus on investment opportunities where there is a potential for a value-added role post-investment, including a seat or observation rights on the particular company's board of directors. This governance criteria would not apply to the Freedom Fund because the Freedom Fund invests passively, meaning participating in governance and value-added roles with the prospective company is not intended for the companies in which the Freedom Fund invests. As a result, new investment opportunities in publicly traded companies will be evaluated during the underwriting process for potential governance availability and if the potential investment does not include the opportunity for the Patriot's Private Equity Funds to receive a form of governance as a condition of investment, the Freedom Fund may pursue that investment. There may be situations, however, where, during the underwriting process, there is an opportunity to obtain governance, so the investment is not made by the Freedom Fund and is made by one of Patriot's Private Equity Funds, but circumstances change after the investment is made and ultimately the Patriot Private Equity Fund does not wind up with any governance rights. While Patriot does not expect these types of governance situations will occur often, they have occurred in the past and may occur in the future.

Fund performance, management or incentive fees, or the status of a performance return hurdles will never be a factor in allocation decisions.

Allocation reviews and decisions will be documented prior to the investment closing, and such documentation will be maintained.

Best Execution

It is Patriot's policy, in placing each transaction for both its Private Equity Fund and the Freedom Fund, to seek "best execution." Accordingly, Patriot will seek to obtain an outcome for a purchase or sale of a security that is in the best long-term economic interests of its Funds, subject to the circumstances of the transaction and the quality and reliability of the executing broker or dealer. Best execution is not measured solely by reference to commission rates or price. Patriot may cause a Patriot Fund to pay a broker a higher commission rate or price than what another broker might charge if it believes that the difference in cost is reasonably justified in seeking what is in the best long-term economic interests of the Fund.

Patriot believes that for the vast majority of securities transactions for its Funds, best execution is not quantifiable, but rather is a set of quality standards – a trading process that seeks to maximize the value of a Fund's portfolio over the course of time, given the stated investment objectives and circumstances. In short, Patriot seeks to achieve the best overall end result for each individual Patriot Fund, the key components of which include honorable intentions, a dedicated staff, up-to-date information and systems, reputable broker-dealers and sufficient oversight.

In determining whether a particular broker or dealer is likely to provide best execution, Patriot takes into account all factors that it deems relevant to the broker's or dealer's execution capability, including:

- The overall reputation, experience and financial stability of the broker-dealer;
- The quality of the broker-dealer relationship with Patriot, including the attention, consistency and quality of trading personnel with whom transactions are conducted;
- Research services, including the quality of proprietary research and investment ideas that ultimately become meaningful positions in a Fund's portfolio of investments and the ability of the broker-dealer to provide access to company management and industry specialists, subject to the restrictions and limitations discussed in the Research Services section below;
- The broker-dealer's trading expertise, including the ability to minimize total trading costs and to trade without impacting the market;
- The quality of execution, including the broker-dealer's infrastructure in areas such as order handling, clearing and settlement;
- The ability to provide ad hoc information or other services;
- The quality of service rendered by the broker-dealer in prior transactions; and
- The belief that the broker-dealer charges a fair and reasonable fee for each trade, and that Patriot has been treated fairly and honestly in prior trades.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, Patriot will also take into account the following factors:

- The price, including commissions or spread;
- The size of the transaction;

- The timing of the transaction, taking into account market prices and trends;
- The nature of the market for the security;
- Whether the broker-dealer has the ability to transact in the share size and price sought by Patriot, and the ability to in fact execute and settle the trade;
- Whether the broker-dealer is informed about the investment and involved in the particular market in which the investment trades; and
- The difficulty of execution for the type of security and market in which it trades.

Research Services.

Many securities firms offer to provide investment managers, such as Patriot, a variety of services and benefits that go beyond execution, clearance and settlement of transactions. These services and benefits include such things as (i) the broker-dealer firms' proprietary research reports, analysts and analytical products, (ii) information and advice about market conditions and individual securities, (iii) investment opportunities that may be attractive to the Patriot Funds and (iv) opportunities to meet with company management. Investment managers often seek to recognize broker-dealers who provide these services or benefits by directing transactions to these broker-dealers, or by paying higher commissions to these broker-dealers than would otherwise be appropriate.

Patriot does trade with certain broker-dealer firms that provide valuable research and other services. However, the only circumstances in which Patriot, in selecting a broker-dealer to execute a transaction for its Funds, may take into account research services or benefits provided by the broker-dealer are when Patriot has determined, in good faith, that the amount of commission on the transaction is reasonable in relation to the value of the research or other benefit from the broker-dealer, viewed in terms of either that transaction or Patriot's overall responsibilities to the Patriot Funds.

Patriot does not recommend, request or require that a Patriot Fund execute transactions through a specific broker-dealer or permit any Patriot Fund or investor to direct Patriot's transactions to a particular broker, nor does Patriot consider, in selecting broker-dealers, whether Patriot receives client referrals from a broker-dealer or a third party.

As these research services, as described above, are received by Patriot in accordance with the safe harbor of Section 28(e) of the Securities Exchange Act of 1934 and related SEC guidance and are provided by the broker-dealers themselves and are designed to augment Patriot's own internal research, trading and investment strategies. Due to the fact that Patriot obtains these services which it does not pay for itself, it has an incentive to select a broker-dealer based on its interest in receiving investment research or other products and services. To ensure that Patriot continues to receive best execution on all trades including any trades in which receives a soft dollar benefit, Patriot reviews its trades on a regular and ongoing basis for best execution.

Patriot currently does not participate in commission sharing arrangements and the firm utilizes a third-party electronic database system that provides banking and other financially related information for its Private Equity Funds, but fees associated with the use of this system is paid out-of-pocket and not with soft dollars.

Item 13. Review of Accounts

Oversight and Monitoring - Patriot's investment team is responsible for reviewing and monitoring each of the Fund's investments on an ongoing basis. Patriot's investment team includes Managing Partners, partners, principals, associates and analysts who communicate daily and typically meet weekly to review the status of the Funds' portfolio securities.

Reports to Investors – Fund investors generally receive the following reports: (i) annual audited financial statements of the Fund; (ii) monthly or quarterly unaudited financial statements; (iii) periodic quarterly market commentary; and (iv) tax information as necessary for the preparation of tax returns. Furthermore, each Fund will generally hold an annual meeting of investors to review the status of the Funds.

Item 14. Client Referrals and Other Compensation

No person who is not a Fund or investor of Patriot provides an economic benefit such as sales awards or other prizes to Patriot for providing investment advice or other advisory services to the Funds.

Patriot has entered into (and may in the future enter into) solicitation, placement or consulting arrangements pursuant to which Patriot will compensate third parties for Fund investor referrals. With respect to investors that are referred by a third-party, a placement fee will be paid by Patriot and not any Fund, as agreed upon by the terms of the agreement. These types of arrangements are disclosed to affected investors before such investors make an investment in the relevant Fund to inform such investors that the solicitor or consultant can have an incentive to favor sales of interest in one kind of investment over the sales of interests in other types of investments.

Item 15. Custody

Patriot is deemed to have custody of client assets by virtue of its status as general partner to the Funds. Patriot complies with the Advisers Act Rule custody rules in the following manner: each Fund (i) is subject to audit by an independent accountant registered with the Public Company Accounting Oversight Board, at least annually; (ii) distributes its audited financial statements prepared in accordance with generally accepted accounting principles to all investors within 120 days of the end of its fiscal year; and (iii) upon liquidation, will distribute its audited financial statements to all investors promptly after the completion of such audits. Such audits will include any funds and certificated securities that, as required by applicable law, are placed in custody with qualified custodians in the name of the specific Fund.

Item 16. Investment Discretion

Investment advice is provided directly to its Funds, subject to the direction and control of Patriot, and not individually to the investors in the Funds. Investment restrictions for the Funds, if any, are established in each of the Fund's Governing Documents.

Item 17. Voting Client Securities

To the extent that any Fund holds voting securities, Patriot has the sole authority to direct the proxy voting of such securities. Patriot votes proxies on behalf of the Funds and in the economic interests of its Funds. When voting securities, Patriot considers relevant

facts, which may include, among many others, the impact on the value of the securities, the anticipated economic and non-economic costs and benefits associated with a proposal, the effect on liquidity, and customary industry and business practices. A Fund may decline to vote proxies when Patriot determines that the cost of voting the proxy exceeds the expected benefit to the Fund; and, in certain situations, the Patriot Private Equity Funds may be subject to passivity agreements with a banking regulator or commitments with a Fund's portfolio company to vote with company management. A copy of the Patriot's proxy voting policies, procedures and voting record are available upon request from Patriot's CCO, Michelle Vaughn, who can be contacted at mvaughn@patriotfp.com.

Item 18. Financial Information

Patriot does not require or solicit prepayment of fees six months or more in advance nor is the firm subject to any financial condition that would likely impair its ability to meet contractual commitments to its Funds.