

**Item 1 – Cover Page**

**Form ADV Part 2A: FIRM BROCHURE**



**PRV MANAGEMENT, LP**

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This brochure (the “Brochure”) provides information about the qualifications and business practices of PRV Management, LP. (“Platte River”). If you have any questions about the contents of this Brochure, please contact us at (303) 292-7300 or [info@platteriverequity.com](mailto:info@platteriverequity.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

Platte River is a registered investment adviser. Registration of an investment adviser with the SEC does not imply a certain level of skill or training.

Additional information about Platte River is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

There have been no material changes from Platte River's last annual Brochure filed on March 26, 2019. Platte River routinely makes changes throughout its Brochure to improve and clarify the descriptions of its business practices and compliance policies and procedures or in response to evolving industry and Firm practices. In this year's filing, the following Items have been updated:

- Item 4: updated to reflect regulatory assets under management as of December 31, 2019; and
- Item 8: updated to reflect additional risk factors and conflicts of interest.

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## **Item 4 – Advisory Business**

### **A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).**

PRV Management, LP (together with the Funds’ general partners, “Platte River”, the “Firm” or the “Investment Manager”) is a Denver, Colorado-based private equity investment advisory firm founded in 2006 to invest in private equity and equity-related investments in lower middle market companies primarily in North America.

Platte River provides portfolio management and investment advisory services to several private equity funds (each, a “Fund”), which are typically formed in groups of two to three parallel entities in order to accommodate different investor types and qualifications. Funds from the same group invest proportionally in portfolios based on capital commitments. In addition, Platte River provides investment management and advisory services to co-investment funds established to invest alongside a Fund in a single portfolio company. In certain circumstances, as more fully described in Item 7 below, the Firm also permits certain investors and third parties to co-invest directly into a portfolio company. Unlike the co-investment funds mentioned above, such direct co-investments are not considered Funds or clients of Platte River. For additional information on how the Firm determines when an investment should be considered for co-investment and how the Firm may allocate such opportunities, please see Item 7 below.

With the exception of an employee investment vehicle (which is managed by J. Landis Martin and Gregory A. Sissel), each Fund is affiliated with a general partner (“General Partner”) which has the authority to make investment decisions on behalf of such Fund and is deemed to be registered with the SEC under the Investment Advisers Act of 1940 (the “Advisers Act”) pursuant to Platte River’s registration. While the General Partners maintain ultimate authority over the respective Funds, Platte River has been delegated the role of investment adviser. For more information about the Funds and General Partners, please see Platte River’s Form ADV Part 1, Schedule D, Sections 7.A. and 7.B.(1).

### **Principal Owners/Ownership Structure**

Platte River is owned by J. Landis Martin, Gregory A. Sissel, Peter W. Calamari and Kristian M. Whalen. For more information about Platte River’s owners and executive officers, see Platte River’s Form ADV Part 1, Schedule A and Schedule B.

### **B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of**

**investment advice you offer, and disclose that your advice is limited to those types of investments.**

Platte River provides investment advisory services as a private equity manager to its Funds. Interests in the Funds are privately offered to qualified investors in the United States and elsewhere. Platte River's investment advisory services include the acquisition, monitoring, managing and disposition of investments made by the Funds. The Firm's principals or other personnel and/or third parties appointed by Platte River will generally serve on such portfolio companies' respective boards of directors or otherwise act to influence control over management of portfolio companies held by the Funds.

**C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.**

Platte River's advisory services are tailored to the investment strategies of the Funds. Platte River does not tailor its advisory services to the individual needs of investors in its Funds; the Firm's investment advice and authority for each Fund is tailored to the investment objectives of that Fund. These objectives are described in the private placement memorandum, limited partnership agreement, investment management agreement, side letter agreements and other governing documents of the relevant Fund (collectively, the "Governing Documents"). The Firm does not seek or require investor approval regarding each investment decision.

Fund investors generally cannot impose restrictions on investing in certain securities or types of securities, other than through side letters agreements. Investors in the Funds participate in the overall investment program for the applicable Fund and generally cannot be excused from a particular investment except pursuant to the terms of the applicable Governing Documents. Platte River has entered into side letters or similar agreements with certain investors including those who make substantial commitments of capital or who were early-stage investors in the Funds, or for other reasons in the sole discretion of Platte River, in each case that have the effect of establishing rights under, altering or supplementing a Fund's Governing Documents. Such rights include co-investment preferences, certain fee arrangements, notification provisions, reporting requirements and "most favored nations" provisions, among others. These rights, benefits or privileges are not always made available to all investors nor in some cases are they required to be disclosed to all investors. Side letters are negotiated at the time of the relevant investor's capital contribution, and once invested in a Fund, investors generally cannot impose additional investment guidelines or restrictions on such Fund.

**D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how**

**you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.**

Platte River does not participate in wrap fee programs.

**E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.**

As of December 31, 2019, Platte River managed approximately \$929,790,501 in regulatory assets under management, all managed on a discretionary basis.

## **Item 5 – Fees and Compensation**

**A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.**

Platte River receives a management fee and its affiliated General Partners are allocated carried interest as compensation for providing investment advisory services to the Funds. The following is a general description of fees, compensation and expenses of the Funds. Differences exist from Fund to Fund, and certain Funds do not charge certain fees, compensation or expenses that other Funds charge. In addition, the General Partner of each relevant Fund is permitted, in its sole discretion, to waive or reduce an investor’s management fee or carried interest allocation. The General Partners or other Platte River entities or affiliates receive additional compensation in connection with management and other services performed for portfolio companies of the Funds, as described more fully in Item 5.C below. Such additional compensation reduces in whole or in part, depending on the Fund, the management fees otherwise payable to Platte River. Investors in the Funds also bear certain expenses, as described more fully in Item 5.C below.

Each Fund’s Governing Documents describe fees, compensation and expenses in greater detail. Investors should refer to the Governing Documents of the applicable Fund for a complete understanding of how Platte River is compensated for its advisory services; the information contained herein is a summary only and is qualified in its entirety by such documents.

### **Management Fees**

Platte River charges each Fund a management fee (the “Management Fee”), generally 2% per annum of the non-affiliated investors’ (as defined in the Governing Documents) aggregate capital (either committed or invested, depending on the life-stage of the applicable Fund). The Management Fee charged to each Fund is described (i) in full detail in the relevant Fund’s Governing Documents and (ii) more briefly below. Generally, Management Fees are initially calculated based upon each investor’s committed capital for the period of time during which each Fund is making investments; thereafter, the Management Fee will be equal to a percentage of each investor’s invested capital, subject to other

various factors as specified in each Fund's Governing Documents. Generally, investors participating in a subsequent closing after the initial closing of a Fund are responsible for paying the Management Fee as of the date of the initial closing of such Fund, plus interest, as applicable.

The General Partners are permitted, in their sole discretion, to waive all or a portion of the Management Fee. Management Fees differ from one Fund to another, as well as among investors in the same Fund. Such differences can arise from the size of an investor's commitment to a Fund, different investor classes, provisions of side letter agreements or other negotiated terms. Fees are generally waived for Platte River employees, affiliates and their families investing in a Fund; investors participating in a Platte River employee investment vehicle do not pay any Management Fees. Similarly, investors in a co-investment fund generally pay no Management Fee, or pay a reduced Management Fee, on the co-investment portion of their investment.

Management Fees will generally be reduced by (i) the amount of fees paid by such Fund to entities or persons acting as a placement agent in connection with the offer and sale of interests in such Fund; (ii) costs incurred by Platte River in connection with the organization of such Fund that exceed a limit as specified in such Fund's Governing Documents; and (iii) if applicable, certain supplemental fees and compensation with respect to portfolio companies, including all commitment fees, breakup fees and litigation proceeds received by any Platte River employee(s) from unconsummated transactions; as well as all monitoring fees, consulting fees, directors' fees, closing fees and other similar fees (whether in the form of cash, securities or otherwise) received by any Platte River employee(s) from any portfolio company in respect of the Fund's investment in such portfolio company (but with respect to non-cash consideration, only to the extent of the net cash proceeds thereof as and when received by any Platte River employee(s)), the amount of which are paid by the Funds (directly, or indirectly by the portfolio companies) and are determined by Platte River on a transaction by transaction basis, subject to the terms set forth in each Fund's Governing Documents. All such supplemental fees received are offset, in whole or in part depending on the Fund, against the Management Fee by a pre-established sharing percentage that was negotiated between Platte River and each Fund's investors, net of any expenses incurred in connection with portfolio companies, whether or not consummated; however, any such fees paid to individuals that are not Platte River employees are not subject to an offset against Management Fees. Further, any such reduction of a Fund's Management Fee is typically limited to the extent of such Fund's proportionate interest in any such portfolio company and only to the extent a Management Fee is payable by a Fund currently or in the future. In the event a Fund does not pay a Management Fee or does not have an offset provision requiring the reduction of Management Fees, Platte River will retain the portion of Transaction Fees allocable to these Funds without reduction.

To the extent that such an offset credit would reduce a Fund's Management Fee for a given semi-annual period below zero, the credit will be carried forward for future application against payable Management Fees, and if a credit remains upon dissolution, a payment will be made to investors that have not elected to waive such amount for tax or other reasons. The amount and manner of such reduction is set forth in the relevant Governing Documents of the applicable Fund.

For more specific information on the Management Fees for each Fund, please refer to the relevant Fund's Governing Documents.

### **Carried Interest**

As described in Item 6 below, each Fund General Partner is entitled to receive performance-based compensation (referred to as "Carried Interest") with respect to the Funds, which is generally equal to 20% of all realized profits after an 8% annually compounded preferred return is paid to the underlying Fund investors. Some Funds do not charge Carried Interest, specifically the Fund(s) established for Platte River employee investors and the Fund(s) established to co-invest side-by-side with the Funds in a portfolio company. Each Fund's Carried Interest calculation is further described in the relevant Fund's Governing Documents.

**B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.**

Management Fees are payable by each of the Funds on a semi-annual basis and are calculated partially in advance and partially in arrears. Carried Interest is assessed periodically, typically after the receipt by the Funds of proceeds from a portfolio company, and are paid out of gains otherwise allocable to the Funds' investors.

**C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.**

### **General Partner or Investment Manager Expenses**

Platte River or the relevant Fund's General Partner bears all ordinary administrative and overhead expenses incurred in connection with maintaining and operating its offices, including compensation for employees' salaries (except as permitted in the relevant Fund Governing Documents), rent and equipment expenses, utilities and similar expenses.

### **Fund Expenses**

In addition to the Management Fee, the Funds pay or reimburse the Investment Manager for all fees, costs, expenses, liabilities and obligations relating to the Funds (which differs across Funds) and/or its activities, business, portfolio companies or actual or potential investments, including with respect to any entity formed to effect the acquisition and/or holding of a portfolio company (to the extent not borne or reimbursed by a portfolio company or potential portfolio company), including all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, acquiring, bidding on,

owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, or otherwise disposing of, as applicable, portfolio companies and the Funds' actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (ii) indebtedness of, or guarantees made by, the Funds, the Investment Manager, the General Partners or any affiliated partner on behalf of the Funds (including any credit facility, letter of credit or similar credit support), including interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iii) financing, commitment, origination and similar fees and expenses; (iv) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (v) brokerage, sale, custodial, depository, trustee, record keeping, account and similar services; (vi) third-party legal, accounting, research, auditing, administration (including fees and expenses associated with the Funds' third-party administrator and administration or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including consulting and retainer fees and other compensation paid to consultants performing investment initiatives and other similar consultants), tax and other professional services; (vii) reverse breakup, termination and other similar fees; (viii) directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses; (ix) filing, title, transfer, registration and other similar fees and expenses; (x) printing, communications, marketing and publicity; (xi) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, or any other administrative, compliance or regulatory filings or reports (including Form PF and any filings or reports contemplated by the Alternative Investment Fund Managers Directive or any similar law, rule or regulation), or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; (xii) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the Funds or the investors; (xiii) any activities with respect to protecting the confidential or non-public nature of any information or data, including confidential information; (xiv) activities or proceedings of the Funds' advisory boards (including any reasonable out-of-pocket costs and expenses incurred by representatives of the General Partners, the advisory board members, permitted observers and other persons or entities in attending or otherwise participating in meetings of an advisory board); (xv) indemnification (including any fees, costs and expenses incurred in connection with indemnifying any partner or other person or entity or otherwise and advancing fees, costs and expenses incurred by any such person or entity in defense or settlement of any claim subject to a right of indemnification pursuant to the relevant Governing Documents); (xvi) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including any judgment, other award or settlement

entered into in connection therewith; (xvii) any annual investor meeting or other periodic, if any, meetings of the investors and any other conference or meeting with any investor(s), in each case to the extent incurred by the Funds, the General Partners or any other affiliates of a General Partner; (xviii) the Management Fee; (xix) except as otherwise determined by a General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense if it were incurred in connection with a Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to the Funds to the extent not paid by the investors investing in such entities; (xx) the termination, liquidation, winding up or dissolution of a Fund; (xxi) defaults by investors in the payment of any capital contributions; (xxii) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Funds, the parallel Funds, the General Partners, the parallel Fund General Partners, the Investment Manager and any alternative investment vehicle of the Funds or the parallel Funds, including the preparation, distribution and implementation thereof; (xxiii) (A) complying with any law or regulation related to the activities of the Funds (including regulatory expenses of the General Partners incurred in connection with the operation of the Funds and legal fees and expenses) and/or (B) any litigation or governmental inquiry, investigation or proceeding involving the Funds, including the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for in the relevant Fund Governing Documents; (xxv) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer of investor interest contemplated in the relevant Fund Governing Documents; (xxvi) any taxes, fees and other governmental charges levied against the Funds and all expenses incurred in connection with any tax audit, investigation settlement or review of the Funds (except to the extent that a Fund is reimbursed therefor by a reimbursing partner or such tax, fee or charge is treated as having been distributed to the investors pursuant to the relevant Fund Governing Documents); (xxvii) distributions to investors and other expenses associated with the acquisition, holding and disposition of a Fund's investments, including extraordinary expenses; (xxix) compliance or regulatory matters related to the Funds, except as otherwise set forth in the relevant Fund Governing Documents; (xxx) any travel, lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxii) any Organizational Expenses (as further described and defined immediately below); (xxxiii) any placement fees; and (xxxiv) any other fees, costs, expenses, liabilities or obligations approved by the relevant Fund advisory board; but not including: (A) ordinary overhead and administrative expenses that are payable by Platte River, (B) any expenses which are paid out of capital contributions and are incurred in direct connection with the making, maintaining or disposing of an investment; and (C) any excluded regulatory expenses as defined in the relevant Fund Governing Documents.

## **Offering and Organizational Expenses**

Each Fund is responsible for a specified amount of organizational and startup expenses, including legal, travel, printing, accounting, filing, capital raising, regulatory compliance (including the initial compliance contemplated by the Alternative Investment Fund Managers Directive or any similar law, rule or regulation) and other organizational expenses (“Organizational Expenses”). The amount of Organizational Expenses varies by Fund and is further detailed in Governing Documents of each Fund. Organizational Expenses in excess of the amount specified in each Fund’s Governing Documents are borne by Platte River or the relevant Fund’s General Partner. Any fees payable to a placement agent retained in connection with formation of a Fund, including but not limited to placement agent travel, meals and entertainment expenses, are borne by either Platte River or the relevant Fund’s General Partner or by the Fund through an offset against the Management Fee.

## **Portfolio Company Remuneration**

Portfolio companies directly bear certain expenses relating to their operation and management, including, among other things, certain legal, consulting, financing and accounting fees and expenses; certain insurance costs; expenses associated with Platte River travel relating to the relevant portfolio company; and expenses associated with proposed investments and the acquisition, holding and disposition of portfolio company investments, including extraordinary expenses such as litigation.

In addition, as mentioned above, Platte River or its affiliates may receive certain supplemental fees and compensation with respect to portfolio companies, including, but not limited to, all transaction fees, closing fees, monitoring fees, consulting fees, directors’ fees, breakup fees, commitment fees, litigation proceeds and other similar fees (whether in the form of cash, securities or otherwise) which are paid (directly or indirectly) by, and in connection with, portfolio companies or prospective portfolio companies of the Funds. The amount of such fees is determined by Platte River on a transaction by transaction basis, subject to the terms set forth in each Fund’s Governing Documents. All such fees received are offset in whole or in part, depending on the Fund, against the Management Fee, as specified in each Fund’s Governing Documents, and are paid net of any expenses incurred in connection with portfolio companies, whether or not consummated; however, as discussed further below, any such fees paid to individuals that are not Platte River employees are not subject to an offset against Management Fees. Any reimbursement by a portfolio company of out-of-pocket expenses incurred by Platte River or a General Partner will not be offset against the Management Fee payable by the Funds.

Platte River will, on occasion, appoint a third party to serve on a board of directors of a Platte River portfolio company and any fees earned for board service will be paid by the relevant portfolio company and not offset against Management Fees. Similarly, such third party may also be reimbursed by a portfolio company for the cost of their travel to and from a portfolio company board meeting or other portfolio company business. None of these payments, board fees or reimbursements will offset the Management Fee.

## **Fee Receipt Allocation**

Platte River may (in its sole discretion), agree to pay a transaction fee, portion of the Management Fee, Carried Interest or other fee received from an actual or prospective portfolio company to a third party, such as a consultant, adviser, finder, placement agent, broker and/or investment bank. In such event, the third-party fee is not a fee that Platte River is entitled to retain and, therefore, Platte River is not required under the terms of the applicable Governing Documents to share such third-party fees with a Fund (or to offset Management Fees of that Fund by such amount).

## **Co-Investment Expenses**

In certain cases, one or more co-investment vehicles or other similar vehicles are established to facilitate investments alongside a Fund in a portfolio company. In the event a co-investment vehicle is created, the investors in such co-investment vehicle will typically bear all expenses related to its organization and formation, as well as other expenses incurred solely for the benefit of the relevant co-investment vehicle. The co-investment vehicle will generally bear its pro rata portion of expenses incurred in making an investment and in its operations. However, if a proposed transaction is not consummated, no such co-investment vehicle generally will have been formed, and the full amount of any fees and expenses generated in the course of evaluating such investments, including out of pocket fees associated with due diligence, attorney fees, fees of other professionals and various other fees relating to such proposed but not consummated transaction therefore would generally be borne by Platte River or the Fund(s) selected as proposed investors for such proposed transaction.

In addition, the employee investment vehicle will typically not be allocated any share of broken deal expenses incurred in connection with a proposed but not consummated transaction and is not typically allocated any share of breakup fees paid or received in connection with such unconsummated transactions.

## **Allocation of Fees and Expenses**

In good faith and in its fair and reasonable discretion, Platte River determines on a case-by-case basis whether an expense should be borne by the Firm, a Fund, multiple Funds or a portfolio company. To the extent that the Governing Documents do not expressly provide for a method of allocation or to the extent that an invoice does not relate to a specific Fund, Platte River will typically allocate common expenses among multiple Funds on a pro rata basis and in accordance with its policies and procedures on expense allocation, unless another method is more equitable. Where one or more Funds to which an expense would otherwise be allocable are not permitted to receive an allocation based on the applicable Governing Documents, the portion of the expense attributable to such Fund(s) will be borne by Platte River.

**D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.**

Management Fees are payable partially in advance and partially in arrears on a semi-annual basis. The Funds are closed-ended investment vehicles intended for a long-term investment. Accordingly, Management Fees are expected to be paid, except as otherwise described in the relevant Governing Documents, and investors generally are not permitted to withdraw or redeem interests in the Funds.

**E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.**

Neither Platte River nor its supervised persons accept compensation for the sale of securities or other investment products other than as described in this Item 5 and in Item 6, below.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

**If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a Client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.**

A Carried Interest allocation represents an adviser's compensation based on a percentage of net profits of the funds it manages. As described above in Item 5, for some of its Funds the General Partner receives a Carried Interest allocation on certain realized profits in the respective Funds equal to 20% of all realized profits, subject to an 8% annually compounded preferred return (or hurdle) and subject to reimbursement of all relevant Fund expenses, including Management Fees. Calculated based on realized gains and income only, Carried Interest is payable as portfolio holdings are liquidated or otherwise monetized and is subject to a potential giveback if the respective General Partner has received excess cumulative distributions. Each Fund's Carried Interest calculation, as well as the clawback provisions of each Fund, is further described in the relevant Fund's Governing Documents.

Platte River's Carried Interest allocations have been structured subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Advisers Act Rule 205-3. The General Partner of each Fund, in its sole discretion, has waived or reduced the amount of Carried Interest for an investor in a Fund and some Funds do not pay a

Carried Interest or pay a lower Carried Interest. Specifically, Platte River employee investment vehicles, co-investment vehicles and portfolio company employee and affiliate investments do not pay a Carried Interest.

The fact that a General Partner's Carried Interest allocations are based on the performance of each Fund can create an incentive for Platte River to make investments that are more speculative than would be the case in the absence of such distributions. Platte River believes this incentive is sufficiently mitigated, however, due to the fact that: (i) the applicable Governing Documents create limitations on the ability of Platte River to establish new investment funds; (ii) the Funds are subject to certain contractual provisions requiring certain parallel Funds to purchase and sell investments contemporaneously; (iii) any losses the Funds sustain will reduce the relevant General Partner's Carried Interest distribution; (iv) Carried Interest is generally calculated only after investors have received as distribution 100% of their capital contributions related to realized investments and Fund expenses, plus a preferred return; and (v) a General Partner often makes a substantial commitment to a Fund to invest its own capital alongside the investors.

Investment opportunities which satisfy the investment parameters of more than one Fund will be allocated in accordance with Platte River's policies and procedures and in accordance with the applicable Governing Documents. Platte River's procedures are designed to ensure that all investment decisions are made in accordance with Platte River's fiduciary duties to its Funds and without consideration of Platte River's (or its affiliates' or employees') pecuniary interest. Platte River's policies and procedures for the allocation of investments are determined by the Firm's Investment Committee.

Platte River will not allocate investment opportunities based in whole or in part on: (i) the relative fee structure or amount of fees paid by any Fund or (ii) the profitability of any Fund.

## **Item 7 – Types of Clients**

**Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.**

Platte River provides investment advice to the Funds. Interests in the Funds are offered privately to a limited number of sophisticated investors, including individuals as well as institutional investors such as other investment entities, university endowments, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities. With the exception of employee and affiliate fund vehicles, the Funds generally limit their investors to persons or institutions who are (i) "accredited investors" as defined in the Securities Act of 1933, as amended ("Securities Act"), (ii) "qualified clients," as defined in the Advisers Act or (iii) "qualified purchasers" or "knowledgeable employees," each as defined in the Investment Company Act of 1940, as amended ("Investment Company Act"). The Funds are not registered or required to be registered under the Investment Company Act; are not made available to the general public; their securities are not

registered or required to be registered under the Securities Act; and Fund interests are privately placed to qualified investors in the United States and elsewhere.

The Funds typically require capital commitments from each investor of at least \$1 to \$5 million, depending on the Fund, although commitments of less than \$1 million have been accepted at the discretion of the applicable Fund's General Partner.

Platte River serves as the investment manager for co-investment vehicles that invest alongside a Fund in certain Fund portfolio companies and also facilitates direct co-investments in a Fund portfolio company. As referenced in Item 4 above, in certain cases co-investments have been structured either as (i) a separate co-investment fund or (ii) a direct investment by certain investors into a portfolio company or its holding or operating company. When structured as a co-investment fund, Platte River considers the co-investment to be a Fund client, identifies the Fund in its Form ADV Part 1, Schedule D, Section 7.B.(1), obtains an audit for the Fund, considers whether to assess a Management Fee and Carried Interest on such Fund and includes the amount of assets of such Fund in the Firm's regulatory assets under management. In the case of direct co-investments, Platte River does not consider the co-investment to be a Fund or a client, does not act as the Investment Manager to the co-investment portion of the investment, does not charge Management Fees or Carried Interest to the investment, does not have custody of the investment or include the amount of assets of the co-investment in the Firm's regulatory assets under management.

Co-investment opportunities for investors generally arise when Platte River determines that: (i) the Fund's allocation to a portfolio company has been fully met under the Fund's investment guidelines; (ii) the amount available for investment in a portfolio company exceeds a prudent allocation to the relevant Fund; and/or (iii) an allocation to an investor or third party would provide a strategic benefit with respect to a portfolio company and, accordingly, to the Fund's ownership interest in the portfolio company. Subject to any restrictions contained in the Governing Documents of the relevant Fund or any side letter or other terms negotiated with respect to such Fund, in general Platte River has complete discretion when determining who will be permitted to participate in a co-investment opportunity and no investor has a guaranteed right to participate. In determining which investors will be eligible for co-invest opportunities, Platte River considers a variety of factors, including: (i) the ability of the investor to provide strategic benefits to a portfolio company (such as specific industry or operational knowledge and/or expertise and access to additional financing), which are expected to benefit the relevant Fund's ownership interest in a portfolio company; (ii) the investor's ability to evaluate and consummate a transaction on the timeline of the relevant Fund; and (iii) the size of an investor's commitment to a Fund. In such circumstances, the size of the investment opportunity otherwise available to Platte River's Fund(s) is likely to be less than it would otherwise have been without the inclusion of such co-investors.

Co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as a Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-investment vehicle, including a co-

investment fund, purchases a portion of an investment from one or more Funds after such Fund(s) have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or co-investment vehicle generally occurs in a period of time after the Fund's completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in Platte River's sole discretion, Platte River is authorized to charge interest on the purchase to the co-investor or co-investment vehicle, and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

**A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.**

Platte River's investment strategy is built on an "industrialist approach" to investing in and growing companies that has been developed over years of operating and investing in large, successful industrial companies. This approach is based on the philosophy that building businesses through driving long-term growth and strategic relevance will create opportunities to maximize the value of those businesses over any time horizon. The Firm's target industry sectors are aerospace and transportation, energy and power, agriculture and chemicals, and metals and minerals.

The principals believe that the strategy employed by the Firm represents a differentiated approach to investing in the lower middle market. Platte River's principals bring a long-term, industrialist approach to investing, driven by their collective experience over the past several decades of investing in, building and managing larger enterprises. The Firm believes its fundamental philosophy of investing in and acquiring businesses that (i) have long-term strategic value and (ii) will operate successfully through economic cycles, provides a unique opportunity to its investors. Additionally, by identifying long-term macro industry trends behind which to invest, Platte River believes that the businesses it acquires and builds will remain attractive to potential acquirers over varying time horizons and economic cycles.

Investments in the Funds involve significant risks, including the risk of losing the entire investment, and investors in the Funds should be prepared to bear these risks. Please see Items 8.B and 8.C for additional risks associated with investments in the Funds. In addition, prospective investors in the Funds are provided with more detailed information about risks before they invest in any Fund.

**B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent**

**trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.**

An investment in the Funds involves a high degree of risk, including the risk of a partial or total loss of capital, and investors must be prepared to bear capital losses which might result from investments. An investment in the Funds is speculative, illiquid and long-term in nature, and is suitable only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in the Funds and for which the respective Fund does not represent a complete investment program. Investors should also refer to a Fund's Governing Documents for a description of the risk factors specific to their Fund. Different or new risks not addressed below may arise in the future and, therefore, the following list is not intended to be exhaustive. While the following discusses risks as they relate to the Funds, co-investment vehicles and co-investment funds will also be subject to some or all of the following risks, depending on the risks associated with the applicable transaction or investment strategy. Risks and potential conflicts of interest include, but are not limited to, the following:

*Suitability.* An investment in the Funds is not suitable for all investors. An investment is suitable only for sophisticated investors and an investor must have the financial ability and experience to understand, the willingness to accept, and the financial resources to withstand, the exposure to the risks and lack of liquidity inherent in an investment in the Funds. Investors with any doubts as to the suitability of an investment in the Funds should consult professional advisors to assist them in evaluating their own legal, tax, accounting and financial merits and risks of an investment in the Funds in light of their own circumstances and financial condition.

*Nature of the Funds' Investments.* The Funds have been established to invest primarily in lower middle market private companies in targeted industry sectors, including aerospace and transportation, energy and power, agriculture and chemicals, and metals and minerals. The Funds' investments will include companies at early to middle stages of development. As such, the Funds are undertaking high risk investments, and there is a potential for investors to experience a partial or total loss. The targeted industry sectors have experienced, and investors should expect these sectors to experience, high volatility due to many factors that are difficult or impossible to predict. Those factors include general economic conditions, changes in the levels of supply and demand of commodities, new discoveries in related technologies, and geopolitical instability. While Platte River can seek to mitigate some of these risks to a limited extent by employing a sound investment process and methodology, no guarantee or representation is made that the Funds' investments will be successful.

*Past and Future Performance.* The prior performance of the Funds is not necessarily indicative of future results. While Platte River intends for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that such returns will be achieved. On any given investment, loss of principal is possible.

*Investment in Junior Securities.* Certain securities in which the Funds will invest are expected to be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment.

*Privately Held Companies.* Investments by the Funds will consist primarily of securities issued by privately-held companies, and operating results over any specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

*Early Stage Investments.* The Funds are permitted to make investments in early stage companies that have inherently greater risk than more established businesses. Accordingly, the growth of these companies can frequently require significant time and effort resulting in a longer investment horizon than can be expected with lower risk investment alternatives. Such investments can experience failure or substantial declines in value at any stage. There is no assurance that such investments by the Fund will be successful.

*Lower Middle Market Growth Equity Transactions.* The Funds' strategy includes targeting lower middle market growth equity investments in companies with undeveloped, partially developed and unexploited resources that have inherently greater risk than other types of investments. While such investments generally offer the opportunity for significant capital gains, such investments also typically involve a higher degree of business and financial risk that can result in a substantial or total loss. Therefore, such portfolio companies are expected, in some circumstances, to operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Lower middle market portfolio companies can face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

*Highly Competitive Market for Investment Opportunities.* The business of identifying and structuring investments of the types contemplated by the Funds is highly competitive and involves a high degree of uncertainty. Furthermore, the availability of investment opportunities generally will be subject to market conditions as well as, in some cases, the prevailing regulatory or political climate. Accordingly, there can be no assurance that a Fund will be able to identify and complete suitable investments, acquire them for an appropriate level of consideration, achieve any particular rate of return, or be able to invest fully its committed capital. However, investors will be required to bear annual Management Fees during the commitment period based on the entire amount of their commitments and other expenses as set forth in the Governing Documents.

*Concentration of Investments.* The Funds will participate in a limited number of investments and in certain cases, will seek to make several investments in one industry or one industry sector, or within a short period of time. As a result, each of the Funds' investment portfolios has the potential to become

highly concentrated, and the performance of a few holdings or of a particular industry would be capable of substantially affecting a Fund's aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Funds would invest in fewer portfolio companies and thus be less diversified.

*Reliance on Portfolio Company Management.* Although Platte River will monitor the performance of each portfolio company, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day to day basis. Although the Funds generally intend to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the Funds' objectives. Portfolio company management sometimes includes unseasoned managers and representatives of other investors with whom the Funds are not affiliated and whose interests or views will, in some cases, conflict with the interests of the Funds. To the extent that the management of a portfolio company performs poorly, or if a key manager of a portfolio company terminates his or her employment with such company, the Funds' investment in such company is likely to be adversely affected.

*Need for Follow-On Investments.* Following its initial investment in a portfolio company, a Fund will typically decide to provide additional funds to such portfolio company or have the opportunity to increase its investment in a portfolio company. There is no assurance that the Funds will make follow-on investments or that the Funds will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments has the potential to result in a substantial negative impact on a portfolio company in need of such an investment, a lost opportunity for such Fund to increase its participation in a successful investment or a Fund's investments becoming diluted or a significant loss of value for such Fund.

*Illiquidity; Lack of Current Distributions.* Investments in the Funds are illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful portfolio company investments may be realized before gains on successful portfolio company investments are realized. The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of a portfolio company investment. While a portfolio company investment can be sold at any time, it is not generally expected that this will occur for a number of years after the initial investment. Prior to such time, it is possible that there will be no current return on portfolio company investments. Furthermore, the expenses of operating a Fund (including the annual Management Fee) would be expected under certain circumstances, to exceed its income, thereby requiring that the difference be paid from the relevant Fund's capital, including unfunded commitments.

*Financial Market Fluctuations.* General fluctuations in interest rates and the market prices of securities and other assets can adversely affect the value of the Funds' portfolio companies. Instability and volatility in interest rates and the securities markets can also increase the risks inherent in the Funds' investments. The ability of portfolio companies to refinance debt securities may depend on their

ability to sell new securities in the debt or equity markets or to borrow from banks or other lenders, which many not be achievable on favorable terms or at all.

*Economic Disruptions Due to COVID-19 or other Pandemics.* The recent spread of COVID-19 in certain countries, including the United States, has shown an ability to result in a broad-based economic decline and significant market volatility. The outbreak has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. This is a new and developing threat and therefore presents material uncertainty and risk with respect to the Funds' performance and financial results. The global impact of the outbreak has been rapidly evolving and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. The extent of the impact of any public health emergency on the Funds' and its portfolio investments' operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted.

Aside from the broad effects on the economy, the COVID-19 may also have specific implications for the Firm's operations and activities of its personnel, which may range from employees needing to work from home to more significant impacts such as illness, restrictions on non-essential travel and difficulty hosting meetings. The Firm expects to institute procedures, as it deems appropriate, to deal with operational impacts from the COVID-19. Many of these procedures may mirror procedures currently contained in the Firm's Business Continuity Plan. The Firm may consider additional or modified safeguards in the event employees are required to work from home for an extended period of time. Additionally, although the Funds generally invest on a long-term basis in privately held companies that are less correlated to broader market forces, the impact of a global economic slowdown has the potential to impact the Funds' performance and/or financial results by negatively effecting the Firm's ability to, among other things, source new investments, diligence such potential investments, exit current investments (or exit them at the valuations previously expected) or obtain financing. Depending on the specific industries in which the Funds' portfolio companies operate and where their supply and distribution chains are located, it is possible that the COVID-19 could have an outsized impact on individual portfolio companies.

In addition to the potential impact on the Firm's operations and the overall profitability of a Fund, the Firm's portfolio companies may face their own challenges in dealing with a pandemic. These include, but are not limited to, the possibility that employees will have to work remotely or that their supply chain may be disrupted. The Firm may assist a portfolio company with implementing procedures to mitigate the impact of the COVID-19; however, there can be no assurance that such measures will be effective or that even if effective, that such portfolio company will not sustain significant financial losses. Depending on the length and severity of the pandemic, it is possible that Firm personnel will

spend a significant amount of time and attention addressing implications from the COVID-19, including minimizing the impact at the Firm, the Funds or a specific portfolio company which time generally would have been devoted to activities on behalf of the Funds.

*Leveraged Investments.* The Funds' investments are permitted to involve significant leverage. While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a higher degree of risk, including as a result of economic downturns, operating problems and other general business and economic risks (as well as particular risks associated with investing in the travel and leisure industry). Moreover, rising interest rates have the potential to significantly increase portfolio companies' interest expense, causing losses and the inability to service debt levels. If a portfolio company cannot generate adequate cash flow to meet its debt obligations, the Funds are likely to suffer a partial or total loss of capital invested in the portfolio company. In addition, although portfolio companies occasionally need to refinance their debt as it matures, such refinancing will not necessarily be available, or, if available, will not necessarily be on terms as favorable as the terms of existing loan agreements. If prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, then the interest expense relating to that refinanced indebtedness would increase. If such risks occur, they are likely to adversely affect a Fund's cash flows and the return on its investments.

Although borrowings by a Fund has the potential to enhance overall returns that exceed the Fund's cost of capital, such borrowings increase the potential exposure of a Fund to a particular investment above the level the Fund would have typically made had an investment been limited to equity. Any such borrowings would further diminish returns (or increase losses on capital) to the extent overall returns are less than the Fund's cost of funds. To the extent a Fund uses borrowed funds in advance or in lieu of capital contributions, the Fund's investors generally make later capital contributions, but the Fund will bear the expense of interest on such borrowed funds. In addition, a Fund's use of borrowed funds has the potential to impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and make net IRR calculations higher than they otherwise would be without Fund-level borrowing, as these calculations generally depend on the amount and timing of capital contributions, which timing is delayed by virtue of the use of the line. While a Fund will bear the expense of borrowed funds, such borrowings can also increase the Carried Interest received by the Fund's General Partner by effectively reducing the preferred return received by the investors and accelerating or increasing distributions of Carried Interest to the relevant General Partner. The General Partners therefore have a conflict of interest in deciding whether to borrow funds because a General Partner has the potential to receive disproportionate benefits from such borrowings.

Borrowing by a Fund will generally be secured by capital commitments made by investors to such Fund and/or by the Fund's assets, and documentation relating to such borrowing can provide that during the continuance of a default under such borrowing, the interests of the investors can be subordinated to such Fund-level borrowing. Tax-exempt investors should note that borrowings can create "unrelated business taxable income".

A Fund can draw on its line of credit to bridge financing to a portfolio company. In such circumstances, the portfolio company is not a guarantor on the line of credit although it did receive the benefit of the loan.

*Restricted Nature of Investment Positions.* Generally, there will be no readily available market for a substantial number of the Funds' investments. As a result, most of the Funds' investments will be difficult to value. Certain investments are permitted to be distributed in kind to the investors.

*Limited Transferability of Fund Interests.* Investor interests in the Funds have not been registered under the Securities Act, or any other applicable securities laws. There will be no public market for the Funds' interests, and none is expected to develop. There are substantial restrictions upon the transferability of the Funds' interests under each Fund's Governing Documents and applicable securities laws. In general, withdrawals of Funds' interests are not permitted. In addition, Funds' interests are not redeemable. Investors generally are not permitted to withdraw capital from the Funds. Consequently, investors in the Funds will not be able to liquidate their investments prior to the end of the Funds' terms.

*Limited Access to Information.* Investors in the Funds will have limited rights to information regarding the Funds and its investments. It is anticipated that Platte River will obtain material information regarding investments that will not be disclosed to investors. As a result, an investor that seeks to transfer its interest in a Fund will have difficulty in determining an appropriate price for such interest. It is expected that investors in the Funds who designate representatives to participate on a Fund advisory board will, by virtue of such participation, have more information about such Fund and its investments in certain circumstances than other investors generally and will be disseminated information in advance of communication to other investors generally.

*Investor Default.* The partnership agreement for each Fund contains significant penalties in the event an investor defaults on its capital commitment or other payment obligations. A defaulting investor will be subject to various default remedies, including without limitation the loss of future distributions from the Fund, forced transfer of its interest in the Fund at less than fair market value, and forfeiture of all or a portion of such investor's investment in a Fund. Platte River is permitted to borrow to cover shortfalls in capital contributions, the costs of which will be allocated to the defaulting investor. Prospective investors should also note that any default by an investor in advancing capital to a Fund could have an adverse impact upon the Fund's ability to complete a transaction and will increase the relative exposure of non-defaulting investors to such transactions. Such defaults will generally cause a Fund to breach its own obligations or lead to the loss of an investment opportunity, either of which consequence could have a material adverse effect on such Fund's performance.

*Non-Controlling Investments.* The Funds have the ability, at any given time, to hold meaningful minority stakes in privately held companies and in some cases will have limited minority protection rights. In addition, during the process of exiting investments, a Fund at times will hold minority stakes of any size such as would be expected to occur if portfolio companies are taken public or the relevant Fund receives in-kind consideration for the sale of its investments. As is the case with minority holdings in

general, such minority stakes will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it will likely be more difficult for such Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such company. Even if the Fund has contractual rights to seek liquidity of such minority interests, it will be difficult to sell such interests on terms acceptable to the Fund, especially in cases where the interests of the other investors have different business and investment objectives from the Fund.

*Director Liability.* The Funds will often obtain the right to appoint one or more representatives to the boards of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes the Funds' representatives, and ultimately the Funds, to potential liability. It is possible that not all portfolio companies will obtain insurance with respect to such liability, or that such insurance that portfolio companies do obtain will be sufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from the Funds' investment activities.

*Reliance on the Key Personnel, General Partner and Portfolio Company Management.* Control over the operations of the Funds will be vested entirely with the General Partners, and the Funds' future profitability will depend largely upon the business and investment acumen of Platte River and its principals. The loss of service of key personnel of Platte River is likely to have an adverse impact on the Funds' ability to realize their investment objectives. Investors generally have no right or power to take part in the management of the Funds, and as a result, the investment performance of the Funds will depend largely on the actions of Platte River. Although Platte River monitors the performance of each of the Funds' investments, it will be the primary responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis. Although Platte River intends to invest in companies with strong management or recruit strong managers to such companies, there can be no assurance that the existing managers of such companies will operate such companies successfully.

*Contingent Liabilities on Dispositions.* In connection with a portfolio company, the Funds are expected to assume, or acquire a portfolio company subject to, contingent liabilities. These liabilities can be material and include liabilities associated with, but not limited to, pending litigation, regulatory investigations or environmental actions, among other things. To the extent that these liabilities are realized, there is likely to be a materially adverse affect on the value of a portfolio company. In addition, if a Fund has assumed or guaranteed these liabilities, the obligation would be payable from the assets of the Funds, including the unfunded commitments of investors. Further, in connection with the disposition of an investment, the Funds and Platte River the relevant General Partner will, in some cases, be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties, for example, about the business and financial affairs of the applicable portfolio company, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities

laws. They may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are inaccurate. These arrangements can result in contingent liabilities, which would be borne by a Fund and, ultimately, its investors. The relevant Governing Documents contain provisions to the effect that if there is any such claim in respect of a portfolio company, it will be funded by the investors to the extent that they have received distributions from such Fund, subject to certain limitations.

*Side Letters.* A General Partner and/or certain Funds have entered into other written agreements (“side letters”) with one or more investors. These side letters entitle an investor to make an investment in a Fund on terms (including economic terms) other than those described herein, in the relevant Fund Governing Documents. There can be no guarantee that any such terms would be more favorable than those offered to other investor.

*Litigation at the Portfolio Company Level.* The acquisition, ownership and disposition of investments in portfolio companies entail certain litigation risks. Litigation may be commenced with respect to an investment in a portfolio company acquired by a Fund or in relation to activities that took place prior to a Fund’s acquisition of such investment. In addition, at the time of disposition, it is possible that a potential buyer will claim that it should have been afforded the opportunity to purchase the portfolio company or alternatively that such buyer should be awarded due diligence expenses incurred or statutory damages for misrepresentation relating to disclosures made, if such buyer is passed over in favor of another as part of a Fund’s efforts to maximize sale proceeds. Similarly, it is possible that buyers will later sue a Fund or a portfolio company under various damage theories, including those sounding in tort, for losses associated with problems not uncovered in due diligence.

*Lack of Sufficient Investment Opportunities.* It is possible that the Funds will never be fully invested if enough investments are not identified and consummated. The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty. However, the Funds will be required to pay Management Fees during the commitment period based on the entire amount of their capital commitments.

*Cyber Security Breaches and Identity Theft.* Platte River, the Funds, their service providers increasingly depend on complex information technology and communications systems to conduct business functions. These information and technology systems are subject to a number of different threats or risks that could adversely affect the Funds and their investors, despite the efforts of Platte River and its service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Funds and their investors. For example, these systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users

of such systems to disclose sensitive information in order to gain access to the confidential Platte River's data or that of Fund investors. While Platte River has implemented various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, then Platte River, the Funds and/or a service provider(s) may have to make significant investments to fix or replace such system components. The successful penetration or circumvention of the security of these systems, or a failure of these service provider's systems and/or of disaster recovery plans for any reason could cause significant interruptions in Platte River's, the Funds' and/or a service provider's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including sensitive information relating to portfolio companies and personal information relating to investors (and the beneficial owners of investors) and proprietary and/or confidential information relating to portfolio companies, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system and costs associated with system repairs. Such a failure could result in financial or other harm being suffered by investors (and their beneficial owners) and could harm Platte River's, the Funds' and/or a service provider's reputation and/or operations, subject Platte River, the Funds, its service providers, portfolio companies and/or investors and their respective affiliates to legal claims, compliance costs and otherwise adversely affect their business and financial performance. In addition, Platte River would likely incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, adverse investor reaction or litigation which costs, under certain circumstances, would be borne by a Fund.

To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company would likely be subject to substantial losses in the form of stolen, lost or corrupted: (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks would be the subject of civil litigation or regulatory or other action. Any of such circumstances could subject a portfolio company, or the Funds, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Platte River or one of its affiliates or service providers holding its financial or investor data, Platte River, its affiliates or a Fund would also be at risk of loss.

*Secondment of Platte River Personnel.* It is possible that certain Platte River personnel will, in certain situations, be seconded to one or more portfolio companies and provide finance and other services to such portfolio companies; the compensation for such personnel during the secondment will be borne by the portfolio companies. To the extent Platte River receives any fees or expense reimbursement from the portfolio companies with respect to such personnel, they will not result in any offset to the Management Fee payable by such Fund.

*Use of Expert Networks and Data Analytics.* In connection with the evaluation of potential investment opportunities, Platte River may engage expert networks and/or make use of data analytics, including data provided by third-party vendors. Platte River seeks to avoid inadvertently obtaining confidential information from such sources and has therefore implemented policies and procedures to mitigate the risk that the use of expert networks or data analytics results in the receipt of confidential information by investment professionals.

## **Conflicts of Interest**

The Governing Documents for each Fund include a description of what Platte River believes to be the most significant conflicts of interest associated with an investment in such Fund, many of which are described below; however, the below is a summary and is not intended to be an exhaustive list of all conflicts or their potential consequences. Identifying potential conflicts of interest is complex and fact intensive and it is not possible to foresee every conflict of interest that will arise during a Fund's life. Investors should be aware that Platte River, its personnel, and its affiliates will likely in the future engage in further activities that can result in additional conflicts of interest not addressed below. There can be no assurance that Platte River will identify or resolve all conflicts of interest and, if resolved, that such conflicts will be resolved in a manner that is favorable to the Funds. To the extent that Platte River identifies conflicts of interest in the future, the Firm intends to, but is under no obligation to, disclose these conflicts and their implications to investors through a variety of channels, including in subsequent Brochures or in other written or oral communications to the advisory board or to investors. Investors should carefully consider the conflicts of interest herein as well as those outlined in each applicable Fund's Governing Documents prior to investing in a Fund.

On any matter involving a potential conflict of interest, each General Partner will be guided by its reasonable judgment as to the best interests of the relevant Fund in accordance with applicable law, and shall take such actions as are determined by the General Partner to be necessary or appropriate to ameliorate such potential conflicts of interest, including but not limited to referring such matter to the advisory board for approval.

*Investment Allocation.* From time to time, Platte River will be presented with investment opportunities that would be suitable for more than one of the Funds and co-investment vehicles operated by Platte River. The Firm generally will not commence the operation of a new pooled investment fund with objectives substantially similar to those of the Funds until the end of the commitment period or such earlier time as described in each Fund's Governing Documents. During the commitment period of each Fund, all appropriate investment opportunities will be pursued by Platte River principals through the Funds, subject to certain limited exceptions. Platte River's principals and Platte River's investment staff will continue to manage and monitor such investments until their realization. Platte River in the future intends to sponsor and manage a variety of investment funds with objectives, strategies, scope and investment criteria that will either be the same as, similar to, or differ from the current Funds, provided that new funds with a similar strategy are expected to be formed near the end of, or after the

completion of, the commitment period. Such new funds and/or their respective portfolio companies have the potential to compete with existing Funds and/or portfolio companies of the Funds.

In determining which investment vehicles should participate in such investment opportunities, Platte River and its affiliates are subject to potential conflicts of interest among the investors in such vehicles. Platte River is committed to allocating investment opportunities among the Funds in a manner that is fair and equitable and consistent with its fiduciary obligations and the Governing Documents of the Funds. To determine whether and to what extent the Funds will participate in an investment opportunity, Platte River generally assesses whether an investment opportunity is appropriate for each relevant Fund and also considers certain factors, including, but not limited to, the amount of available capital commitments of the applicable Fund(s), anticipated future capital requirements of an investment opportunity, expected time to obtain liquidity, limitations in the Governing Documents of the applicable Funds, investment guidelines, diversification guidelines, investment strategies and objectives, legal, tax and regulatory considerations, and any other factors deemed relevant by Platte River.

Platte River's allocation of investment opportunities among the Funds is not always, and often will not, be proportional. Therefore, such allocations have the potential be more advantageous to one Fund relative to another Fund. While Platte River will allocate investment opportunities in a way that it believes in good faith is fair and equitable to each Fund, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the potential conflicts of interest did not exist. It is Platte River's policy to allocate follow-on investments to the Fund that owns the applicable portfolio company. If a follow-on investment is to be made in a portfolio company owned by more than one Fund, such follow-on investment is typically made in the same proportions as the original investment, unless Platte River determines another proportion is appropriate. As a result of the foregoing policies, one Fund can invest in opportunities that another Fund has declined or can decline to invest in opportunities in which another Fund has invested. Where necessary, Platte River is authorized to consult with an advisory board consisting of investors in the applicable Funds and/or co-investment vehicles.

*Investor Transfer of Interest.* In certain cases, Platte River will have an opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interest in a Fund. In the case of ordinary transfers, Platte River will not receive compensation for identifying such transferees and will use its discretion to select such transferees based on eligibility and other factors, and unless required by the relevant Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

*Expense Allocations.* Subject to any relevant restrictions or other limitations contained in the Governing Documents of each Fund, Platte River will allocate fees and expenses in a manner that it believes in good faith is fair and equitable under the circumstances and considering such factors as it deems

relevant, but in its sole discretion. In exercising such discretion, Platte River can face a variety of potential conflicts of interest. As a general matter, expenses incurred on behalf of multiple Funds will be allocated among such Funds. The allocations of such expenses will not always be proportional. Investors in a Fund are typically allocated (or otherwise bear) their pro rata share of such fees and expenses, which are calculated based on capital commitments, invested capital, available capital, or other metrics as determined by Platte River in its sole discretion and in accordance with its policies and procedures regarding expense allocation.

Platte River and its affiliates will from time to time incur fees, costs and expenses, including in connection with transactions not consummated, on behalf of the Funds. To the extent practicable, any fees, costs and expenses that are incurred in connection with a consummated investment will be charged to the applicable portfolio company. To the extent such fees, costs and expenses are not charged to a portfolio company, they will be paid by each Fund that participated or was expected to participate in such investment. Each Fund's Governing Documents permit such Fund to bear a portion of any such fees, costs, and expenses in proportion to the size of its actual or proposed investment, or in such other manner as Platte River considers, in good faith, to be fair and equitable.

There are occasions when one Fund (the "Payor Fund") pays an expense common to multiple Funds (the "Allocated Funds"). On such occasions, each Allocated Fund will reimburse the Payor Fund for its share of such expense, without interest, promptly after the payment is made by the Payor Fund. There are also occasions where the Firm or a Payor Fund pays an expense on behalf of a portfolio company. On such occasions, the portfolio company will reimburse the Firm or Payor Fund for the expense, without interest, and such reimbursement will not be subject to the fee offset provision.

Some expenses are incurred on behalf of one Fund which have the potential to benefit other Funds. For example, information Platte River obtains in connection with a Fund's research, due diligence and investment activities will be valuable to other Funds. Additionally, tools and resources developed at Platte River's expense will be the intellectual property of Platte River and not the Fund.

A conflict of interest is expected to arise in Platte River's determination whether certain costs or expenses that are incurred in connection with the operation of the Funds meet the definition of Fund operational expenses for which the Funds are responsible, or whether such expenses should be borne by Platte River or the manner in which Platte River allocates expenses among the Funds. The Funds will be reliant on the determinations of Platte River in this regard. From time to time, it is possible that subsequent review of allocations will result in an identification of expenses that should have been allocated in a different manner, in which case measures would be undertaken to correct such circumstance, which will likely include a reversal of the original expense allocations, if possible, or such other equitable adjustment believed by Platte River to be the most appropriate corrective measure.

*Service Providers.* Certain conflicts of interest can arise in respect of service providers or their affiliates (including any administrators, lenders, brokers, attorneys, consultants and investment or commercial banking firms) and certain other advisors and agents of the Funds which will, in some cases, be

investors and/or sources of investment opportunities and co-investors or counterparties in the Funds and also provide goods or services to or have business, personal, political, financial or other relationships with Platte River and/or its affiliates. Such circumstances have the potential to influence Platte River in deciding whether to select such a service provider to perform services for the Funds or in respect of any investment, the cost of which will generally be borne by the Funds.

*Industry Relationships.* As with many other private equity fund sponsors, as part of Platte River's business, the principals, Platte River and its employees have developed relationships with third parties which have the potential to raise conflicts of interest. Such third parties include investment bankers, lenders, consultants, professional advisors (such as attorneys and accountants), co-investors, current and former directors, officers and employees of current and former portfolio companies and former employees and members of Platte River. Certain of these third parties are expected to: (i) introduce investment opportunities to Platte River; (ii) arrange for, or facilitate the financing of, the purchase or recapitalization of current and potential portfolio companies; (iii) introduce portfolio companies to potential acquisition or merger candidates; (iv) facilitate the disposition of portfolio companies; or (v) provide investment banking, consulting, legal or advisory services to Platte River, the Funds, or portfolio companies. Such third parties will also provide goods or services to or have business, personal, political, financial or other relationships with the principals. In addition, such third parties frequently invest in one or more Funds; co-invest in one or more portfolio companies; or provide other significant business or investment services to Platte River, the Funds and/or their portfolio companies. These relationships have the potential to influence Platte River in deciding whether to select or recommend any such third party to perform services for the Funds or a portfolio company. The cost of any services provided by such third parties will generally be borne directly or indirectly by the Funds or its portfolio companies, as applicable.

*Relationship with Third Parties.* Platte River and/or its personnel maintain relationships with (or invest in) financial institutions, service providers and other market participants, and their respective affiliates and personnel, including managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Platte River and/or a Fund or other investment vehicle that Platte River or an affiliate advises. Platte River typically has a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to a Fund or a portfolio company owned by a Fund if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Platte River Funds, will provide Platte River information about markets and industries in which Platte River operates (or is contemplating operations) or will provide other services that are beneficial to Platte River. Platte River generally has a conflict of interest in making such recommendations, in that Platte River has an incentive to maintain goodwill between itself and the existing and prospective portfolio companies for a Fund that Platte River or an affiliate advises, while

the products or services recommended would not necessarily be the best available to the portfolio companies held by a Fund.

Over the life of a Fund, Platte River generally expects to exercise its discretion to recommend to such Fund or to a portfolio company thereof that it contract for services with various service providers, potentially including, among others: (i) Platte River (or an affiliate, which generally includes other portfolio companies of a Fund) and at rates determined or substantively influenced by Platte River; (ii) an entity with which Platte River or its affiliates or current or former members of their personnel has a relationship or from which such person derive a financial or other benefit; or (iii) an investor in any Platte River Funds. This subjects Platte River to potential conflicts of interest, because although it intends to select service providers that it believes are aligned with its operational strategies and that will enhance portfolio company performance, Platte River has an incentive to recommend the related or other person because of its financial or business interest. Additionally, there is a possibility that Platte River, because of such incentive or for other reasons (including whether the use of such persons has the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to Platte River or a Fund), would favor such retention or continuation even if a better price and/or quality of service can be obtained from another person. Whether or not Platte River has a relationship with or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or would be able to provide such services at lesser cost.

*Diverse Investor Group.* The investors generally have conflicting investment, tax, and other interests with respect to their investments in the Funds. The conflicting interests of individual investors typically relate to or arise from, among other things, the nature of investments made by a Fund, the structuring or the acquisition of investments, and the timing of disposition of investments. As a consequence, conflicts of interest arise in connection with decisions made by Platte River, including with respect to the nature or structuring of investments that are ultimately more beneficial for one investor than for another investor, particularly with respect to investors' individual tax situations. In selecting and structuring investments appropriate for a Fund, Platte River will consider the investment and tax objectives of the Fund and the investors as a whole, and not the investment, tax, or other objectives of any investor individually.

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

*Intangible Benefits.* Platte River and its employees receive certain intangible and/or other benefits or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses often result in “miles” or “points” or credit in loyalty/status programs to Platte River and/or its employees, and such rewards or amounts will exclusively benefit Platte River and/or such employees and will not be subject to the offset arrangements or otherwise shared with such Fund, its investors, or the portfolio companies.

*Projections.* Projected operating results of a portfolio company in which the Funds invest normally will be based primarily on financial projections prepared by each company’s management. In all cases, projections are only estimates of future results that are based upon assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results would, depending on the circumstances, be expected to differ significantly from the projections. Also, general economic factors, which are not predictable, can have a material impact on the portfolio company’s future performance.

*Advisory Board.* The relevant Fund’s advisory board will provide advice and counsel as requested by the applicable General Partner in connection with Fund investments, potential conflicts of interest, and other of the Fund’s matters as set forth in the Governing Documents. While each General Partner will retain ultimate responsibility for all decisions relating to the operation and management of the applicable Fund, the advisory board is empowered under the Governing Documents to make certain decisions affecting the relevant Fund and respective investors’ investments in such Fund, including whether to permit certain follow-on investments and whether to extend the commitment period, among other things. Not infrequently, interests of the investors represented on the advisory board will diverge, potentially significantly, from other investors and the decisions of the advisory board are expected to reflect such diverging interests.

In addition, members of one Fund’s advisory board would likely also be a member of another Fund’s advisory board. In such instances, a conflict of interest exists because advisory boards would be requested to provide consent with respect to transactions which involve a conflict of interest between two or more Funds on which such advisory board members serve, and such members are unlikely to recuse themselves from any such vote.

**C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.**

The Funds have and will continue to seek to invest in portfolio companies involved in several industry sectors including, but not limited to, aerospace and transportation, energy and power, agriculture and chemicals, and metals and minerals. These companies may be subject to regulatory oversight and macroeconomic cycles. Changes in laws, regulations or macroeconomic factors relating to these industries could have an adverse effect on the portfolio companies of the Funds. In addition, prospective investors in the Funds are provided with more detailed information about risks before

they invest in any of the Funds. For information regarding the types of securities and portfolio companies in which Funds invest, please see Item 4 and Item 8.A and 8.B, above.

### **Item 9 – Disciplinary Information**

**If there are legal or disciplinary events that are material to a client’s or prospective client’s evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.**

Like other registered investment advisers, Platte River is required to disclose all material facts regarding any legal or disciplinary events that would materially impact an investor’s evaluation of Platte River or the integrity of Platte River’s management. Platte River and its management persons have not been subject to any material legal or disciplinary events applicable to this Item.

### **Item 10 – Other Financial Industry Activities and Affiliations**

**A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.**

Neither Platte River nor its management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

**B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities, disclose this fact.**

Neither Platte River nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing.

**C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.**

1. Broker-dealer, municipal securities dealer, or government securities dealer or broker
2. Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
3. Other investment adviser or financial planner
4. Futures commission merchant, commodity pool operator, or commodity trading adviser

- 5. Banking or thrift institution**
- 6. Accountant or accounting firm**
- 7. Lawyer or law firm**
- 8. Insurance company or agency**
- 9. Pension consultant**
- 10. Real estate broker or dealer**
- 11. Sponsor or syndicator of limited partnerships.**

Platte River does not have arrangements with a related person who is a broker-dealer, municipal securities dealer, government securities dealer or broker, investment company, other investment adviser or financial planner, futures commission merchant, commodity pool operator, commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer, or sponsor or syndicator of limited partnerships that are material to its advisory business or to the Funds or their investors.

Platte River has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, banking, investment banking, tax preparation, insurance brokerage and other personal services. Some of these professionals provide services to the Funds or their portfolio companies. Additionally, some of these professionals are investors in the Funds either personally or through their company.

As described above in Item 4, Platte River is affiliated with the Funds' General Partners, each of which is deemed registered with the SEC under the Advisers Act pursuant to Platte River's registration. These affiliated General Partner entities operate as a single advisory business together with Platte River and serve as the General Partner, other adviser, affiliate or managing members of private investment funds and other pooled investment vehicles and share common owners, officers, partners, employees, consultants or persons occupying similar positions. These affiliated General Partner entities do not have employees of their own. Also, as mentioned in Item 4 above, one employee investment vehicle is managed by two of the Platte River managing directors.

From time to time, Platte River receives training, information, promotional materials, meals, gifts, entertainment or prize drawings from vendors and others with whom it does business or to whom it makes referrals. At no time will Platte River accept any benefits, gifts, entertainment or other arrangements that are conditioned on directing individual Fund transactions to a specific investment, product or provider. Similarly, Platte River employees have in the past spoken or participated, and expect in the future to speak and participate, at conferences and programs for potential investors interested in investing in private funds and other events that are sponsored by various investment bankers, broker-dealers or others. Through such capital introduction and other events, prospective investors have the opportunity to meet with Platte River. Neither Platte River nor any Fund compensates these investment bankers, broker-dealers or others for organizing such events or for

investments ultimately made by prospective investors attending such events other than registration, sponsorship, membership or other similar fees paid to attend such events.

**D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.**

Platte River does not recommend or select other investment advisers for the Funds.

#### **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

**A. If you are an SEC-registered adviser, briefly describe your Code of Ethics adopted pursuant to SEC Rule 204A-1 or similar state rules. Explain that you will provide a copy of your Code of Ethics to any client or prospective client upon request.**

Pursuant to Rule 204A-1 of the Advisers Act, Platte River has adopted a written code of ethics (“Code of Ethics” or the “Code”) that sets forth standards of conduct expected of supervised persons and addresses conflicts that can arise from personal trading. The Code requires all supervised persons to place Fund interests ahead of the Firm’s interests, to avoid taking advantage of his or her position and to maintain full compliance with the federal securities laws.

Supervised persons are required to certify to their compliance with the Code upon hire and on an annual basis. Supervised persons of Platte River who violate the Code will be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, suspension or dismissal. Supervised persons are also required to promptly report any violations of the Code of which they become aware.

A copy of the Code will be provided to an investor or prospective investor upon request to Derria Banta, Chief Compliance Officer and Chief Financial Officer, at (303) 292-7300 or [info@platteriverequity.com](mailto:info@platteriverequity.com).

**B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.**

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

Platte River will not affect any principal or agency cross securities transactions for Funds without the proper consent of the relevant General Partner or the limited partner advisory board of each Fund, as applicable.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account, knowingly buys from or sells a security to any advisory client. This also applies to any affiliates or controlling persons of the adviser (*i.e.*, an owner, employee or affiliate of the adviser). Cross trades between Funds can also be deemed to be principal transactions if the adviser (and/or its affiliates, owners, or controlling persons) own, in the aggregate, 25% or more of either Fund. In the context of Platte River's business, a principal transaction would most likely refer to the practice of warehousing an investment for the formation of a future fund or Platte River or a Fund General Partner purchasing the interest of an existing investor.

Agency cross transactions occur when an adviser or an affiliate arranges a transaction (*i.e.*, acts as a "broker") between two or more different funds or accounts that are managed by that same adviser or affiliate. Agency cross transactions can also arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. An adviser is not "acting as a broker" if the adviser receives no compensation (other than the advisory fee earned in the ordinary course of managing the asset) for effecting the transaction and therefore is not considered to be conducting an agency cross transaction under Section 206(3). In the context of Platte River's business, an agency cross transaction would occur when selling a portfolio company, investment or other asset from one Fund to another.

In the event Platte River were to recommend a principal transaction or agency cross transaction, it would only be after: (i) the Firm has determined the transaction to be in the best interest of participating Funds; (ii) the transaction is permitted by the relevant Governing Documents; (iii) proper disclosure is given to the relevant General Partner, advisory board or investors, as appropriate; (iv) consent is obtained from the appropriate parties; and (v) the Firm ensures that best execution is achieved for the transaction.

As mentioned in Item 7 above, from time to time, Platte River may sell part of an interest in a portfolio company after purchase to third parties through a co-investment vehicle established to facilitate the funding of such investment (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or co-investment vehicle generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment. Platte River does not consider these transactions to be principal or agency cross transactions.

**C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.**

Principals and employees of Platte River and its affiliates directly or indirectly own interests in the Funds or vehicles created to co-invest with one or more of the Funds, including through the Platte River employee investment vehicle. Such vehicles are established to invest in one or more of the same portfolio companies as the Funds.

## Personal Trading

The personal trading policy for all Platte River supervised persons is set forth in Platte River's Code of Ethics and is acknowledged as received and understood by each supervised person. Platte River's personal trading policies are designed to ensure that no Fund is disadvantaged by the transactions executed by any supervised person and that supervised persons in no respect misappropriate any benefit properly belonging to a Fund.

Platte River's supervised persons are prohibited from trading, either personally or on behalf of others, in securities while in possession of material nonpublic information regarding publicly traded securities or communicating material nonpublic information about such securities to others. The Code establishes guidelines for personal trading requirements, insider trading and reporting of personal securities transactions, including certain pre-clearance and reporting obligations. The Firm maintains a restricted list of issuers about which it has, or may have, material non-public information. Pre-clearance is required by supervised persons for certain personal securities transactions, including trading in restricted list securities, initial public offerings and limited offerings. In addition, supervised persons are required to file certain reports and submit their brokerage account statements to the Chief Compliance Officer for review.

The principals and employees of Platte River carry on investment activities for their own account and for family members, friends or others who do not invest in the Funds, and in connection therewith can potentially give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, the Funds, even if their investment objectives are the same or similar. In addition, principals, employees and affiliates are permitted to buy securities in transactions offered to but rejected by the Funds or that are outside the investment mandate of the Funds.

**D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.**

Because of the private nature of its portfolio companies, Platte River does not typically face a situation where a supervised person buys or sells a security for his or her own account at or about the same time that the Firm is also buying or selling the same securities for the Funds. A supervised person wishing to purchase or sell an interest in a Platte River portfolio company is required to seek pre-approval from the Chief Compliance Officer for such transaction.

## Item 12 – Brokerage Practices

**A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).**

Platte River focuses on securities transactions of private companies and generally purchases and sells such companies through privately negotiated transactions. In pursuing privately negotiated transactions, Platte River engages the services of a broker-dealer or investment banker in connection with the purchase or sale of a portfolio companies. In such privately negotiated transactions, best execution is met by the consummation of the deal with the best possible terms for the Fund. Whether for private or public securities transactions, Platte River selects the broker-dealer or investment banker with the overall aim of maximizing returns for the Funds.

Selection of a broker-dealer or investment banker is based on Platte River's judgment regarding a variety of factors which will not be limited solely to ultimate deal price, including but not limited to: (i) Platte River's prior experience with the broker-dealer or investment banker; (ii) the broker-dealer or investment banker's execution capability, financial responsibility, reputation and expertise within the industry; (iii) the broker-dealer or investment banker's expertise in dealing with investments that may be restrictive or illiquid in nature; (iv) the value of any research services provided; and (v) commission rates, among other factors.

Although Platte River generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent, especially in private securities transactions that rely heavily on the specialty services or experience of a broker-dealer or investment banker that operate outside of a competitive bidding environment. Transactions that involve such specialized services on the part of the broker-dealer or investment banker can thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

- 1. *Research and Other Soft Dollar Benefits.* If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), disclose your practices and discuss the conflicts of interest they create.**

Platte River does not receive research or other soft dollar benefits in connection with securities transactions for the Funds.

- 2. *Brokerage for Client Referrals.* If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.**

Platte River does not receive client referrals in connection with selecting or recommending broker-dealers for the Funds.

### **3. *Directed Brokerage.***

Platte River does not engage in directed brokerage.

**B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.**

If Platte River were to aggregate the purchase or sale of securities for Fund accounts, it would do so on a pro rata basis.

### **Item 13 – Review of Accounts**

**A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.**

The investment portfolios of each Fund are generally private, illiquid and long-term in nature and accordingly Platte River's review of them is not directed toward a short-term decision to dispose of securities. Platte River closely monitors the portfolio companies of its Funds and maintains an ongoing oversight position in such portfolio companies. The Investment Committee, composed primarily of senior principals, generally monitors and reviews investments on a regular basis, including with respect to decisions as to when to purchase or sell a portfolio company. In addition, the Chief Compliance Officer also periodically checks to confirm that each investment is maintained in accordance with its stated objectives.

**B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.**

If developments at a portfolio company warrant closer monitoring, reviews may be undertaken more frequently. Such developments may include matters relating to operations of the portfolio company as well as liquidity opportunities for the owners of the portfolio company.

**C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.**

Generally, within sixty days after the end of each of the first three quarters of the fiscal year, Platte River delivers to each investor in the Funds: (i) unaudited quarterly financial statements; (ii) an unaudited schedule of the investor's capital account; (iii) an unaudited schedule of investments, including the Fund's cost and the value of its investments; and (iv) an unaudited overview of the Fund's investment activities for the fiscal year, including narrative descriptive investment information for each of its portfolio companies. All reports are written and delivered electronically to investors.

Generally, within ninety days after the end of each fiscal year, Platte River delivers to each investor in the Funds: (i) financial statements for such year, audited by a firm of independent certified public accountants of recognized national standing and that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (“PCAOB”) in accordance with its rules; (ii) a schedule of the investor’s capital account; (iii) an audited schedule of investments including each of the Fund’s cost and the estimated value of its investments; and (iv) an overview of the Fund’s investment activities for the fiscal year, including narrative descriptive investment information for each of its portfolio companies. All reports are written and delivered electronically to investors.

Investors in co-investment vehicles may receive different reports, as agreed upon with investors in each co-investment vehicle on a case-by-case basis.

The Firm also has contact with investors (personal visits, telephone and email) throughout the year as conditions warrant. In addition, the Funds hold an annual investor meeting, offering the investors in the Funds the opportunity to review and discuss the Funds’ investment activities with Platte River.

In the course of conducting due diligence or otherwise, investors periodically request information pertaining to their investments. Platte River responds to these requests, and in answering these requests provides information that is not generally made available to other investors who have not requested such information. Additionally, upon request, certain investors may receive additional information and reporting that other investors do not receive.

#### **Item 14 – Client Referrals and Other Compensation**

**A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.**

As described in Item 5 above, Platte River receives transaction fees, closing fees, monitoring fees, consulting fees, directors’ fees, breakup fees, commitment fees, litigation proceeds and other similar fees and reimbursements from the portfolio companies held by the Funds. These fees are paid pursuant to separate agreements entered into with the portfolio companies to provide certain consulting services that Platte River believes will ultimately enhance the value of the companies and benefit the Funds and their investors.

These types of fee arrangements present potential conflicts of interest and provide Platte River with an incentive to recommend investments based on compensation received rather than the best interests of the Funds. To mitigate this potential conflict, an allocable portion of such benefits received by Platte River or its employees in connection with services rendered to portfolio companies or transactions of the Fund are offset in whole or in part, depending on the Fund, against Management

Fees payable by the Funds, to the extent described above in Item 5 and as detailed in each Fund's Governing Documents.

**B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.**

When raising capital for a new fund, Platte River typically engages the services of a registered broker-dealer to serve as placement agent for the Funds. Placement agent fees payable by Platte River or the relevant Funds and any such fees paid by the Funds offset the Management Fee on a dollar-for-dollar basis.

### **Item 15 – Custody**

**If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.**

Platte River is deemed to have custody of the Funds' assets because of its affiliation with each Fund's General Partner and the General Partners' ability to deduct fees from Fund accounts. In order to comply with Advisers Act Rule 206(4)-2 (the "Custody Rule"), Platte River has elected to undergo an annual financial statement audit in accordance with United States generally accepted accounting principles ("GAAP") by a PCAOB-registered and inspected independent public accountant for each of the Funds over which it is deemed to have custody, copies of which are (or will be, for newly closed Funds) delivered to the Funds and their respective investors within 120 days of fiscal year end. In addition, upon the final liquidation of a Fund, Platte River will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all underlying investors promptly upon completion of the audit. Investors are encouraged to carefully review such financial statements.

Platte River does not accept physical custody of any client assets (other than certain privately offered securities to the extent permitted by the Advisers Act). Called capital is directly sent or wired into the relevant Fund's qualified custodial account. Platte River receives quarterly account statements from each of its qualified custodians on behalf of the Funds. For more information about Platte River's qualified custodians, please see Form ADV Part 1, Schedule D, 7.B.(1).

### **Item 16 – Investment Discretion**

**If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on**

**this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

Platte River generally receives and exercises complete discretionary authority to manage investments on behalf of the Funds as per the Governing Documents of each Fund. Investment advice is provided directly to the Funds, subject to the discretion and control of the relevant General Partner, and not to investors in the Funds individually. To become an investor in a Fund, an investor must execute, among other documents, a subscription agreement and a limited partnership agreement (or similar agreement) with such Fund. Such Governing Documents generally contain a power of attorney that grants Platte River or the applicable Fund's relevant General Partner certain powers related to the orderly administration of the affairs of the Funds. Once an investor executes these documents, with limited exceptions, such as certain conflicts of interest as discussed elsewhere in this Brochure, Platte River is not required to contact an investor prior to transacting a business in such Fund.

Generally, Platte River's only restrictions with respect to managing a Fund, such as (but not limited to) the type of securities in which a Fund is permitted to invest, will be contained in the relevant Fund's Governing Documents. However, an investor can seek to impose limitations on Platte River's authority through a side letter agreement and the Firm may choose to accept reasonable limitations or restrictions at its discretion. All limitations and restrictions placed by an investor must be presented to Platte River in writing and agreed to by Platte River and such investor.

#### **Item 17 – Voting Client Securities**

**A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.**

By virtue of the applicable Governing Documents, the General Partners have the authority to vote proxy statements on behalf of the Funds. The majority of "proxies" received by Platte River, however, are written shareholder consents or similar instruments for private companies owned by the Funds. Platte River's proxy voting policy seeks to ensure that it votes proxies in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Platte River and its General Partners will act in the best interest of the Funds in determining whether and how to exercise the Funds' rights as securities holders, including whether and how to vote on any proxy voting matter and how to respond to corporate actions. Platte River and its General Partners will vote proxies on a case-by-case basis. In general, proxy votes for or against corporate actions will be based on the probable financial impact to the Funds. Investors in the Funds cannot direct how Platte River votes proxies or shareholder consents, nor is Platte River required to seek investor approval or direction

from investors when voting proxies or when giving consent on any matter requiring the consent of shareholders.

Platte River generally believe its interests are aligned with those of the Funds' investors through the principals' beneficial ownership interests in the Funds. However, in the event that there is or may be a conflict of interest in voting proxies, Platte River's proxy voting policy provides that the Firm can address the conflict using several alternatives, including by seeking the approval or concurrence of an advisory board on the proposed proxy vote, or through other alternatives as set forth in Platte River's proxy voting policy.

Firm principals and affiliated or unaffiliated third parties appointed by Platte River often sit on the boards of portfolio companies to which Platte River provides operational, management and consulting services and, as such, exercise authority with respect to various issues faced by the portfolio companies. Platte River does not consider service on portfolio company boards by Platte River personnel and affiliated and unaffiliated third parties appointed by Platte River or their receipt of nominal board fees, if any, to create a material conflict of interest in voting proxies with respect to such companies.

Platte River will provide a copy of its proxy voting policy to existing investors upon request to Derria Banta, Chief Compliance Officer and Chief Financial Officer, at (303) 292-7300 or [info@platteriverequity.com](mailto:info@platteriverequity.com). Investors may also obtain information from the Firm, free of charge, about how Platte River voted any previous public proxies, if any.

**B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.**

This Item is not applicable to Platte River.

## **Item 18 – Financial Information**

**A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.**

Platte River does not require prepayment of more than \$1,200 in fees per Fund six months or more in advance.

**B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more**

**in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.**

Platte River has no financial condition that is reasonably likely to impair its ability to meet its contractual commitments to the Funds or their investors.

**C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.**

Platte River has not been the subject of a bankruptcy petition at any time during the past ten years.