

**Item 1
Cover Page**

Form ADV Part 2A

Firm Disclosure Brochure

March 26, 2020



Palm Drive Capital, LLC

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This disclosure brochure (the “Brochure”) provides information about the qualifications and business practices of Palm Drive Capital, LLC and certain of its affiliates (collectively, “PDC” or the “Firm”) for purposes of Form ADV. If you have any questions about the contents of this Brochure, please contact us at the number listed above. 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 securities authority. From time to time in this and other documents PDC may refer to itself as a “registered investment adviser” by virtue of its registration with the SEC. This title does not imply any level of training or skill. Additional information about PDC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2
Material Changes

This Brochure was prepared in connection with the Firm's initial application for investment adviser registration and, as such, there are no material changes to disclose. In the future, this Item will disclose a summary of any and all material changes that occur between annual updating amendments to the Form ADV.

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Item 4
Advisory Business

A. PDC was founded as a venture capital firm in 2014 and is principally owned by Seamon Chan and Hendrick Lee.

B. PDC provides investment management services to private equity oriented pooled investment vehicles, (each a “Fund” or “Client” and collectively the “Funds” or “Clients”), which are sponsored by affiliates of PDC that serves the general partner to the limited partnerships (the “General Partner”). The Funds are subject to the investment objectives, terms and conditions outlined in their respective offering documents, which include but are not limited to subscription agreements, limited partnership/operating agreements and investment management agreements. Collectively, the investment advisory agreements and offering documents are referred to herein as the “Governing Documents.” While PDC focuses on the strategies discussed throughout the Brochure, the Firm does not necessarily limit the types of investments on which it advises.

C. To the extent agreed upon in the Governing Documents, PDC tailors its investment advisory services to be consistent with each Fund’s investment strategy, return profile, concentration limits, time horizon, liquidity mandates and other related objectives, as defined therein. Underlying investors may not impose restrictions on investing in certain securities or types of securities.

D. PDC does not participate as a sponsor of or portfolio manager to any wrap fee programs.

E. As of December 31, 2019, the Firm has approximately \$264,620,989 in regulatory assets under management, all of which was managed on a discretionary basis.

Item 5

Fees and Compensation

A. As compensation for its services, PDC will receive an annual management fee (the “Management Fee”) based on a fixed rate or percentage of a Fund’s committed capital or invested capital. Typically, the Management Fee will be 2% of the total committed capital per annum. The Firm and/or the General Partner will also receive incentive-based compensation (“Carried Interest”) based on realized gains from investments.

B. The Firm receives the Management Fee directly from a Fund on a semiannually basis. The calculation of the Management Fee is derived from the most recent valuation of the portfolio, as determined by the the Firm, General Partner or other responsible party. Carried Interest is typically deducted directly from a Fund’s assets as investments realize gains and not on a pre-determined schedule.

C. The Firm receives from time to time monitoring fees, organization fees, administrative fees or set-up fees, consulting fees or other similar fees from a Fund, a Fund’s portfolio companies or their respective affiliates. Unless otherwise disclosed, these fees will generally be offset in their entirety against the Management Fee paid by the applicable Fund. Each Fund’s Governing Documents provide a more detailed description of the expenses borne by the Fund.

PDC and the Clients generally bear their own expenses. Expenses are allocated on a case by case basis in accordance with the Governing Documents. Expenses the Clients may incur generally include but are not limited to all costs and expenses relating to each Fund’s activities (to the extent not reimbursed by a portfolio company), including:

Additional expenses borne exclusively by the Partnership include, without limitation:

- (i) Fund organizational expenses;
- (ii) Fund liquidation expenses;
- (iii) any sales or other taxes (unless otherwise addressed in the Governing Documents), and fees or government charges which may be assessed against the Fund;
- (iv) commissions or brokerage fees or similar charges incurred in connection with the purchase or sale of securities (including any merger fees payable to third parties and whether or not any such purchase or sale is consummated);
- (v) expenses of members of the Fund’s advisory committee (including reasonable travel-related costs and expenses);
- (vi) the costs and expenses (including travel-related expenses) of hosting special meetings for the Funds, or otherwise holding meetings or conferences with investors, whether individually or in a group;
- (vii) interest expense for borrowed money (if any);
- (viii) all expenses relating to litigation and threatened litigation involving the Funds, including indemnification expenses;
- (ix) expenses attributable to normal and extraordinary investment banking, commercial banking, accounting, auditing, appraisal, legal, finder's, custodial, transfer and registration services provided to the Funds and any expenses attributable to consulting services, including in each case services with respect to the proposed purchase or sale of securities by the Funds that are not reimbursed by the issuer of such securities or others (whether or not any such purchase or sale is consummated);
- (x) travel expenses in connection with the investment activities of the Funds;

- (xi) expenses associated with outsourcing certain financial reporting and accounting services provided to the Funds;
- (xii) costs of financial statements and other reports (including Schedule K-1s) to and other communications with the Partners, as well as costs of all governmental returns, reports and filings;
- (xiii) governmental registration, filing and licensing costs and fees relating to the Funds, the General Partner and PDC;
- (xiv) premiums for liability or other insurance to protect the Funds, the General Partner and any of their respective partners, members, stockholders, officers, directors, employees, agents or affiliates in connection with the activities of the Funds;
- (xv) and all other expenses properly chargeable to the activities of the Funds.

D. Typically, the Management Fee is paid semiannually in advance. Carried Interest is paid in arrears upon the disposition of a portfolio asset.

E. Except as otherwise disclosed, neither the Firm nor any of its supervised persons receive, directly or indirectly, any compensation from the sale of securities or other investment products.

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

As outlined in Item 5 of the Brochure, PDC and/or the General Partner are generally entitled to receive Carried Interest based on investment gains after other distributions are made to the limited partners, as specified in the Governing Documents. The existence of Carried Interest and other incentive-based compensation may motivate the Firm to make investments that are riskier or more speculative than those which would be made under a different compensation arrangement. In addition, to the extent the Firm agrees to manage assets where it (or an affiliate) does not charge a performance-based fee, PDC may have an incentive to favor Clients that they believe will pay a higher Carried Interest or other incentive-based compensation. However, the Firm is committed to acting at all times in the best interests of its Clients. To this end, the Firm has implemented internal controls, which are further described in the Firm's compliance policies and procedures, to address the potential conflicts associated with performance-based fees.

Item 7
Types of Clients

The Firm provides investment advisory services to pooled investment vehicles that are excepted from the definition of investment company under the Investment Company Act of 1940 (the “Investment Company Act”). In general, the minimum initial commitment is \$2 million, depending on the Fund, although lesser amounts may be accepted in the discretion of the General Partner.

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

A. The key capabilities that bear upon PDC's interaction with portfolio companies are operational experience, active involvement, industry expertise, and objectivity. By understanding when to use these complex and sometimes competing attributes, the Firm seeks to effectively manage the growth of companies it funds. PDC's style is focused, disciplined and based on the strong belief that it is crucial to hold a high standard for all investments. The Firm strives to avoid the common mindset among ventures investors of feeling pressure to invest money aggressively. PDC has been very disciplined about investing in the stage, region and market area set forth in our plan. With experience to fully understand the industry segments in which it invests, PDC is able to respond to promising new opportunities very quickly. And because developing and maintaining that domain expertise is a crucial part of the investment strategy, the Firm spends the majority of its time forming relationships and interacting with the business and technology leaders in our focus markets. This not only enhances our ability to move quickly, but also adds more value to the companies being funded. PDC follows a proactive outbound sourcing strategy and leverages its strong network of partners to source and gain access to top deals. PDC focuses on growth stage Enterprise Software and E-commerce opportunities with proven unit economics. All growth stage companies have moderate risk, but also have the capacity for high levels of revenue growth. As a result, the financial returns on these investments are potentially higher than 5X. Also, by delivering on critical milestones with the companies, PDC is constantly broadening its network and expertise, thus strengthening its understanding of key trends in our focus segments. When analyzing potential investments, we will focus on the following criteria:

Target Company Characteristics

Significant Growth Potential	High Quality Companies
<ul style="list-style-type: none">• Annual organic revenue growth of 100%+• Large and growing addressable market• Additional growth through geographic expansion• Multiple paths for Palm Drive value creation	<ul style="list-style-type: none">• Business model with durable moat• Attractive unit economics• Strong management track record• Advantageous competitive environment

Target Deal Characteristics

Investment Criteria	Value Add Shareholder
<ul style="list-style-type: none">• Up to \$10M per investment• At least 5x return profile within a 5 year period• Provides value relative to growth opportunity• Thorough due diligence	<ul style="list-style-type: none">• Develop growth strategy and metrics• Support with fundraising, recruiting, and business development• Provide mentorship from network of entrepreneurs

Because PDC believes in the importance of having strong investment relationships with likeminded venture capital groups, the Firm is very proactive about selecting, growing and evaluating syndicate partnerships with such firms. In an effort to continually improve the strength, quality and effectiveness of these relationships, PDC evaluates them on an ongoing basis.

B. and C.

The Firm's strategy and a corresponding investment in the Funds involve a significant degree of risk. There can be no assurance that the Fund's investment objectives will be achieved, or that an investor will receive a return of his, her or its capital. Risks associated with an investment in the Funds include, but are not limited to, the following, and should be carefully evaluated before making an investment in the Fund and the LP interests offered hereby.

General

Venture capital investing involves a high degree of business and financial risk that can result in substantial losses. In order for the Fund to succeed, it must be able to accurately identify potentially successful business enterprises, a process which is difficult even for those with extensive experience in the venture capital field.

An investment in the Funds is highly speculative, involves a high degree of risk and could result in the loss of part or all of an investor's capital contribution. Therefore, investors should not subscribe for LP interests unless they can bear such a loss. Moreover, there can be no assurance that the Funds' investment objectives will be achieved and investment results may vary materially from one reporting period to the next. Consequently, an investment in the Fund is suitable only for sophisticated investors with other substantial assets who are capable of making an informed independent decision as to the risks involved in an investment in the Funds.

General Economic and Market Conditions

The success of the Firm's investments may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, currency exchange rates and controls and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of security prices and the liquidity and the value of the securities held by the Funds. Unexpected volatility or illiquidity could impair the Funds' profitability or result in it suffering losses.

In addition, the world's financial markets have over the past several years experienced significant turmoil, resulting in reductions in available credit, significantly increased costs of credit, volatility in equity values and the realignment of major investment banks and other financial institutions. These events have materially and adversely impacted the availability of financing to a wide variety of businesses, including venture capital and other investment funds, and their portfolio companies. As a consequence, the global market experienced a significant downturn in initial public offerings as well as merger and acquisition activities. These downturns reflected, among other things, the absence of acquisition capital and the significant challenges involved in arriving at appropriate valuation judgments regarding potential transactions in the current environment. Turbulence in the state of the world's financial markets could have a material and adverse impact on the Fund and its portfolio companies, including their ability to obtain leverage where appropriate and/or identify and execute transactions and carry out the Fund's objectives.

Nature of Investments

The portfolio companies in which the Funds will invest are likely to face intense competition, including competition from companies with greater financial resources, more extensive development, production, marketing and service capabilities and a larger number of qualified managerial and technical personnel. There can be no assurance that the development or marketing efforts of any particular portfolio Company will be successful or that its business will be profitable.

Many of the Funds' portfolio companies may be unseasoned, unprofitable and/or have no established operating history or earnings. These companies may also lack technical, marketing, financial and other resources or may be dependent upon the success of one product or service, a unique distribution channel, or the effectiveness of a manager or management team. The failure of this one product, service or distribution channel, or the loss or ineffectiveness of a key executive or executives within the management team may have a materially adverse impact on such companies. Furthermore, these companies may be more vulnerable to competition and to overall economic conditions than larger, more established entities.

The Firm expects to invest in companies primarily in their early to later stage rounds of investments. Particularly in early stage enterprises, a major risk exists that a proposed service or product cannot be developed successfully with the resources available to the portfolio company. There is no assurance that the development efforts of any portfolio company will be successful or, if successful, will be completed within the budget or time period originally estimated.

Following its initial investment in portfolio companies, the Firm anticipates that Portfolio companies will require additional funding, and that the Firm may have the opportunity to increase its investment in successful Portfolio companies. There can be no assurance that the Firm will make, or will have the resources to make, follow-on investments. Any decision by the Firm not to make follow-on investments, or its inability to make them, may have a substantial adverse effect on a portfolio company in need of such an investment, may result in a missed opportunity for the Funds to increase their participation in a successful enterprise, may result in significant dilution of any existing portfolio company investment, or may cause a decrease in the value of the Funds' portfolios.

Unspecified Use Of Proceeds

As of the date of this Brochure, the General Partner has not selected any Fund investments, other than the warehoused investments described in the Brochure. Investors in the Funds will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Firm and, accordingly, will be dependent upon the judgment and ability of the General Partner in investing and managing the capital of the Funds. No assurance can be given that the Firm will be successful in obtaining suitable investments, or if such investments are made, that the objectives of the Funds will be achieved.

Warehoused Portfolio Investments

This Brochure describes certain warehoused investments that may be transferred to the Funds at cost following the Funds' initial closing. Investors should not rely on the fact that such transfers will occur. Neither the General Partner nor any of its related persons makes or shall make any representations regarding the attractiveness of such investments. In this context, the nature of such transactions involves an inherent conflict of interest between the General Partner, the Firm and the investors, in particular because the current holders of such investments may be able to shift the risks and burdens of such investments to the Funds after gaining knowledge about such investments (e.g., relating to a decline in value) during the period prior to such transfers.

Long-Term Investment

An investment in the LP interests is a long term investment. The inherent nature of venture capital investing dictates a significant length of time between the initial investment and realization of gains, if any. Venture capital investments, if successful, typically take up to five years or more from the date of investment to reach a state

of maturity where disposition is possible, and early and expansion stage investments in privately held companies can take even longer to reach liquidity. Investors must be able to bear the economic risks of an investment in the LP interests for an indefinite period of time.

Investments Longer Than Term

The Firm may invest in investments which may not be advantageously disposed of prior to the date that a Fund will be dissolved, either by expiration of the Fund's term or otherwise. Although the General Partner expects that investments will be either disposed of prior to dissolution or suitable for in-kind distribution at dissolution, the Firm may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

No Assurance of Profitability

No assurance can be given as to the Firm's ability to choose, make and realize any particular investment. There can be no assurance that the Firm will be able to generate returns for its investors or that the returns will be commensurate with the risks of investing in the type of investments and transactions described herein. Investments made by the Firm are subject to a wide range of risks, including the impact of terrorist acts or threats thereof, economic trends and other externalities beyond the control of the Firm or the General Partner, which could cause such investments to lose value. There can be no assurance that any investor will receive any distribution from the Funds. Accordingly, an investment in the Fund should only be considered by persons that can afford a loss of their entire investment.

Lack of Diversification

The Fund intend to participate in a limited number of portfolio investments and, as a consequence, the aggregate return of the Funds may be materially and adversely affected by the unfavorable performance of even a single portfolio investment. In addition, while it is the intention of the General Partner not to invest more than 20% of the Funds' committed capital in any one portfolio company, there is no assurance that sufficient diversification of investments can be properly achieved.

The Firm will focus on investments in companies in the technology sector. There can be no assurance that the Firm's strategy in focusing on investments in such companies will result in success. Thus, the performance of the Funds will be closely linked to the performance of the technology sector and the Funds could be severely impacted by adverse developments affecting the technology sector. The Firm has not adopted policies requiring that portfolio companies be diversified in different geographic areas. If several of the Funds' investments are concentrated in one geographic area, the Funds could be severely impacted by adverse developments affecting that geographic area.

Reliance Upon Portfolio Company Management

Although the General Partner will generally hope to develop a good working relationship with the management of portfolio companies, the Firm is not expected to have an active role in the day-to-day management of the companies in which it invests. To the extent that the senior management of a portfolio company performs poorly, or if a key manager terminates employment, the Firm's investment in such company could be adversely affected.

Projections

Projected operating results of a portfolio company in which the Firm invests normally will be based primarily on financial projections prepared by each portfolio company's management. In all cases, projections are only estimates of future results that are based upon information received from the portfolio company and 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 may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Lack of Control

The General Partner expects that the Firm will hold minority interests in most companies and, therefore, may have limited ability to protect its position and investment. Generally, as a condition to any Firm investment, the General Partner will seek to obtain special rights and protective provisions, which will be negotiated at the time of the investment. There can be no assurance that the Fund will be able to obtain such protective provisions, or that if such provisions are obtained, that they will be effective.

In certain circumstances, however, the Firm may be deemed to have a control or management position with respect to one or more of its portfolio companies. This in turn could expose the Firm to risk of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liability, including, in the case of debt investments, lender liability.

Service on the Board of Directors

One or both of the Firm's Principals or other affiliated persons may serve as directors of certain of the Funds' portfolio companies. Such service, especially in light of statutes and regulations relating to corporate governance and increased scrutiny of corporate boards, could expose the Firm or the General Partner and its partners and affiliates to regulatory action and/or claims by a portfolio company, its security holders and its creditors. While the General Partner intends to manage the Funds in a way that will minimize exposure to these risks, the possibility of successful claims or adverse regulatory actions cannot be eliminated, and such events may have a significant adverse effect on the Funds.

In their capacity as directors of portfolio companies, such persons will be subject to fiduciary and other duties to the portfolio company on whose board they serve, which duties may on occasion conflict with the best interests of the Funds. For example, the Firm's ability to sell the publicly traded securities of a portfolio company may be limited if any of them are in possession of material nonpublic information relating to such portfolio company.

Regulations Applicable to Portfolio Companies

The Fund may invest in portfolio companies that may be subject to extensive governmental regulations and oversight with respect to their business activities. The failure to comply with applicable regulations, obtain applicable regulatory approvals, or maintain those approvals so obtained, may prevent the portfolio company from bringing products and services to the market, and could subject the applicable portfolio company to civil penalties, suspension or withdrawal of any regulatory approval obtained, product recalls and seizures, injunctions, operating restrictions and criminal prosecutions and penalties, which could, individually or in the aggregate, have a material adverse effect on the Funds' investments in such company.

Illiquid Fund Investments

The portfolio companies in which the Firm expects to make investments will initially be privately held. As a result, there will be no readily available secondary market for the Funds' interests in such portfolio companies, and those interests will be subject to legal restrictions on transfer. Therefore, there is no assurance that the Firm will be able to realize liquidity for such investments in a timely manner, if at all. Unless a portfolio company subsequently succeeds in obtaining approval from the relevant authorities to list its shares on a recognized exchange, this avenue to liquidity will not be available to the Funds, which must then rely on other means to achieve liquidity. In addition, the Funds may be precluded from selling its shares in a public portfolio company for some time after such Portfolio company's initial public offering, if any. Although the General Partner expects that investments will be either disposed of prior to dissolution or suitable for in-kind distribution at dissolution, the Firm may have to sell, distribute or otherwise dispose of fund investments at a disadvantageous time as a result of dissolution.

Restrictions on the Sale or Distribution of Portfolio Company Securities

The Funds may be prohibited by lock-up agreements or insider trading restrictions from distributing or selling portfolio company securities for a period of time, during which the price of a portfolio company's securities could decline. In addition, the General Partner may, in its sole discretion, elect not to sell or distribute securities beyond the lock up period.

Liability of Limited Partners

The General Partner may require each investor to return distributions made to such investor for the purpose of meeting such investor's pro rata share of a Fund's indemnification and other obligations.

Use of Leverage in Certain Investments

The Funds' portfolio companies may employ varying degrees of leverage. As a result, economic downturns, operating problems and other general business and economic risk may have a more pronounced effect on the profitability and survival of such companies. Moreover, rising interest rates may significantly increase portfolio company interest expense, causing losses and/or the inability to service debt levels. If a portfolio company cannot generate adequate cash flow to meet debt obligations, the Firm may suffer a partial loss or total loss of capital invested in the portfolio company. Additionally, the securities acquired by the Firm may be the most junior in what will typically be a complex capital structure of the portfolio company, and thus subject to greatest risk of loss.

Competition for Investments

The business of identifying and structuring investments of the types contemplated by the Firm is competitive and involves a high degree of uncertainty. When making follow-on investments in portfolio companies in later rounds, the Firm expects to encounter intense competition from other investment funds and strategic investors. Historically, the primary competition for venture capital investments has been from venture capital funds and corporations, venture capital affiliates of large industrial companies, wealthy individuals and foreign investors. Additional competition is anticipated from industrial and financial companies investing directly, rather than through investment funds. There is no assurance that the Firm will succeed in finding investments on similar or favorable terms in comparison to its competitors.

Difficulty of Locating Suitable Investments

The Firm may find it difficult to find a sufficient number of attractive investment opportunities to meet its investment objectives and therefore there is no assurance that the Firm will succeed in sourcing investment opportunities that meet the Funds' investment criteria and, even if successful, that those selected investments will produce competitive returns. An investor must rely on the ability of the General Partner and the managing members of the General Partner to identify, structure and implement investments consistent with the Funds' objectives and policies. The investment performance of prior funds or investments managed by any of the managing members of the General Partner cannot be relied on as an indicator of the Firm's future performance or success. Investors will not have the opportunity to evaluate the business, financial and other information which will be used by the General Partner and the managing members of the General Partner in their analysis, selection and monitoring of portfolio company investments for the Firm.

Establishment of Additional Funds

Subject to the terms of the Governing Documents, the General Partner and the Firm may organize a new investment fund after certain benchmarks have been achieved and upon the occurrence of certain other events. Any such new fund may be interested in the same investment opportunities as the existing Funds. There is no assurance that investors in the existing Funds will be offered the opportunity to participate in any subsequent funds.

Co-Investment Opportunities

The General Partner may offer to other private investors, groups, partnerships, or corporations, the right to participate in co-investment opportunities with the Firm whenever the General Partner, in its discretion, so determines. In connection with any such co-investment opportunities the General Partner will be entitled to receive management fees, carried interest or other compensation and may organize one or more limited partnerships or other investment vehicles to facilitate such transaction. Investors are advised that the Funds could incur certain fees and expenses with regard to actual or prospective co-investment opportunities, certain of which may be characterized as "broken deal expenses" related to a proposed transaction does not materialize into a realized portfolio investment.

Item 9
Disciplinary Information

In the past ten years, there have been no legal or disciplinary events involving the Firm or any of its management persons that are material to the Firm's advisory business or to the integrity of the Firm's management.

Item 10
Other Financial Industry Activities and Affiliations

- A.** Neither the Firm nor any of its management persons are registered, or have an application pending to register, as broker-dealers or registered representatives of a broker-dealer.
- B.** Neither PDC 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 advisor, or an associated person of the foregoing entities.
- C.** The entities which serve as General Partner of the Funds are affiliates of and under common control with PDC. Outside of this, neither the Firm nor any of its management persons have a relationship or arrangement that is material to PDC's advisory business or its Clients.
- D.** PDC does not recommend or select other investment advisers for the Funds.

Item 11

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

A. The Firm has adopted a Code of Ethics (the “Code”), which describes the Firm’s fiduciary duties and responsibilities to its Funds, requires that the Firm’s employees act in the best interests of Funds to the exclusion of contrary interests, act in good faith and in an ethical manner, avoid conflicts of interest with the Funds to the extent reasonably possible, and identify and manage conflicts of interest to the extent that they arise. The Firm’s employees are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or other appropriate party of any actual or suspected violations of such laws by the Firm or its employees. In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of the Firm’s employees. The Code requires employees to provide duplicate brokerage accounts statements, or their electronic equivalent, and trade confirmations to the Firm or to report all securities transactions on at least a quarterly basis; and requires employees to provide a summary of securities holdings on at least an annual basis. The Code also includes policies and procedures to prevent the misuse and disclosure of material nonpublic information (“insider trading”) and other confidential information and policies and procedures addressing conflicts of interest; outside activities of employees; gifts and business entertainment, including limitations and reporting requirements; and pre-clearance and reporting of political contributions. The Firm provides a complete copy of its Code to any Fund, investor, prospective Fund or prospect investor upon request to the Chief Compliance Officer. Investors may contact the Firm to receive a copy of the Firm’s Code.

B. From time to time, consistent with a Fund’s investment objectives and subject to satisfaction of the policies and procedures set forth in the Code and in the Firm’s compliance manual (the “Compliance Manual”), the Firm may recommend that a Fund acquire or sell securities in which a related person of the Firm has a pre-existing direct or indirect interest. A potential conflict of interest could arise in that the interested related person of the Firm could benefit from such a purchase or sale of the applicable security by a Fund. However, the Firm has policies and procedures designed to identify and manage conflicts of interest to the extent they arise in connection with such transactions. These procedures are further detailed in the Firm’s policies and procedures. Certain terms of the Governing Documents and the equity participation of PDC’s related persons in the Funds further mitigate such conflicts.

The Firm generally does not itself trade securities on a principal basis with the Funds. Certain related persons of the Firm, however, could be principals (and in the future other funds may be deemed principals), based on SEC staff guidance, due to an investment in any such fund or related person by the Firm and controlling persons exceeding 25% of that fund’s or related person’s assets. To the extent that the Firm and/or its related persons engage (or are deemed to engage) in principal securities transactions, any such transactions will comply with applicable law. The Firm and/or its related persons may have interests in such transactions that are adverse to the Funds or other clients. In the event that the Firm decides to engage in a principal transaction, it will disclose to investors of the Fund the material terms of the transaction and receive approval from such investors, prior to engaging in the principal transaction.

To the extent permitted by applicable law and the applicable Governing Documents, the Firm may effect “cross transactions” with Clients, where the Firm may cause a Client to purchase investments from another Client, or it may cause a Client to sell investments to another Client. The Firm would recommend the Clients to enter into such transactions only if the transactions were consistent with the best interests of the Clients and at a

price that the Firm and/or its related persons believe constitutes best execution for Clients. Neither the Firm nor any related party receives any commission or commission equivalent in connection with these transactions.

C. From time to time, subject to satisfaction of the policies and procedures set forth in the Code, the Compliance Manual and the Governing Documents, the Firm or a related person of the Firm may invest in the same securities that are recommended to a Client. A potential conflict of interest could arise in that the Firm or the interested related person of the Firm could benefit from the Client's ownership of, or subsequent sale of, the applicable security. However, the Code and the Compliance Manual are designed to identify and manage conflicts of interest to the extent they arise in connection with the personal securities transactions and other investment activities of PDC's related persons. In particular, the Code requires that PDC's related persons abide by policies and procedures, including a pre-clearance procedure, in connection with certain of their personal securities trading activities, and such activities are monitored under the Code to ensure compliance with such policies and procedures.

D. From time to time, in appropriate circumstances and subject to satisfaction of the policies and procedures set forth in the Code, the Compliance Manual and the Governing Documents, PDC may in the future establish certain investment vehicles through which PDC personnel and other related persons or business associates may invest alongside a Fund in one or more investment opportunities. Such vehicles, referred to as "co-investment vehicles," generally are contractually required, as a condition of investment, to purchase and sell each investment opportunity at substantially the same time and on substantially the same terms as the applicable Client that is invested in that investment opportunity. The Firm's Code and Compliance Manual are designed to identify and manage conflicts of interest to the extent they arise in connection with such transactions.

Certain service providers (or their affiliates), including administrators, lenders, brokers, attorneys, consultants and investment banking firms, that the Firm may retain or seek to have retained for the Funds or their portfolio companies (or with respect to the Funds' portfolio investments therein) may also have relationships with, or have provided goods or services to, the Firm, its affiliates or other organizations to which senior investment professionals of the Firm have been affiliated. The Firm may choose to engage or seek to have engaged the same service providers to provide services to the Funds, portfolio companies, the Firm or its affiliates. In some cases, these service providers may provide services for one or more of these parties on terms that are more beneficial than those afforded to other of these parties. There can be no guarantee that the Funds or any of their portfolio companies will receive the most beneficial terms offered by any particular service provider. These services and relationships, or more favorable terms offered by service providers, may influence the Firm and its affiliates in deciding whether to select such a provider to perform services for the Funds or portfolio companies.

The Governing Documents generally provide that the Clients will be responsible for all costs and expenses in connection with their operation, other than the costs and expenses that will be the responsibility of the Firm or other third parties. To the extent possible, third-party expenses incurred in connection with consummated transactions may be borne by the respective portfolio companies. The Firm's out-of-pocket expenses are generally reimbursed by the applicable portfolio company or the Funds. A conflict of interest could arise in the Firm's determination whether certain costs or expenses that are incurred in connection with the operation of the Clients meet the definition of partnership operational expenses for which the Clients are responsible, or whether such expenses should be borne by the Firm. The Funds will be reliant on the determinations of the Firm in this regard, and also in regard to the allocation of investment expenses and any common operating expenses as between the various funds advised by the Firm. There can be no assurance that errors will not arise in such allocations.

The Firm may, from time to time, be presented with investment opportunities that fall within the primary investment objective of a Fund and one or more other Fund. In these situations such investment opportunities will generally be allocated on a basis that the General Partner of each such Fund, working with its affiliates, determines in good faith to be fair and reasonable taking into account the sourcing of the transaction, the history of the transaction (including the business interests and other requirements of third parties involved in the transaction), the relative amounts of capital available for investment and other relevant considerations such as the contractual and legal restrictions applicable to each such Fund. Notwithstanding the foregoing, the Firm shall not be obligated to offer a Fund any investment opportunity. The members of the Firm that are involved in the allocation process will be empowered to take into account other considerations as they deem appropriate to ensure a fair and equitable allocation of opportunities, and will be entitled to vary their approach to allocation from time to time in light of such factors as they consider relevant, including developing market practice. Similarly, the individuals responsible for allocation decisions may change in the future based on the personnel needs of the Firm and developing market practice.

Notwithstanding the allocation process described above, depending on the timing of the relevant transaction, a co-investment may begin as a purchase and subsequent sale transaction (e.g., where the Firm, a Client and/or one or more other Clients closes on an acquisition first, and then subsequently “sells” a joint venture interest to another of the Firm, a Client and/or the other Clients), where other procedures would otherwise apply. This may occur, for example, in circumstances where one or more conditions to the later-acquiring party’s investment need to be satisfied before it is able to participate. It will also be within Firm’s discretion to determine to co-invest one or more of its Clients in such opportunities or otherwise create shared economics. Such transactions would occur on terms that may not be arms-length, but that the General Partner determines are reasonable for such Client.

Item 12
Brokerage Practices

A. PDC provides investment advice with respect to private investments. As such, the Firm's transactions are privately negotiated and do not involve the use of a broker or dealer for the execution of transactions. The Firm will seek to negotiate and execute transactions in an efficient manner and consistent with its fiduciary duties to the Clients. Due to the nature of the Firm's investment advice and relationship with the Clients, the Firm does not expect to recommend or select broker-dealers for transactions in the Funds.

B. The aggregation of orders is not applicable for the reasons stated above. To the extent the PDC causes two or more Funds to participate in the same transaction or series of transactions, the Firm will develop an investment allocation policy to ensure such activities are carried out in a fair and equitable manner which is consistent with the appropriate Governing Documents.

Item 13
Review of Accounts

- A.** The Firm's investment professionals review the holdings of Clients' portfolios formally on a quarterly basis, as well as informally on a continuous and ongoing basis.
- B.** The Firm does not utilize any specific criteria to trigger a review of investments at this time.
- C.** Written audited financial statements will be provided to investors in each Fund, generally within 120 days of the Fund's fiscal year end. Additionally, the Firm or its affiliate seeks to provide investors with unaudited Fund financial information on a quarterly basis.

Item 14
Client Referrals and Other Compensation

A. No one other than the Funds provides an economic benefit to the Firm for providing investment advice or other advisory services to the Funds, unless otherwise disclosed in the Brochure and/or the Governing Documents.

B. As of the date of this brochure, neither PDC nor any of its related persons compensates any person who is not a supervised person for Client or Fund referrals. However, from time to time, in the context of organizing a Fund, the Firm may compensate one or more placement agents for referrals of Fund investors. A prospective investor solicited by a placement agent or other third party will be advised of any such arrangement, including the receipt of fees. Similarly, if the Firm decides to engage a third party for SMA client referrals, the relationship will be structured in accordance with the applicable cash solicitation rules and affected prospects will be informed of the arrangement, including the receipt of fees.

Item 15

Custody

PDC is subject to Rule 206(4)-2 under the Advisers Act, also known as the “Custody Rule,” which sets forth specific requirements relating to Client securities or certain other assets over which the Firm has actual or constructive custody. While most of the Firm’s investments come in the form of privately offered securities, cash and other assets that do not meet the requirements of the SEC’s privately offered securities exception are held at a qualified custodian. Further, the Firm ensures that any pooled investment vehicles’ financial statements audited by an independent auditor that is registered with, and subject to regular inspection by, the PCAOB, in accordance with U.S. Generally Accepted Accounting Principles, are delivered to the underlying investors in the Funds within 120 days of each Fund’s fiscal year end.

Item 16
Investment Discretion

PDC provides investment advice directly to the Funds on a discretionary basis in accordance with the investment guidelines set forth in the Governing Documents. Such authority generally permits PDC to buy and sell investments and pay fees and expenses without first obtaining Clients' consent.

Item 17
Voting Client Securities

The Firm's investment strategy does not generally involve the acquisition of public securities with voting authority, making it unlikely that a Client will be placed in a position of proxy voting authority. However, if a Client does come into possession of securities with voting rights, the Firm will implement the appropriate policies and procedures and seek to vote proxies in the best interests of its Clients.

Item 18
Financial Information

- A. The Firm does not require or solicit prepayment of more than \$1,200 in fees from any Fund six months or more in advance.
- B. The Firm does not believe any financial conditions currently exist that are reasonably likely to impair its ability to meet contractual or other commitments to the Funds.
- C. The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.