

**Promethean Investments LLP**

**CRD Number 301383**

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This Brochure provides information about the qualifications and business practices of Promethean Investments LLP.

If you have any questions about the contents of this Brochure, please contact us at +44 (0)207 248 3425 or email [info@pthinvest.com](mailto:info@pthinvest.com). You may also visit our website at [www.prometheaninvestments.com](http://www.prometheaninvestments.com).

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Promethean Investments LLP also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and on the Financial Conduct Authority's website at <https://www.fca.org.uk/>.

Registration of an Investment Adviser does not imply that Promethean Investments LLP or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

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**Item 2: Material changes**

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This document is the Form ADV Part 2A Brochure prepared by Promethean Investments LLP.

The Brochure will be updated on an annual basis and any material changes to it will be identified in this section.

**Item 3: Table of contents**

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#### Item 4: Advisory Business

Promethean Investments LLP (“Promethean Investments”, “the Firm”) was founded by Michael Burt in 2005 to carry out private equity investment activities in the venture and lower mid-markets.

Today there are three partners, Michael Burt, Angus Burt and Archie Bound, with Michael Burt being the firm’s sole owner. Promethean Investments is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom and has been since 2005.

The Firm’s clients are the following unregulated alternative investment funds, which are registered with the FCA:

Fund	Short name	Type of fund
Promethean UK Opportunities Fund II LP	Fund II	Private fund (English Limited Partnership)
Promethean Fund III LP	Fund III	Private fund (English Limited Partnership)
Promethean 2018 LP	2018 LP	Private fund (Jersey Limited Partnership)
Promethean III (No.2) LP	Fund III No.2	Private fund (English Limited Partnership)
Promethean III (No.3) LP	Fund III No.3	Private fund (English Limited Partnership)
Promethean III (No.4) Puttshack LP	Fund III No.4	Private fund (English Limited Partnership)
Promethean III (No.5) SOP LP	Fund III No.5	Private fund (English Limited Partnership)
Promethean Investments Bird LP	Promethean Bird LP	Private fund (English Limited Partnership)
Promethean Fund IV LP	Fund IV	Private fund (Delaware Limited Partnership)

Investments are principally made in private companies in the U.K and the U.S, with the Firm able to invest across the capital structure utilising both equity and debt on behalf of its sophisticated investor base.

Each fund managed by the Firm may contain several different share classes, which differ as to matters such as reporting currency, minimum investment, redemption terms, treatment of income and fees.

The information contained in this Brochure summarises the details contained within the prospectuses prepared for each of the funds. The Brochure is not required to provide all the information which a prospective investor will require prior to making an investment.

As at 1<sup>st</sup> April 2023, the Firm managed approximately US\$ \$357.1 million all of which is managed on a discretionary basis (USD\$1.225 / GBP assumed).

## Item 5: Fees and Compensation

### Management Fees

The Firm charges each Limited Partner a management fee on an annual basis. These fees are based initially off a percentage of commitments but once the investment period for a fund is closed (typically 18 months from the first close of a fund) it moves to being charged on a percentage of invested capital. Management fees are invoiced twice a year in advance in March and October.

The fee schedule for the funds varies from fund to fund and between asset classes in those funds. A summary of the current fee schedule is set out below:

<b>Fund</b>	<b>Management Fee per annum</b>
Promethean UK Opportunities Fund II LP	1.5%
Promethean Fund III LP	1%
Promethean 2018 LP	N/A
Promethean III (No.2) LP	1%
Promethean III (No.3) LP	1%
Promethean III (No.4) Puttshack LP	1%
Promethean III (No.5) SOP LP	1%
Promethean Investments Bird LP	0.5%
Promethean Fund IV LP	2.0%

### Performance-based Fees

The Firm will also receive performance fees from certain clients, where performance over the relevant calculation period has exceeded the relevant hurdle. The performance fee rates will range from 10% to 20% per annum.

### Other fees

Other fees that may be charged to fund clients are set out below:

#### **Administrator fees**

Fees are charged on a sliding scale depending on the amount of assets managed. The administrator will also be reimbursed any reasonable out-of-pocket expenses or costs necessarily incurred in the performance of its duties. Typically the Firm will look to cap these charges on annual basis.

#### **Other fees and expenses**

Other fees and expenses charged may include but are not limited to the following:

(a) charges and expenses of legal advisers, accountants and independent auditors, (b) brokers' commissions, broker funding costs (c) all taxes or stamp duties and corporate fees payable to governments or agencies, (d) Directors' fees (if any) and expenses, (e) interest on borrowings if applicable, (f) communication expenses with respect to investor services and all expenses of meetings of Shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (g) the cost of

insurance for the benefit of the Directors, (h) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, (i) some other organisational and operating expenses.

#### Item 6: Performance-Based Fees

The Firm charges a performance fee (or “Carried Interest”) on the following vehicles.

Fund	Fee range
Promethean UK Opportunities Fund II LP	20% (subject to a hurdle of 8% per annum)
Promethean Fund III LP	10% (subject to a hurdle of 8% per annum)
Promethean III (No.2) LP	10% (subject to a hurdle of 8% per annum)
Promethean III (No.3) LP	10% (subject to a hurdle of 8% per annum)
Promethean III (No.4) Puttshack LP	10% (subject to a hurdle of 8% per annum)
Promethean III (No.5) SOP LP	10% (subject to a hurdle of 8% per annum)
Promethean Investments Bird LP	5% (subject to a hurdle of 8% per annum)
Promethean Fund IV LP	20% (subject to a hurdle of 8% per annum)

Carried Interest with respect to any investment will not be paid until the Limited Partners participating in any investment have received back from the fund the amounts equal to their drawn-down investment commitments and a pro rata share of any other unrecovered fund expenses drawn from them and the preferred return of 8% per annum on that Invested Amount (the “Preferred Return”). Returns arising from realised investments will be distributed to Limited Partners as soon as reasonably practicable.

No other hourly, flat or asset-based fees are charged to the funds.

Performance fees vary across the Firm’s funds. Promethean does not believe that this creates conflicts since strategy will be determined by its investment committee without regard to fees, and the Firm has in place policies and procedures intended to address conflicts of interest arising from managing multiple funds

**Item 7: Types of Clients**

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Promethean Investments' clients are the funds it manages detailed in Item 4 above.

Each fund where the Firm acts as investment adviser specifies minimum subscription limits and the subscription and redemption terms applicable. These may vary according to the fund and can be changed at the Firm's discretion.

Subject to the discretion of the Firm, smaller subscriptions may be accepted though in any event they will be no lower than US\$ 20,000, or the GBP equivalent of US\$ 20,000.

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

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**Methods of Analysis**

The Firm's method of analysis includes deep research of potential investee companies and is frequently supplemented by extensive third-party due diligence. Typically, third-party due diligence will include financial, legal and commercial due diligence. This is carried out with a view to ascertaining the value of a business with a particular focus on the drivers of profitability, quality of earnings, cash generation and strength of a firm's balance sheet.

The goal of initial due diligence will be to establish whether the following questions can be answered.

- Is the company experiencing operating/capital issues and how experienced are the management team in dealing with adversity?
- Is there a core income stream and what are the trends around it?
- What are the market fundamentals / competitive positioning?
- What are the customer dynamics?
- Are there clear value creation opportunities?
- Can management be engaged and aligned effectively?
- Can a position of control be achieved?
- To what extent is the company affected by external influences?
- Is there a viable route to exit?
- Are there any social, environmental or governance issues to consider?

The main sources of information the Firm uses include:

- Annual reports, prospectuses, filings with regulators;
- Company press releases;
- Meetings with companies;
- News sources; and
- Research materials provided by third parties.

The firm makes private equity investments and retains the ability to invest across the capital structure.

**Investment Strategies**

All the Firm's funds operate the same strategy. This is predicated in investing in private companies in the U.S. or in the U.K where clear value creation opportunities exist. Historically c.80% of capital deployed by the Firm has been in consumer sector businesses. These businesses have operated in several sectors. In recent years, the Firm has developed a special interest in the hospitality sector and in particular location-based entertainment.

The Firm expects a typical target company for a fund to have an enterprise value between USD\$5 million and USD\$200 million and to demonstrate one or more of the following characteristics:

- consumer sector focus;
- proven business model that has suffered temporary disruption;
- attractive industry structure, preferably with significant barriers to entry;



- beneficiary of secular trends;
- recurring revenues and limited demand volatility;
- a high cash-to-profit ratio;
- comparative underperformance against peers;
- mismatched capital structure;
- under or mismanaged operations; and / or
- clear and identifiable exit strategy.

The Firm reserves the right to pursue opportunities that exceed the target enterprise value stated above either as lead investor alongside co-investors or alongside co-sponsors.

### **Risk of Loss Factors**

Prospective investors should be aware that investing in any fund managed by the Firm involves a high degree of risk. In addition to the other information contained in this document, the following factors should be considered carefully in evaluating whether to acquire an interest in any of the Firm's funds. There can be no assurance that Promethean Investments will achieve its investment objectives. The value of commitments may go down as well as up and there can be no assurance that investors will receive back the amount originally invested. Accordingly, the Firm's funds are only suitable for those investors who understand the risks involved and who can withstand the total loss of their investment.

Prospective investors should seek advice from such advisers as they deem necessary and appropriate in making an investment decision.

The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in each of the funds.

### ***Past Performance May Not Be Indicative of Future Results***

Past investment performance by the Firm's team in their individual capacities or any entities with which they are or were affiliated provides no assurance of future results.

### ***Forward-Looking Statements; Opinions***

Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and or/beliefs of the Firm. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon.

### ***Diversification Risk***

The Firm's funds are not committed to investing in any minimum number of portfolio companies, and may ultimately only invest in a limited number of portfolio companies. To the extent that a fund concentrates its investments in a particular company, sector, country, or region, its investments will become more susceptible to fluctuations in value resulting from adverse business or economic conditions affecting that particular company, sector, country, or region. As a consequence, the aggregate return of a fund may be substantially adversely affected by the unfavourable performance of even a single portfolio company.

### ***Valuation of Securities***

The fair market value of all portfolio investments or of property received in exchange for any portfolio investments will be determined by Firm in accordance with the specific fund agreements. Accordingly, the fair market value of a portfolio investment may not reflect the

price at which the investment could be sold in the market, and the difference between fair market value and the ultimate sales price could be material.

#### *Agreement*

Different methods of valuing securities may provide materially different results. Actual realized returns on all unrealized investments will depend among other things on the value of the securities at the time of disposition, any related transaction costs and the manner of sale. Accordingly, the actual realized return on all unrealized investments may differ materially from the values presented to the Limited Partners.

#### ***Length of investment***

An investment in the Firm's funds requires a long-term commitment, with no certainty of return. The Firm does not expect its funds to receive substantial amounts of income or to realize substantial gains over the near term. Because of the risks involved, the lack of a public market for interests and restrictions on transfer of interests, investment in the Firm's funds is only suitable for sophisticated investors who understand an illiquid investment involves a high degree of risk, and who are willing to hold their interests for the term of a fund and who understand that they may lose all or a significant portion of their investment. Additionally, the Firm's funds may be prohibited by contract or applicable laws from selling certain securities for a period.

#### ***Capital Calls***

Capital calls will be issued by the Firm from time to time. To satisfy such capital calls, each Limited Partner may need to maintain a substantial portion of its unpaid capital commitment to the Firm's fund in assets that can be readily converted to cash. Except as specifically set forth in a fund agreement, each Limited Partner's obligation to satisfy capital calls will be unconditional. A Limited Partner's obligation to satisfy capital calls will not in any manner be contingent upon the performance or prospects of a fund.

#### ***Unpredictability of Distributions; Specie Distributions***

Distributions are likely to be unpredictable and may occur earlier or later than anticipated. There can be no assurance that the operation of a fund will be profitable, that a fund will be able to avoid losses and that cash from its investments will be available for distribution to Limited Partners. A fund will have no source of funds from which to pay distributions to the Limited Partners other than income and gain received on its investments and the return of capital.

#### ***Leverage Risk***

A fund's investments may include portfolio companies with capital structures that include significant leverage. These companies may be subject to restrictive financial and operating covenants. The leverage may impair these companies' ability to finance their future operations and capital needs. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy, or deteriorations in the condition of the portfolio companies or their industries. While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a higher degree of risk. If a portfolio company cannot generate adequate cash flow to meet debt obligations, a fund may suffer a partial or total loss of capital invested in the portfolio company.

***Growth Equity and Early Stage Investments***

A fund may make growth equity and early stage investments. These companies often have no revenues and are not profitable. Such investments involve a high degree of business and financial risk that can result in substantial losses. They require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or on acceptable terms. Further, the technologies and markets of such companies may not develop as anticipated, even after substantial expenditures of capital. Such companies may face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel.

***Turnaround Investments and Distressed Transactions***

A fund may invest in securities of financially troubled companies or companies involved in work-outs, liquidations, reorganisations, recapitalisations, bankruptcies and similar transactions and securities of highly leveraged companies. While these investments may offer the potential for high returns, they also bring with them correspondingly greater risks, including, for example, the effects of litigation between creditors and debtors, duration of the bankruptcy proceedings and the tangible and intangible costs to the portfolio company. In the case of a bankruptcy, there is also a risk that a court may subordinate a fund's investments to other creditors or require a fund to return amounts previously paid to it by a portfolio company that has become insolvent or filed for bankruptcy, a risk that could increase if a fund has management rights in such portfolio company.

***Borrowing***

A fund can borrow money, including for purposes of cash management needs of the fund and bridging capital calls from Limited Partners. Such borrowing will directly impact (positively or negatively) the return of a fund and increase the risks associated with an investment.

***Limited Operating History***

A fund has no operating history upon which a prospective investor may evaluate its performance. No assurance can be given that a fund will be successful in achieving its investment objective or that investors will not lose all or substantially all of their investment. The past performance of the Firm or their respective affiliates is no guarantee of the future performance of a fund. If for any reason one or more of the Firm's partners should cease to be involved in a fund, the performance may be adversely affected. Furthermore, there is no assurance in any event that a fund will be profitable.

***Uncertainty of Projected Returns***

A fund may make investments based on the Firm's estimates or projections of internal rates of return and current returns, which in turn are based on, among other considerations, assumptions regarding the performance of a fund assets, the amount and terms of available financing and the manner and timing of dispositions, including possible asset recovery, all of

which are subject to significant uncertainty. In addition, events or conditions that have not been anticipated may occur and may have a significant effect on the actual rate of return received upon a fund's investments. A fund may make investments that may have different degrees of associated risk. In addition, projected returns of unrealized investments may not reflect the value obtainable in a sale of such investments under current market conditions. If such investments were liquidated under current market conditions, the values obtained may, with respect to certain investments, be materially lower than those indicated in the projected values shown, as business plans generally assume the improvement of market conditions at the time of disposition. Accordingly, the actual realized returns on these unrealized investments may differ materially from the returns indicated herein.

***Nature of Investments***

There can be no assurance that the Firm will correctly evaluate the nature or magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile. A variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may detrimentally impact entities in which a fund invests, affecting their access to capital and public market valuations. These factors and others may significantly affect the results of a fund's activities and the value of its investments.

***Reliance on Management***

Investors do not and will not have an opportunity to select or evaluate any of a fund's investments, or to review a fund's portfolio. The Firm will select all fund investments and the quality of its decisions will dictate the fund's success or failure. No guarantee or representation is made that a fund's strategies will be successful. The success and performance of a fund will depend on the ability of the Firm and its investment team to identify suitable investments, to negotiate and arrange the closing of appropriate transactions and to arrange the timely disposition of portfolio companies and the Firm may simply fail to identify favourable investment opportunities or to accurately evaluate those investments that it does make on behalf of a fund, which could result in significant loss. The Firm may also be adversely affected if its services and/or the respective services of any of its key employees or personnel cease to be available to the Firm and/or the portfolio companies.

***Risks Arising from Control of Private Companies***

A fund (alone, or together with other investors) may be deemed to have a control or management position with respect to one or more of its portfolio companies. These investments may entitle a fund to elect a majority of a portfolio company's directors and exert significant influence over a portfolio company's business, operations, affairs and transactions. These capabilities could lead to a fund being viewed as controlling a portfolio company or being considered a controlling stockholder. This in turn could expose a fund to risk of liability for underfunded pensions, 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, as well as to claims, lawsuits or investigations by minority stockholders, creditors, government or regulatory authorities or other persons. In the event any such claims were to be successful, a fund may be held liable for any damages that are awarded or be required to fund any settlement with such parties. Even if such claims, lawsuits or investigations prove to be without merit, a fund would be required to expend significant resources defending itself and its affiliates. In addition, a fund's reputation and goodwill may be harmed if it is considered a controlling stockholder of a portfolio company that is subject to negative publicity.

***Minority Investments and Joint Ventures***

Where a fund makes minority equity investments or takes other non-control positions such as joint ventures, a fund may not be able to protect its minority/ non-controlling portfolio investments or to control or influence effectively the business or affairs of such entities or the timing of exits or future funding rounds. In such cases, a fund will rely significantly on the existing management and board of directors of such companies, which may include representatives of other financial investors with whom a fund is not affiliated and whose interests may at times conflict with a fund's interests. There can be no assurance that meaningful minority shareholder rights will be available a fund or that any rights received will provide full protection of a fund's interests. 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, a fund's investment in such company could be adversely affected.

***Board Appointments***

A fund may designate directors to serve on the boards of directors of portfolio companies. The designation of directors could expose the assets of a fund to claims by a portfolio company, its security holders and its creditors, including claims that a fund is a controlling person and thus is liable for securities laws violations of a portfolio company. These measures also could result in certain liabilities in the event of the bankruptcy or reorganisation of a portfolio company, could result in claims against the Fund if the designated directors violate their fiduciary or other duties to a portfolio company or fail to exercise appropriate levels of care under applicable corporate or securities laws, environmental laws or other legal principles, and could expose the Fund to claims that it has interfered in management to the detriment of a portfolio company.

***Risks on Disposals***

On the disposition of an investment in a portfolio company, a fund may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business, or may be responsible for the contents of disclosure documents under applicable securities laws. A fund may also be required to indemnify the purchasers of such investment to the extent that any such representations or disclosure documents turn out to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the Limited Partners.

Further, there can be no assurances that a fund will be able to sell or otherwise dispose of a portfolio investment at a time that the Firm considers to be economically opportune at all.

***Investments with Third Parties***

A fund may co-invest with third parties through joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third party co-venturer may have financial difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of a fund, or may be in a position to take (or block) action in a manner contrary to a fund's investment objectives. In addition, a fund may in certain circumstances be liable for the actions of its third-party co-venturers. In those circumstances where such third parties involve a management group, such third parties may

receive compensation arrangements relating to such investments, including incentive compensation arrangements.

***Conflicting Interests of Investors***

The Limited Partners may have conflicting investment, tax and other interests with respect to their investments in a fund. The conflicting interests of individual Limited Partners may relate 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 may arise including with respect to the nature or structuring of investments that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for a fund, the Firm will consider the investment and tax objectives of a fund and its partners as a whole, not the investment, tax or other objectives of any Partner individually. Thus, certain Partners may experience adverse investment and/or tax treatment compared to other Partners.

***Follow-on Investments***

A fund may be called upon to provide follow-on funding for its portfolio companies or have the opportunity to increase its investment in such portfolio companies. There can be no assurance that a fund will wish to make such follow-on investments or that it will have sufficient funds to do so. Any decision by a fund not to make a follow-on investment or its inability to make them may have a substantial negative impact on a portfolio company in need of such an investment or may diminish a fund's ability to influence the portfolio company's future development.

***Consequences of Default***

If a Limited Partner fails to pay in full any requested capital contributions, the Firm may take certain actions which may result in a sale of such Limited Partner's interest or a forfeiture of all or a portion of such Limited Partner's Interest. Additionally, the Firm may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount, including attorneys' fees, to be paid by such defaulting Limited Partner. A default by a substantial number of Limited Partners or by one or more Limited Partners who have substantial commitments would limit opportunities for investment diversification and would likely reduce returns or increase losses to a fund. Furthermore, the other Limited Partners may have to contribute additional capital to make up for the shortfall.

***Risk Arising from Carried Interest as an Incentive***

The fact that the carried interest is based on the performance of a fund may create an incentive on the part of the Firm to cause a fund to make investments that are more speculative than would be the case in the absence of performance-based compensation. In addition, upon the winding up of a fund, the Firm may receive carried interest distributions with respect to a distribution in-kind of non-marketable securities.

***Management Fee***

A fund will pay the management fee to the Firm regardless of the performance of a fund's investments. The Firm's entitlement to non-performance-based compensation might reduce its incentive to devote the time and effort of its professionals to seeking profitable opportunities for a fund's investments.

***General market conditions***

The success of a fund and the business and prospects of a fund may be substantially and adversely affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, national and international political circumstances and many other factors. None of these conditions is within the control of the Firm and it may not be able to effectively anticipate these developments. These factors may affect the level and volatility of security prices and liquidity of the securities held by a fund. Unexpected volatility or liquidity could impair a fund's profitability or result in it suffering losses.

**Item 9: Disciplinary Information**

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The Firm has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction.

Likewise, no persons involved in the management of the Firm have been subject to such action.



**Item 10: Other Financial Industry Activities and Affiliations**

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Promethean Investments is authorised and regulated by the FCA in the UK as a Small Authorised UK AIFM.

Its Firm Reference Number is: 441847. The authorisation that it holds means that the Firm is permitted to provide discretionary management and advisory services to professional clients. Promethean Investments is not permitted to deal with Retail Clients.

The Firm maintains a Conflicts of Interest register which records any potential conflicts of interest, including external appointments held by all staff, including management persons. This list is updated when necessary and completeness is confirmed on an annual basis.

The Conflicts Register contains the Firm's assessment of the materiality of each conflict identified. On the basis of this assessment, a determination is made as to the course of action required. Where conflicts cannot be mitigated to an acceptable degree, they are typically disclosed or in extreme circumstances the Firm may decline to act for the client in question.

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

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The Firm has in place a Code of Ethics which sets out the procedures in place governing personal trading. The Code of Ethics is available to clients or prospective clients upon request and includes the following provisions:

- All personal brokerage accounts used by staff and their spouses and dependent children (“related persons”) must be notified to the Firm.
- Prior approval may be required before a trade can be executed.
- Copies of contract notes are received by the Firm.
- Initial and annual holdings reports are submitted to the Firm by all staff. These are checked back to the original approvals and contract notes where appropriate.

The Firm may promote funds to clients in which related persons may also have an investment. This is disclosed to the client at the time of investment. No other securities are bought or sold for client accounts in which the Firm’s related persons have a material financial interest. Such activity is an alignment of interest between the related persons and the client.

**Item 12: Brokerage Practices**

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The Firm is a private equity investment business and therefore very rarely acquires shares in publicly listed businesses.

In the event that the Firm had to acquire shares, for instance, as part of a take private or acquisition leading to a delisting of a target business it would ensure that best practices in terms of acquiring shares and trading are followed.

Promethean Investments does not retain any execution or broker services or pay brokers for any research.

The Firm maintains a list of brokers with whom it may deal for the funds managed. This list is reviewed at least on a quarterly basis and brokers are added or deleted according to the Firm's view of the quality and cost of the service provided. Brokers are used by the Firm at its own discretion.

If any brokerage costs were ever incurred by the Firm they would be paid in respect of execution services received only. A broker with whom the Firm would trade would be selected on the basis of the following execution factors, with particular emphasis being given to the price:

- Price;
- Costs;
- Speed;
- Likelihood of execution and settlement;
- Size;
- Nature; and
- Other considerations relevant to the execution of an order.

The Firm would not be incentivised to select a more expensive broker over another when executing trades.

**Item 13: Review of Accounts**

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Each fund that the Firm manages is subject to periodic review and valuation. The frequency of the review is typically quarterly or semi-annually. Valuation work is carried out by a third-party firm and is conducted in line with market guidelines. Valuation work is signed off on by one of the Partners of the Firm.

Fund	Frequency valuation reporting	Reviewed by (state job title only)
Promethean UK Opportunities Fund II LP	Quarterly	Partner
Promethean Fund III LP	Quarterly	Partner
Promethean 2018 LP	Annually	Partner
Promethean III (No.2) LP	Quarterly	Partner
Promethean III (No.3) LP	Quarterly	Partner
Promethean III (No.4) Puttshack LP	Quarterly	Partner
Promethean III (No.5) SOP LP	Quarterly	Partner
Promethean Investments Bird LP	Quarterly	Partner
Promethean Fund IV LP	Quarterly	Partner

Statements are sent to Limited Partners on a quarterly basis by the fund administrator. These reports contain a detailed analysis of the holdings as at the reporting date.

**Item 14: Client Referrals and Other Compensation**

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The Firm is remunerated by management fees from Limited Partners and on occasion by monitoring and Director fees paid by portfolio companies. The Firm receives no economic benefit for providing investment advice or other advisory services to its clients whether directly or indirectly.

Neither Promethean, nor a related person of Promethean, directly or indirectly, compensates any person for Client referrals. Should Promethean or a related person of Promethean determine to enter into a solicitation arrangement for Client referrals, Promethean will disclose the arrangement in writing as required by Rule 206(4)-I under the Advisers Act and will comply with all other applicable requirements of the Rule.

The Firm has third party marketers who act in the following jurisdictions:

- 1) U.S.;
- 2) U.K; and
- 3) The Netherlands.

The third parties are paid by way of a percentage of revenue that their clients generate for the Firm. These services are provided in accordance with Rule 206(4)-I under the Advisers Act. Any fees paid to third party marketers are paid by Promethean directly and are not a cost to the Clients.

**Item 15: Custody**

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Promethean Investments is subject to Rule 206(4)-2 under the Advisers Act (the “Custody Rule”). However, it is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to Fund IV because it complies with the provisions of the so-called “Pooled Vehicle Annual Audit Exception”, which, among other things, requires that Fund IV be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that Fund IV distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

**Item 16: Investment Discretion**

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Promethean Investments has full investment discretion with respect to its clients with decisions made in accordance with the investment objectives and guidelines set out in each fund's Private Placement Memorandum. In certain circumstances, some Limited Partners may be given the opportunity to "opt-out" of an investment. This will typically be because of a pre-agreed requirement such as religious reasons.

Historically, a number of the Firm's funds have been established to make pre-determined investments. In these instances, all the Limited Partners have complete visibility on the specific investment the fund will make and there will be restrictions on making any other investments outside that specific target.

**Item 17: Voting Client Securities**

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Due to the nature of Promethean Investments' investment strategy, the funds have not held public securities with voting authority. Should this change, the Firm would adopt a Proxy Voting Policy and ensure that any vote is made in the best interest of Promethean Investment's funds.



**Item 18: Financial Information**

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Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Promethean Investments' financial condition.

The Firm has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.