

FORM ADV PART 2A: FIRM BROCHURE

ITEM 1. COVER PAGE

Level Equity Management, LLC

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Important Disclosure:

This brochure (“Brochure”) provides information about the qualifications and business practices of Level Equity Management, LLC and its affiliates (“Level Equity” or the “Firm”). If you have any questions about the contents of this brochure, please contact us at (212) 660-2470. 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.

Additional information about the Firm is also available on the SEC’s web site at www.adviserinfo.sec.gov.

Please note that registration as an investment adviser with the SEC does not imply any level of skill, training or ability with respect to the provision of investment advisory services.

ITEM 2. MATERIAL CHANGES

This document dated October 24, 2023, replaces Level Equity Management, LLC's last annual amendment filed on March 31, 2023. We will provide you with an updated brochure, as required, based on the changes or new information, or upon request, at any time without charge. The following material changes have been made since our last annual amendment, which was filed on March 31, 2023:

Item 4 – Advisory Business was revised to reflect the updated ownership of Level Equity Management, LLC.

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ITEM 4. ADVISORY BUSINESS

- A. Level Equity, a Delaware limited liability company formed in 2009, is a registered investment adviser located in New York, New York. The majority of the Firm is owned by Benjamin Levin (the “Principal”).
- B. The Firm provides investment advisory services to pooled investment vehicles (the “Funds”) and co-investment vehicles (“Co-invests” collectively with the Funds, “Clients”). Level Equity provides discretionary investment management services to the Clients in accordance with the applicable limited partnership agreements, investment management agreements, operating agreements, offering memoranda and other such agreements (the “Governing Documents”). The Governing Documents of the Funds typically allow the general partners (“General Partners”) to establish one or more Co-invests to facilitate additional investment by investors who may or may not be investors in the Funds in some or all of the investments made by the Funds. The Firm has adopted policies and procedures to address co-investment opportunities to investors and/or third parties which Level Equity believes to be suitable for co-investment opportunities.

Level Equity seeks to generate long-term capital gains for its Clients. The Firm’s primary investment objective is to invest, through equity and debt interests, in rapidly growing, privately held, capital efficient businesses (“Portfolio Companies”) with the goal of increasing enterprise value primarily through growth.

Level Equity is affiliated with other entities that are General Partners to the Funds and managing members (“Managing Members”) to the Co-invests. The General Partners and Managing Members delegate day-to-day management responsibilities for the Clients to Level Equity. The advisory services of Level Equity and Managing Members are described in this Brochure and in the related Governing Documents. The General Partners will rely upon the investment adviser registration of Level Equity in accordance with related SEC guidance. The information set forth herein regarding the investment advisory services provided by Level Equity shall also apply in respect of the General Partners and Managing Members unless specifically noted.

- C. Level Equity does not provide advisory services to underlying investors in the Clients. Such investors accept the terms of advisory services as set forth in each Client’s Governing Documents. The Firm expects to have broad investment authority with respect to the Clients and, as such, prospective investors should consider whether the investment objectives of the Clients are in line with their individual objectives and risk tolerance prior to investment.
- D. Level Equity does not participate in wrap fee programs.
- E. As of December 31, 2022, Level Equity managed \$3,512,139,212 in regulatory assets on a discretionary basis. All of Level Equity’s regulatory assets under management are discretionary.

ITEM 5. FEES AND COMPENSATION

- A. Level Equity's fees and compensation arrangement vary among the Clients. The specific terms of such arrangements are established by Level Equity, and as set forth in each Client's Governing Documents.

The Firm generally charges the Funds a management fee, payable quarterly in advance, of up to 2.5% annually of (a) aggregate funded and unfunded investor commitments or (b) invested capital, as further disclosed in each Fund's Governing Documents. The Firm has waived or reduced such fees for certain investors in the Funds. The Firm may receive miscellaneous servicing fees with respect to certain of its underlying Portfolio Companies, and such fees generally reduce the management fee owed by a Fund to the Firm to the extent set forth in the relevant Fund's Governing Documents. A more complete description of the treatment of any miscellaneous servicing fees can be found in each Fund's Governing Documents.

The General Partners and Managing Members are also eligible to receive a performance-based allocation ("Carried Interest") with respect to realized investments in the Funds, as further described in each Fund's Governing Documents.

Certain Co-invests are subject to Carried Interest, while others are not, as fully disclosed in each Co-invest's Governing Documents.

- B. Level Equity generally is paid the management fee from the Funds quarterly in advance, as further disclosed in each Fund's Governing Documents.
- C. In addition to the fees described above, each Client is generally responsible for certain operating expenses as disclosed in the related Governing Documents. These expenses can include, but are not limited to the following costs and expenses (collectively, "Partnership Expenses"):
- (i) all routine administrative expenses of the Client incurred in the ordinary course, including the cost of the preparation of the annual audit, financial and tax returns and tax reports required for investors or the Client, cash management expenses, consulting expenses, and routine legal and accounting expenses;
 - (ii) all out-of-pocket costs and expenses, if any, incurred (including incurred prior to the initial closing) in sourcing, developing, negotiating, structuring, acquiring, holding, and disposing of Portfolio Company investments (including potential Portfolio Company investments that are not ultimately made), including without limitation any financing (including in connection with obtaining third-party financing (such as commitment fees that are paid)), legal, accounting, recruiting, travel (which may include first class, business class and charter air transportation and ground transportation), advisory and consulting expenses in connection therewith (to the extent not subject to any reimbursement of such costs and expenses by Portfolio Companies or other third parties) and any costs or expenses related to the acquisition or maintenance of software used in connection with Portfolio Company monitoring and reporting;
 - (iii) brokerage commissions, registration fees and expenses, custodial expenses and other investment costs actually incurred in connection with actual Portfolio Investments;

- (iv) interest on and fees and expenses arising out of all borrowings, including any credit facility, made by the Client, including, but not limited to, the arranging thereof;
- (v) the out-of-pocket costs of any litigation (including the amount of any judgment or settlement in connection therewith, excluding costs, judgments, or settlements with respect to which an indemnified party is not entitled to indemnification hereunder), D&O liability or other insurance and indemnification or extraordinary expense or liability relating to the affairs of the Client;
- (vi) expenses of liquidating the Client;
- (vii) any Client registration expense and any taxes, fees or other governmental charges levied against the Client and all expenses incurred in connection with any tax audit, investigation, or review of the Client;
- (viii) the expenses of any advisory committee of the Client;
- (ix) fees and disbursements of attorneys, consultants, accountants, third party appraisers, fund administration service providers and valuation experts and other professionals (including, without limitation, legal fees in connection with any legal opinions required to be delivered pursuant to a Client's Governing Documents);
- (x) the amounts required to be paid to any indemnified party pursuant to a Client's Governing Documents;
- (xi) expenses incurred in connection with meetings of the Client (including, without limitation, annual meetings);
- (xii) costs and expenses incurred in relation to obtaining waivers, consents, or approvals pursuant to a Client's Governing Documents and costs and expenses of and/or incidental to, the preparation of amendments to a Client's Governing Documents
- (xiii) all out-of-pocket costs and expenses of, and/or incidental to, the preparation and dispatch to the investors of all checks, reports, circulars, forms and notices and any other documents necessary or desirable in connection with the business and administration of the Client;
- (xiv) the costs of forming and maintaining any alternative investment vehicle and any feeder entity;
- (xv) costs allocated in respect of any in-house services supplied by employees and/or consultants of the Firm to the Client provided that (a) such services would otherwise have been supplied by a third party in the ordinary course of the Client's business and (b) any amount allocated in respect of any in-house service is no greater than would otherwise have been paid to a third party for similar services;
- (xvi) costs associated with annual conferences sponsored by the Firm for executives of Portfolio Companies;

(xvii) all other out-of-pocket costs incurred in connection with the administration of the Client or otherwise that may be authorized by the Client's Governing Documents, or approved by a majority in interest of the investors or any applicable investor advisory committee; and

(xviii) in some circumstances, placement fees.

Moreover, each Fund and Co-invest is charged with all reasonable third party and out-of-pocket costs and expenses (including, without limitation, attorneys' fees and accounting fees) incurred in connection with the organization of the Fund or Co-invest and any related entities and the offering of interests therein, as disclosed in each Fund's or Co-invest's Governing Documents ("Organizational Expenses"). Organizational Expenses in excess of a set amount may offset any management fees.

In each case where a Co-invest participates in an investment, such Co-invest will generally bear any related expenses associated with such investment, as further described in each Co-invest's Governing Documents.

- D. The Funds and any Co-invest that bears a management fee are expected to pay management and other related fees, in advance, as further disclosed in the related Governing Documents. In the unlikely event that Level Equity does not provide services for a full period, or if accounts are terminated according to the terms set out in each Client's Governing Documents before the end of the relevant period, a pro-rated fee will be returned to the Client.
- E. Neither Level Equity nor any of the Firm's supervised persons will accept compensation for the sale of securities or other investment products. Benjamin Levin currently serves as an advisor to GP Fund Solutions, Full In Partners Management, and Hetz Ventures, and receives equity compensation in connection with each of these advisory roles. GP Fund Solutions serves as the fund administrator for Level Equity's Clients.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As mentioned in Item 5 of this Brochure, the General Partners and Managing Members will receive performance-based fees, in the form of Carried Interest from certain of the Clients. The General Partners and Managing Members are entitled to receive Carried Interest distributions from the Clients based on realized gains from investments, generally above a performance benchmark as described in each Client's Governing Documents.

Carried Interest distributions may create an incentive for the Firm to cause the Funds and applicable Co-invests to make investments which may be riskier or more speculative than those which would be made under a different fee arrangement. The Firm provides each investor with clear disclosure as to how Carried Interest is charged with respect to the applicable Client prior to the investor making an investment in the Client, and is committed to fulfilling its fiduciary duty to the Clients. The Firm has adopted allocation policies and procedures designed to mitigate the conflict present by Carried Interest.

Firm employees generally invest through the Clients' General Partner, and therefore do not pay Carried Interest with respect to their indirect investment in the Clients.

ITEM 7. TYPES OF CLIENTS

As further described in Item 4 of this Brochure, the Firm currently provides investment advice to the Clients. The Clients are investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”). The investors in the Clients who pay performance fees will be limited to individuals and entities that meet the criteria of “accredited investors” (as defined in Regulation D promulgated under the Securities Act of 1933) and “qualified clients” (as defined in Rule 205-3 of the Advisers Act) or “knowledgeable employees” (as identified in the Investment Company Act.)

Prospective investors should refer to the Governing Documents of each respective Client for information on minimum investment requirements. Typically, Level Equity will generally require a minimum investment ranging from \$2 million to \$5 million for the Funds and \$250,000 for the Co-invests, although Level Equity maintains discretion to individually waive, increase or reduce the minimum investment required.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

- A. Level Equity targets investments in rapidly growing, capital efficient businesses, primarily by investing in private securities with significant economic protections and governance rights. Level Equity seeks to identify and negotiate proprietary investment opportunities through outbound sourcing, contacting, and evaluating a substantial number of businesses for each closed investment. The Firm's sectors of primary focus include software, internet, media, and technology-enabled services.

Level Equity is an active investor and works in partnership with management and other owners to enable continued growth and improve management depth and quality, financial controls, and readiness for exit. The Firm will seek to exit investments primarily through investment sales as well as through recapitalizations, public offerings, and loan repayments.

A full description of the Firm's investment strategy and processes are included in each Client's Governing Documents.

- B. *Listed below are some of the risks associated with an investment in the Clients. The following explanation of certain risks is not exhaustive, but rather highlights some of the more significant risks involved in the Clients' investment strategies. For a complete explanation of the Clients' relevant investment strategies and their associated risks, investors should review the relevant Governing Documents, which may contain additional explanations of strategies, risks, and other related details not discussed below.*

General. Investing in the Clients involves a high degree of business and financial risk that can result in substantial losses. In order for the Clients to succeed, the Firm must be able to accurately identify potentially successful business enterprises, a process which is difficult even for those with extensive investing experience. An investment in a Client 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 interests unless they can bear such a loss. Moreover, there can be no assurance that the Client's investment objectives will be achieved, and investment results may vary materially from one reporting period to the next. Consequently, an investment in a Client 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 a Client.

General Economic Conditions. General economic conditions may affect Clients' activities. Interest rates and changes to interest rates, general levels of economic activity and economic downturns, the price of securities, participation by other investors in the financial markets, the availability of credit, inflation rates and national and international political circumstances (including wars, terrorist acts or security operations) may affect the level and volatility of security prices and the liquidity and the value of the securities held by a Client. Unexpected volatility or illiquidity could impair a Client's profitability or result in it suffering losses. Such factors may also affect the value and number of investments made by a Client or considered for prospective investment.

Political, Economic, and Social Risks. Geopolitical concerns and other global events, including,

without limitation, trade conflict, national and international political circumstances (including wars, terrorist acts or security operations) and pandemics or other severe public health events, have contributed and may continue to contribute to volatility in global equity and debt markets. For example, the outbreak in 2020 of COVID-19 has caused extensive disruption in the global economy. One or more of these factors could impact a Client's ability to deploy capital and could materially and adversely affect the operations of a Client as well as the results of its operations. These factors are outside the Firm's control and may cause the Firm's strategy to be adjusted in order to try to successfully compete as markets continually evolve. Depending upon the scope, any such adjustments may necessitate investor waivers or amendments at the recommendation of a General Partner or Managing Member, and if required such waivers or amendments may or may not be obtained.

Force Majeure. "Force majeure" refers to the legal concept, included in certain commercial and other contracts, whereby a party to a contract may be excused from performing its obligations to a counterparty under such contract where performance is made impossible or highly impracticable as a result of an event that the contract parties could not have anticipated or controlled. Examples of force majeure include earthquakes, floods, national emergencies and potentially (under certain facts and circumstances) government-mandated closures resulting from viral outbreaks like COVID-19. The Fund may be party to contracts that include force majeure clauses and, as a result, these contracts may not be enforceable against certain of their counterparties (including suppliers of their raw materials and purchasers of their finished goods, products, or services) if a force majeure event has been deemed to have occurred. The determination of whether a force majeure event has been triggered under a contract or has otherwise occurred is a mixed factual and legal one, and the Fund may incur legal costs (which may be significant) in disputes with counterparties regarding whether any such event has occurred, with the likely outcome of any such dispute hard to predict. If a Client were unable to enforce a material contract as a result of a force majeure event, and/or if it incurred significant legal expenses in a dispute over a force majeure event, the results and prospects of the Fund may be adversely affected.

Highly Competitive Market for Investment Opportunities. The activity of identifying, completing, and realizing on attractive growth equity investments is highly competitive and involves a high degree of uncertainty. There can be no assurance that the Firm will succeed in consistently identifying and securing investments on attractive terms. Furthermore, over the past several years, an ever-increasing number of growth equity funds have been formed (and many existing growth equity funds have grown in size). Additional funds with similar investment objectives may be formed in the future by other unrelated parties. These parties may have greater financial resources, more extensive development, production, marketing and service capabilities and a larger number of qualified managerial and technical personnel. Moreover, the volume of attractive investment opportunities varies greatly from period to period. As a result, there can be no assurance that a Client will be able to locate and complete investments which satisfy the Client's rate of return objectives, or realize upon these investment values, or that the Client will be able to invest fully its committed capital.

Risk of Limited Number of Investments. Each Client may participate in a limited number of investments and, as a consequence, will involve more risk and will be subject to greater market fluctuations than would a portfolio of securities that is not so concentrated. The aggregate return of a Client may be substantially adversely affected by the unfavorable performance of a single

investment.

Lack of Additional Funds. Following its initial investment in a Portfolio Company, a Client may have the opportunity to increase its investment in successful operations or may be asked to provide additional funds to such Portfolio Company. There is no assurance that a Client will make follow-on investments or that a Client will have sufficient resources to make such investments. Any decision not to make follow-on investments or its inability to make them may have a substantial negative impact on a Portfolio Company in need of such an investment or may result in missed opportunities for a Client.

Leverage. Clients' investments are expected to include Portfolio Companies whose capital structures may have significant leverage. Although the Firm will seek to use leverage in a manner it believes is prudent, the leveraged capital structure of such Portfolio Companies 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 Company or its industry.

Reliance on Management. Although the Firm will monitor the performance of the Client investments it will be primarily the responsibility of company-level management to operate Portfolio Companies on a day-to-day basis. There can be no assurance that the existing management team of a Portfolio Company, or any new team, will be able to successfully operate the company. Some Portfolio Companies will depend for their success on the management talents and efforts of one person or a small group of persons whose death, disability or resignation would adversely affect their businesses. To the extent that the company-level management of a Portfolio Company performs poorly, a Client's investment in such company could be adversely affected.

Non-Controlling Positions. Clients may hold a non-controlling interest in certain Portfolio Companies and, therefore, may have a limited ability to protect its position in such Portfolio Companies. Such Portfolio Companies may have economic or business interests or goals that are inconsistent with those of a Client. Clients may be unable to control the timing or occurrence of an exit strategy for any Portfolio Company in which it holds a non-controlling interest. As a condition of investment in a Portfolio Company, however, appropriate shareholder rights generally will be sought to protect a Client's interests. There can no assurance, though, that a Client will be able to obtain such shareholder rights, or that if such rights are obtained, that they will be effective.

Control Positions. Clients are likely to be represented on the boards of directors of many of its Portfolio Companies or have its representatives serve as observers to such boards of directors. Under certain circumstances, employees of the Firm may also serve as officers of Portfolio Companies. Although such positions in certain circumstances may be important to a Client's investment strategy and may enhance the Firm's ability to manage a Client's investments, they may also have the effect of impairing the Firm's ability to sell the related securities when, and upon the terms, it may otherwise desire, and may subject a General Partner or Managing Member and a Client to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director related claims. In connection with such actions, a Client would be obligated to bear defense, settlement, and other costs. In general, a Client will indemnify its General Partner or Managing Member and its representatives from such claims. Such costs and indemnification could adversely affect a Client's rate of return.

Risk of Growth Equity Investing/Investments in Less Established Companies. Clients may invest in smaller, less established companies. Investments in such companies may involve greater risks than are generally associated with investments in more established companies. While growth equity investments offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. Among these risks are the general risks associated with investing in companies at an early or growth stage of development or with little or no operating history, companies operating at a loss or with substantial variations in operating results from period to period, companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position and companies dependent on new or developing products, or technology, companies that do not prepare annual audited or reviewed financial statements, companies with limited internal and financial controls and/or companies that rely on a key individual or small group of managers to operate the business. There generally will be little or no publicly available information regarding the status and prospects of these companies. Less established companies tend to have smaller capitalizations and fewer resources and, therefore, are often more vulnerable to financial failure. Such companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and service capabilities and a larger number of qualified managerial, technical, and other personnel. Less established companies also have shorter operating histories on which to judge future performance and may experience start-up or growth-related difficulties that are not faced by established companies. Clients may make investments in Portfolio Companies which rely on rapidly changing industries or technologies. Therefore, product or technological obsolescence and other technology risks may adversely impact the performance of such Portfolio Companies. In all such cases, a Client will be subject to risks associated with the underlying business engaged in by Portfolio Companies.

The receptiveness of potential acquirers to a Client's Portfolio Companies will vary over time and, even if a Portfolio Company investment is disposed of pursuant to a merger, consolidation or similar transaction, a Client's stock, security, or other interests in the surviving entity may not be marketable. The public market for growth equity companies is also extremely volatile. Such volatility may adversely affect the development of Portfolio Companies, the ability of a Client to dispose of investments and the value of investment securities on the date of sale or distribution by a Client. In particular, the receptiveness of the public market to initial public offerings by a Client's portfolio companies may vary dramatically from period to period. An otherwise successful Portfolio Company may yield poor investment returns if it is unable to be sold or consummate an initial public offering at the proper time. Even if a Portfolio Company effects a successful public offering, a Client or the Portfolio Company's securities typically will be subject to contractual "lock-up," securities law or other restrictions which may, for a material period of time, prevent a Client or the investors from disposing of such securities. There can be no guarantee that any investment will result in a liquidity event through a merger, acquisition, public offering or otherwise, and there is a significant risk that some or all a Client's investments will yield little or no return.

Contingent Liabilities on Disposition of Investments. In connection with the disposition of an investment in a Portfolio Company, a Client may be required to make representations about the business and financial affairs of such Portfolio Company typical of those made in connection with the sale of a business, or may be responsible as a selling stockholder for the contents of disclosure

documents under applicable securities laws. Clients also may be required to indemnify the purchasers of such investment to the extent that any such representations or disclosures are inaccurate, incorrect, or misleading. These arrangements may result in the incurrence of contingent liabilities for which a Client may establish reserves or escrow accounts. In addition, investors may be required to return amounts distributed to them to fund a Client's indemnity obligations.

Possible Equity Hedging. The Firm may, but is not required to, seek to minimize the risk of a decrease in the value of one or more investments by using certain hedging strategies. The use of hedging strategies is a highly specialized activity and there can be no assurance that their use will achieve the intended result. These hedging strategies may limit the ability of a Client to profit from the increase in the value of an investment above a certain price. In addition, if judgments made with respect to future stock prices, exchange rates, market conditions or trends are not correct, these hedging strategies could result in losses to a Client. Equity hedging also entails additional risks, including counterparty credit risk and market liquidity risk.

Third Party Investments. Clients may co-invest with third parties. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third-party co-investor or partner may at any time have economic or business interests or goals that are inconsistent with those of a Client, or may be in a position to take action contrary to a Client's investment objectives.

Foreign Investments. Clients may invest a portion of their aggregate commitments outside of the United States. Foreign investments involve certain factors not typically associated with investing in U.S. investments, including risks relating to: (1) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which any foreign investments of a Client are denominated, costs associated with conversion of investment principal and income from one currency into another, and limitations on currency exchange or the transfer of capital/profits across international borders; (2) inflation matters, including rapid fluctuations in inflation rates; (3) differences between U.S. and foreign securities markets, including potential price volatility in and relative liquidity of some foreign securities markets, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and differences in the amount of government supervision and regulation; (4) certain economic, social and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital, the risks of political, economic or social instability and the possibility of expropriation or confiscatory taxation; (5) the possible imposition of foreign taxes on income and gains recognized with respect to such investments; (6) different legal protections for investors and (7) multiple taxing jurisdictions.

Even those Portfolio Companies that nominally are United States Portfolio Companies by virtue of their jurisdiction of organization or management headquarters may be exposed to significant non-United States risks due to the increasingly international nature of many growth equity companies (which may include, for example: (i) relying upon international locations or outsourcing of research, development, manufacturing or other operations; (ii) seeking alliances with non-United States partners; or (iii) seeking non-United States customers).

No Market for Interests. Interests in Clients have not been registered under the 1933 Act, the securities laws of any state or the securities laws of any other jurisdiction and, therefore, cannot be

resold unless they are subsequently registered under the 1933 Act and other applicable securities laws, or an exemption from registration is available. It is not contemplated that registration of the Interests under the 1933 Act or other securities laws will ever be effected. There is no public market for the Interests, and one is not expected to develop. An investor will not be permitted to sell, assign, or transfer its Interest without the prior written consent of the Client's General Partner or Managing Member. Voluntary withdrawals from a Client will not be permitted, except to avoid a violation of ERISA or other applicable law. Investors must be prepared to bear the risks of owning Interests for an extended period of time.

No Assurance of Profitability. No assurance can be given as to a Client's ability to choose, make and realize any particular investment. There can be no assurance that a Client 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 a Client 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 a Client or its General Partner or Managing Member, which could cause such investments to lose value. There can be no assurance that any investor will receive any distribution from a Client. Accordingly, an investment in a Client should only be considered by persons that can afford a loss of their entire investment.

Illiquid and Long-Term Investments. Although investments by Clients may generate some current income, the return of capital and the realization of gains, if any, from an investment generally will occur only upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment in a Portfolio Company is made. It is unlikely that there will be a public market for the securities held by a Client at the time of their acquisition. Further, there may not be a readily available secondary market for a Client's interests in such Portfolio Companies. Clients generally will not be able to sell its securities publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases a Client will be prohibited by contract from selling certain securities (in either public or secondary markets) for a period of time. A Client's investments may be subject to other contractual restrictions in connection with a sale. Moreover, it is possible that a Client will still hold some illiquid securities at the end of a Client's term, with the result that such securities may need to be distributed in-kind or sold for a price that reflects their illiquid nature. There can be no assurance that a Client will ultimately be able to sell such investments at attractive prices or otherwise be able to effect a successful realization or exit strategy. Illiquidity may result from the absence of an established market for investment securities as well as from legal or contractual restrictions on the resale of such securities by a Client.

Possible Risks Associated with the Debt Investment Strategy Investment Environment. Many factors affect the appeal and availability of portfolio investments in companies and the securities that are the focus of certain Clients. The activities of these Clients and their portfolio investments could be materially adversely affected by the instability in the U.S. or global financial markets, or changes in market, economic, political or regulatory conditions, as well as by numerous other factors outside the control of the General Partner, the Firm or their respective affiliates. Interest rates and general levels of economic activity may affect the value and number of portfolio investments made by Clients or considered for prospective portfolio investment.

Origination Activities. As a result of its investment activities, it is possible that certain Clients could be deemed to be engaged in the origination of debt or debt-linked securities, including hybrid debt and preferred equity, for purposes of the applicable laws in jurisdictions in which such activities take place. Such laws are highly complex and may include licensing requirements. The licensing processes can be lengthy and can be expected to subject a debt originator to increased regulatory oversight. In some instances the process for obtaining a required license or exception certificate may require disclosure to regulators or to the public of information about Clients, their direct or indirect investors, their loans, their business activities, is management or controlling persons or other matters. Such disclosures may provide competitors with information that allows them to benefit at the expense of the Clients, which could have a material adverse effect on the Clients. Failure, even if unintentional, to comply fully with the applicable laws may result in sanctions, fines, or limitations on the ability of the Clients, the Firm or affiliates of the foregoing to do business in the relevant jurisdiction or to procure required licenses in other jurisdictions, all of which could have a material adverse effect on the Clients.

The market for originating debt and debt-linked securities is highly competitive, and the Clients may be unable to compete effectively with other market participants for origination opportunities. The Clients may compete for opportunities with public and private investment funds, commercial and investment banks and commercial finance companies.

When certain Clients originate debt or debt-linked securities, those Clients expect to rely significantly upon representations made by the issuer. There can be no assurance that such representations are accurate or complete, or that any due diligence undertaken would identify any misrepresentations or omissions. Any misrepresentation or omission by an issuer to which a Client originate debt may adversely affect the valuation or the collateral underlying the debt, or may adversely affect the ability of Clients to protect or foreclose on a lien on the collateral securing the debt, or may result in liability of Clients to a subsequent purchaser of the debt.

Unsecured Loans and Collateral Impairment. If the Clients invest in debt or debt-linked securities that are not secured by collateral, in the event of such default, the Clients will have only an unsecured claim against the issuer. In the case of debt that is secured by collateral, the value of the collateral may actually be equal to or less than the value of such debt or may decline below the outstanding amount of such debt subsequent to the Clients' portfolio investment. The ability of the Clients to have access to the collateral may be limited by bankruptcy and other insolvency laws. As a result, the Clients might not receive full payment on a secured debt investment to which is entitled and thereby may experience a decline in value of, or a loss on, the portfolio investment.

Interest Rate Risk. Changes in interest rates may reduce certain Clients' net interest return from floating-rate investments or increase the cost of any debt. Furthermore, because interest rates on bank loans only reset periodically and may not perfectly correlate with prevailing interest rates, during such time as the interest rate of a loan is fixed, such a loan may be subject to the same fluctuations due to interest rate changes as fixed-rate obligations of similar duration.

Indemnification Obligations. In general, each Client will be required to indemnify its General Partner or Managing Member, the Firm, their affiliates, and certain other persons for liabilities incurred by them by reason of their activities on behalf of a Client or the investors, or in connection

with its Governing Documents and matters contemplated therein, or the conduct of the affairs of a Client. As a result, a Client and the investors may have a more limited right of action in certain cases against these persons than they might have otherwise. A Client's indemnification obligations may be funded by capital calls from the investors or through the return of distributions previously made to the investors (subject to the limitations on such giveback obligations provided in its Governing Documents). In addition, a Client's assets, including any investments held by a Client (including cash or cash equivalents), are available to satisfy all liabilities and other obligations of a Client, including indemnification obligations. If a Client becomes subject to a liability, including an indemnification liability, parties seeking to have the liability satisfied may have recourse to a Client's assets generally and not be limited to any particular asset, such as the asset representing the investment giving rise to the liability.

Distributions in Kind. Although, under normal circumstances, the Firm intends that Clients will make distributions in cash, it is possible that under certain circumstances (including the liquidation of a Client), distributions may be made in kind and could consist of securities for which there is no readily available public market. Any such distribution could put downward pressure on the price of a Portfolio Company's securities and could reduce a Client's influence in such Portfolio Company's affairs. Further, distributions in kind on dissolution of a Client may result in the receipt by investors of highly illiquid unregistered securities. An investor that receives assets other than cash from a Client may incur substantial costs and delays in converting those assets to cash.

Reliance on the General Partner or Managing Member and the Firm; Role of Private Equity Professionals. Investors will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of Clients. In order to safeguard their limited liability for the liabilities and obligations of a Client, investors must rely entirely on the General Partner or Managing Member, the Principal, and the Firm to conduct and manage the affairs of the Client. As a result, investors will not have the opportunity to evaluate the specific investments made by a Client or the terms of any investment made by a Client prior to the consummation of such investments.

The success of a Client will depend in part upon the skill and expertise of the Principal and the General Partner's (or Managing Member's) and the Firm's other private equity professionals. Subject to any "Key Person" and "Key Person Event" provisions in a Client's Governing Documents, there can be no assurance that such professionals will continue to be associated with the General Partner or Managing Member or the Firm throughout the term of the Client. The failure of such persons to continue to be associated with the General Partner or Managing Member and the Firm could have a material adverse effect on a Client's performance.

Many investment decisions made by the General Partner or Managing Member will be dependent on the ability of the Principal and the General Partner's (or Managing Member's) and the Firm's other private equity professionals to obtain relevant information from non-public sources, and the General Partner or Managing Member will be required to make decisions without complete information or in reliance upon information provided by third parties that is impossible or impractical to verify.

Taxation. There can be no assurance that the structure of a Client or any investment will be tax efficient to any particular investor. Prospective investors are urged to consult their own tax

advisors with respect to their own tax situations and the effects of an investment in a Client, including any applicable U.S. federal, state or local or non-U.S. taxes and, in the case of U.S. tax-exempt investors, non-U.S. investors, and other investors subject to special rules under U.S. tax laws, with reference to any special issues that investment in a Client may raise for such investors. Moreover, tax laws change on a frequent and unpredictable basis and may adversely affect a Client. Prospective investors should assume that United States and other host country tax laws will have a significant impact upon the operations and financial performance of a Client and may even impose direct obligations (such as return filing and tax payment obligations) upon investors.

U.S. Tax Treatment of Carried Interest. Legislation was enacted in 2017 that could increase the United States federal income tax liability of members of a General Partner or Managing Member. Under certain Clients' Governing Documents, the General Partner or Managing Member may generally amend its Governing Documents without the consent of the investors following any guidance in this regard or any enactment of future legislation in such a manner as to minimize the adverse tax consequences of any such legislation upon the General Partner or Managing Member and its members, without imposing material adverse consequences upon the investors. Such negotiations, as well as any other steps taken to address changes to the taxation of carried interest, may be distracting to the members of the General Partner or Managing Member and may require significant time and attention from investors. More generally, any adverse changes to the tax treatment of carried interest may make it more difficult for the General Partner or Managing Member to attract or retain the qualified personnel necessary for effective management of a Client.

Phantom Income. There can be no assurance that a Client will have sufficient cash flow to make annual distributions in an amount necessary for the investors to pay all tax liabilities resulting from their ownership of interests in a Client.

Litigation Risks. Clients will be subject to a variety of litigation risks, particularly since there is a possibility that one or more of a Client's Portfolio Companies will face financial or other difficulties during the term of a Client's investment. Litigation risks may arise because the Principal or one of the Firm's other employees actively assists Portfolio Companies that are in financial distress. Clients may also participate in Portfolio Company financings at implicit Portfolio Company valuations lower than the valuations implicit in preceding rounds of financing. In the event of a dispute arising from any of the foregoing activities (or other activities relating to the operation of a Client or its General Partner or Managing Member), it is possible that a Client, the General Partner or Managing Member or the Principal may be named as defendants. In connection with such actions, a Client would be obligated to bear defense, settlement and other costs, and the General Partner or Managing Member would generally be entitled to indemnification by a Client. Such costs and indemnification could adversely affect a Client's rate of return. Beyond direct costs, such disputes may adversely affect a Client in a variety of ways, including by distracting the General Partner or Managing Member and harming relationships between a Client and its Portfolio Companies or other investors in such Portfolio Companies.

Side Agreements. In accordance with common industry practice, a General Partner or Managing Member may enter into one or more "side letters" or similar agreements with certain investors pursuant to which the General Partner or Managing Member grants to such investors specific rights, benefits or privileges that are not made available to investors generally. Such agreements will be

disclosed only to those actual or potential investors that have separately negotiated with a General Partner or Managing Member for the right to review such agreements.

Co-Investments. The Firm may in its discretion make available co-investment opportunities to certain investors that the Firm, in its sole discretion, deems suitable or strategic. Level Equity is not required to offer such co-investment opportunities to all investors and may select certain investors that it deems appropriate for co-investment opportunities. Co-investment opportunities may be made available through limited partnerships or other entities formed to make such investments. The Firm will allocate available investment opportunities among the Funds, any co-investment vehicle and any third parties as it may in its sole discretion determine. Therefore, in the event that a co-investment is a successful investment, an investor(s) that did not participate in such co-investment will not participate in the profits of such investment upon a liquidity event of the underlying investment, except to the extent the investor had a similar underlying investment in the Funds. The Firm has adopted policies and procedures to address co-investment opportunities, in an effort to offer co-investment opportunities to investors and/or third parties which Level Equity believes are suitable for co-investment opportunities.

No Assurance of Confidentiality. As part of the subscription process and otherwise in their capacity as investors, investors will provide significant amounts of information about themselves to a General Partner or Managing Member and the Client. Under the terms of the Governing Documents and applicable laws, such information may be made available to other investors, third parties that have dealings with a Client, and governmental authorities (including by means of securities law-required information statements that are open to public inspection).

Reserves. A General Partner or Managing Member may establish reserves for follow-on investments by a Client in Portfolio Companies, operating expenses (including management fees), Client liabilities, and other matters. Estimating the appropriate amount of such reserves is difficult, especially for follow on investment opportunities, which are directly tied to the success and capital needs of Portfolio Companies. Inadequate or excessive reserves could impair the investment returns to the investors. If reserves are inadequate, a Client may be unable to take advantage of attractive follow on or other investment opportunities or to protect its existing investments from dilutive or other punitive terms associated with “pay-to-play” or similar provisions.

Cybersecurity. The Firm, the Clients’ service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Fund and/or the investors, despite the efforts of the Firm and the Client’s 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 Fund and the investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of the Firm, their service providers or counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Firm’s systems to disclose sensitive information in order to gain access to the Firm’s data or that of the investors. A successful penetration or circumvention of the security of the Firm’s systems, or those of other service providers with information about the Fund, could result in the loss or theft of an investor’s data or

funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Firm or service providers and, in turn, the Fund, to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. Similar types of operational and technology risks are also present for Portfolio Companies, which could have material adverse consequences for such Portfolio Companies, and may cause a Client's investments to lose value.

Potential Emerging Banking Crisis.

Inflation, and resulting rapid increases in interest rates, have led to a decline in the trading values of previously issued government securities with interest rates below current market interest rates. Certain financial institutions holding significant positions in these government securities have accumulated substantial unrealized losses, which has impaired or could impair the ability of such institutions to meet customer and other liquidity needs. One such financial institution was Silicon Valley Bank ("SVB"), which faced the prospect of a possible "run on the bank" as depositors became concerned about the solvency of the bank and the ability of depositors to access their funds. SVB's position became increasingly untenable and, on March 10, 2023, regulators shut down SVB and placed it in receivership under the Federal Deposit Insurance Corporation ("FDIC"). Shortly thereafter, Signature Bank was also placed in FDIC receivership. Market concern about the SVB and Signature Bank situations, as well as the risks posed to other similar-profile banks, created the potential for a domino effect across the U.S. banking sector, which was confronting its most significant set of challenges since the 2008 financial crisis.

In an effort to stabilize this deteriorating situation, the FDIC, in conjunction with the U.S. Department of Treasury and the Federal Reserve Board, announced: (i) a program to provide financial institutions up to \$25 billion of loans secured by certain government securities held by SVB and similarly situated banks to mitigate the risk of potential losses on the sale of such government securities; and (ii) that SVB deposit accounts would be fully insured, with FDIC insurance extended beyond the existing \$250,000 FDIC insured limit. Despite these efforts, concerns about the overall financial health and stability of the U.S. banking sector remains high, with many bank stocks trading at significantly lower prices than they did before the crisis began. Further governmental intervention may be required to stabilize the U.S. banking sector in the future if additional U.S. banks, particularly larger banks, appear to be at a risk of failure; it is unclear, however, whether the government would intervene in such circumstances and, if it did, whether such governmental intervention would be sufficient to forestall a full-blown banking crisis. It is also possible that further government intervention could result in other unforeseen adverse impacts on the economy over the short or long term. At the same time, global markets are being adversely impacted by the financial uncertainties surrounding Credit Suisse, which uncertainties have prompted the Swiss Central Bank's agreement to loan Credit Suisse up to 50 billion francs and has resulted in UBS agreeing to acquire Credit Suisse.

Even if, ultimately, market concerns about the financial health and stability of U.S. and global banking sectors are successfully addressed, many observers believe that the risk of a recession occurring in the U.S., and perhaps in other major global economies, has increased because of the recent events in the banking sector. Relatedly, these events may prompt the Federal Reserve Board and other central banking authorities to slow down the pace of future increases in benchmark

interest rates, which could make it more difficult for the U.S. and other governments to mitigate inflationary pressures in the economy and contribute to a period of higher inflation.

The events described above present several potential risks including to: (i) investment advisers, general partners and their related entities, (ii) the funds which they manage, (iii) fund limited partners; (iv) the portfolio companies in which funds make and hold investments; and (v) founders and senior management teams of portfolio companies. Certain of these risks are described in more detail below but other risks may arise in the future as events unfold. In evaluating such risks in the context of a rapidly evolving situation like this one, one should assume that circumstances may change in ways that are not necessarily predictable, and that conditions may deteriorate. Any of the risks described below, or other risks not described, if realized, could have a material adverse effect on the liquidity, current and/or projected business operations, financial condition and/or performance results, as applicable, for any of the Adviser or its related parties, a Fund and/or the portfolio investments.

Banking Sector Risks on Fund Operations and Performance.

It is likely that, if the banking sector situation continues to deteriorate, the U.S. and/or other global economies would be adversely affected, including the possibility of recession, the duration and severity of which are difficult to predict. Among other things, a weakening in the macroeconomic situation could make it more difficult for the Funds to identify and source investments; finance and other consummate investments which are sourced or refinance existing investments; and dispose or otherwise monetize investments at attractive valuations. In addition, it is possible that the incidence of Fund investor capital call defaults may increase. The cumulative effect of the foregoing could adversely impact the value of Fund holdings and overall Fund performance.

Specific Risks Associated with Banking Relationships

General. The Adviser has determined that various Funds currently have material accounts, are borrowers under credit facilities, banking, custodial and other commercial relationships with SVB. In addition, there can be no assurance, that the Adviser or its related parties (such as Fund general partners), the Funds or any Fund portfolio company or founder/senior management team members of any portfolio company will not have a business relationship with another bank or other financial institution that, in the future, is placed in receivership. As such, the specific risks identified below may apply.

Custody Risk: If a bank has custody of Fund assets and the bank goes into receivership, the receivership could adversely impact the safekeeping of those assets and the ability to retrieve and secure such assets, and the Fund may experience delayed access to deposits or other financial assets or the uninsured loss of deposits or other financial assets. To mitigate this risk, the Adviser tries to select custodians with a strong balance sheet and significant capital base by conducting due diligence on financial stability including a review of the bank's financial statements, credit ratings, and any other information regarding the bank's financial health. In addition, the Adviser monitors the custodian's financial health periodically by reviewing the information described above. The Adviser will also, to the extent possible, diversify custodian risk by using multiple custodians to reduce the impact of a single custodian's failure. The Adviser has developed a contingency plan outlining the steps that will be taken to protect the Fund's assets and to transfer them to another

custodian.

Risk of Access to Fund Subscription Lines or Other Working Capital Facilities: If a bank provides a Fund with a so-called subscription line or other working capital facility and the bank goes into receivership, the availability of funds under that line or facility could be adversely affected, which could in turn adversely impact the Fund's ability to consummate investments or pay Fund expenses in a timely manner. The Adviser believes it can mitigate this risk by doing business with banks that have strong balance sheets and, if it has concerns that a bank will not be able to fund a subscription or other working line loan, to call capital instead from its limited partners.

Limited Partner Default Risk: If a bank is a significant limited partner in a Fund and the bank goes into receivership, it may make it more likely that such limited partner will be unable to satisfy its capital call and other obligations to the Fund, which could result in the Fund not being able to consummate a potentially valuable investment and a possible breach by the Fund under its agreement to acquire such investment. In general, the Adviser believes that the significant default remedies provided for in Fund constituent documents should dissuade most limited partners from defaulting on capital calls and that the overcall provisions in the Fund constituent documents allow the Funds in most instances to make up for capital shortfalls resulting from capital calls by drawing additional capital from non-defaulting limited partners.

Adviser/General Partner Risk: If the Adviser, a Fund general partner or related party has a banking relationship with the bank (for example, a payroll account), the Adviser's ability to manage or operate a Fund consistent with its past business practices could be negatively impacted, potentially resulting in a disruption in operations. The Adviser plans on mitigating this risk by monitoring the financial condition of its banking relationships and, where appropriate and practicable, maintaining more than one banking relationship.

In addition, service providers with whom the Adviser or a Fund does business may have relationships with banks that go into receivership, which could negatively impact such service providers and, therefore, the services the Adviser or the Fund receives from such service providers. The Adviser will seek to mitigate this risk by periodically evaluating the risk profile of its service providers, and where appropriate, identifying in advance service providers which could be brought in quickly if an existing service provider is unable to provide critical services.

Portfolio Company Risks: Portfolio companies of a Fund typically have their own banking or other relationships with banks and other financial institutions that present many of the same risks described above. In addition, a Fund portfolio company that is unable to access a credit line because its bank is in receivership may require bridge or other temporary financing from a Fund to meet its payroll or other obligations. Such transactions may reduce the capital availability of the Fund to make other investments and may result in overall reduced returns to the Fund. Moreover, if a letter of credit or other form of credit support was being provided to a portfolio company by a bank that goes into receivership, such portfolio company may be in default of other obligations it may have requiring such letter of credit or credit support to be maintained.

The Adviser intends to mitigate such risk by trying to influence its portfolio companies, wherever it has such influence, to select lending relationships with banks and other financial institutions with strong balance sheets; to monitor the financial health of its lenders on a regular basis; and to have more than one banking relationship where appropriate or practicable. In this regard it is important

to note that, in certain situations (such as in non-control investments in portfolio companies or investments where there are several significant size investors in the portfolio company in addition to the Fund), the Adviser may have limited or no influence on portfolio company banking decisions and, even where it has influence, portfolio management teams may make decisions regarding banking relationships which are different than the decisions the Adviser would make in the same circumstances.

Founder/Other Portfolio Management Risk. Risks can arise when founders or senior management of portfolio companies have economic or personal relationships with banks in danger of failing. In such cases, their attention and focus may be diverted from their primary responsibilities towards these relationships, potentially affecting their ability to effectively manage the portfolio company and create value for the Fund as investor.

For instance, if the founder or senior management of a portfolio company has invested a significant portion of their personal wealth in a troubled bank, they may become preoccupied with monitoring the bank's financial health and taking steps to protect their investments, potentially at the expense of their duties towards the portfolio company. Similarly, if a founder or senior management has outstanding loans with a troubled bank, the founder or senior management may focus more on maintaining a good relationship with the bank to ensure that the loans are not called in, instead of prioritizing the portfolio company's operations and growth.

To mitigate this risk, the Adviser will conduct thorough due diligence on the relationships between founders and senior management of the Fund's portfolio companies and any banks that may pose a conflict of interest or distraction risk. This could include reviewing personal financial disclosures and examining the terms of any loans or investments made by the senior management or founder in the troubled bank. Additionally, the Adviser will work with the portfolio company management to develop clear policies and guidelines to manage any potential conflicts of interest and ensure that the senior management or founder's attention remains focused on the portfolio company's success.

The Adviser will also regularly communicate with founders and the portfolio company's management to monitor any potential distractions or conflicts of interest that may arise and take appropriate actions to mitigate any risks. By being proactive and vigilant, the Adviser will try to minimize the impact of any distractions or conflicts of interest on the portfolio company's operations and financial performance, and ultimately protect Fund investments.

ITEM 9. DISCIPLINARY INFORMATION

Level Equity has no legal or disciplinary events involving either Level Equity or any of its management persons to disclose.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

- A. Neither Level Equity nor any of 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. Neither Level Equity 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 following are relying advisers of Level Equity and serve as either the General Partner or Managing Member of various Funds managed by Level Equity.

- Level Equity Partners (GP), LLC
- Level Equity Partners II (GP), L.P.
- Level Equity Partners III (GP), L.P.
- Level Equity Partners IV (GP), L.P.
- Level Equity Partners V (GP), L.P.
- Level Structured Capital I (GP), L.P.
- Level Structured Capital II (GP), L.P.

- D. Level Equity does not recommend or select other investment advisers for its clients.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

- A. As an investment adviser, Level Equity may face certain conflicts of interest, including, but not limited to, those identified in its Governing Documents. Level Equity has adopted policies and procedures to address such potential conflicts of interest. Level Equity has adopted a Code of Ethics (“Code”), which describes the Firm’s fiduciary duties and responsibilities to Clients, requires that the Firm’s supervised persons act in the best interests of Clients to the exclusion of contrary interests, act in good faith and in an ethical manner, avoid conflicts of interest with Clients to the extent reasonably possible, and identify and manage conflicts of interest to the extent that they arise. Level Equity’s supervised persons 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 Level Equity or its supervised persons. Initially, upon hire, and on an annual basis thereafter, Level Equity requires that all supervised persons certify to their receipt, review, understanding and compliance with the provisions of the Firm’s Code.

In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of the Firm’s access persons. The Code prohibits personal securities transactions of issuers who have been placed on the Firm’s restricted list and requires written pre-approval for all initial public offerings and private placements. The Code requires access persons to report information about personal securities transactions and provide a summary of securities holdings initially upon hire and on an annual basis thereafter. The Code also addresses outside activities of supervised persons, conflicts of interest, policies and procedures concerning the prevention of insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and the pre-clearance and reporting of political contributions. Level Equity will provide a complete copy of the Code to any client or prospective client upon request sent to the Chief Compliance Officer (“CCO”), Benjamin Magleby, at bmagleby@levelequity.com.

- B. Neither Level Equity nor any of the Firm’s employees recommends to its Clients, or buys or sells for Client accounts, securities in which Level Equity or the Firm’s related persons has a material financial interest.
- C. Neither Level Equity nor any of the Firm’s employees invest in the same securities that Level Equity or the Firm’s employees recommends to its Clients. Employees of Level Equity may hold interests as passive investors in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of Clients and/or which may invest in similar industries and sectors as Clients. Such Level Equity employees have a potential conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same portfolio companies as Clients and there may be situations in which such investment vehicle purchases securities from, or sells securities to, a Client. The investment policies, fee arrangements and other circumstances of these investments may vary from those of Clients. Such employees may be incentivized to cause a Client to act in a manner that benefits such other investment vehicles and, indirectly, themselves as investors in such

investment vehicles. In addition, employees of Level Equity may buy securities in transactions offered to but not suitable for Clients. A conflict of interest may arise because such investing Level Equity employees may, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by the Firm on behalf of Clients.

- D. Neither Level Equity nor any of the Firm's employees recommend securities to its clients, or buy or sells securities for its clients, at or about the same time that Level Equity or the Firm's related persons buys or sells the same securities for Level Equity or the Firm's employees' accounts.
- E. The Clients retain or pay for service providers, including accountants, administrators, lenders, bankers, brokers, attorneys, sourcing persons and consultants. Some of these advisors and service providers also provide services to or have other relationships with Level Equity. For example, Benjamin Levin serves as an advisor to GP Fund Solutions, the fund administrator for the Clients, and has received equity compensation from GP Fund Solutions in connection with that role. While Level Equity generally seeks to engage advisors and service providers on behalf of the Clients and their portfolio companies on the basis of the quality of the advice and other services provided, these relationships may influence our decision to select or recommend an advisor or service provider to perform services for the Clients or their portfolio companies (the cost of which will generally be borne directly or indirectly by the Clients or their portfolio companies, as applicable).

Potential Conflicts of Interest

The Firm sponsors, manages and/or advises and expects to continue to sponsor, manage and/or advise a variety of investment vehicles, including privately offered pooled investment vehicles. The Firm expects to continue to create or sponsor new investment vehicles, whether alone or partnering with others, and otherwise to develop its investment, advisory and related businesses. There is no assurance that investors in a Client will be offered the opportunity to participate in such new investment vehicles. The Firm expects that the universe of potential investments and other activities of the Firm's business could overlap with the investments and activities of the Clients and, as a result, may create conflicts of interest. These potential conflicts include:

Allocation of Level Equity's Personnel. The Firm's personnel will devote such time as they determine shall be necessary to conduct the business affairs of each Client in an appropriate manner. However, the Firm's personnel will work on other projects, including the Firm's other investments and other existing and potential business activities, including those of other Clients. Without the consent of the applicable investor Advisory Committee, no Client will have an interest in such investments or in the other Clients. It is possible that the investments held by other Clients may be in competition with those of a particular Client. The fact that the Firm's personnel are involved in such other activities of the Firm or who have knowledge of the transactions of other entities affiliated with the Firm also are involved with a Client may prevent a Client from making or divesting certain investments which it might otherwise have made or divested. Conflicts may also arise in the allocation of management and personnel resources among the Firm's various activities.

Carried Interest. The existence of a General Partner's or Managing Member's carried interest, and the

fact that the percentage of profits allocated to a General Partner or Managing Member will exceed the capital percentage of such General Partner or Managing Member, may create an incentive for the General Partner or Managing Member to make riskier or more speculative investments on behalf of a Client than would be the case in the absence of this arrangement. However, this incentive is mitigated in part by the commitment that General Partners or Managing Members may make to such Clients. Under legislation enacted in 2017, a holding period for long-term capital gain in respect of carried interest was introduced that differs from the regular holding period for long-term capital gain, which may also create a conflict of interest by providing incentive to a General Partner or Managing Member to hold investments for a longer period of time than it otherwise would if the regular holding period for long-term capital gain applied.

Fees. The Firm and its affiliates may receive certain fees such as monitoring fees, directors' fees, transaction fees, break-up fees, and other fees in respect of a Client's investments in Portfolio Companies. In general, Clients' Governing Documents provide that 100% of such fees (to the extent allocable to a Client's investment in such Portfolio Company) will be credited against future management fees payable by such Client.

Other Activities of Level Equity. In addition to providing investment advice to its existing Clients, the Firm intends to sponsor other investment funds in the future. A Client, on the one hand, and, consistent with the terms of its Governing Documents, one or more of such other vehicles and portfolios, on the other hand, may have conflicting interests, and each will compete for the Firm's limited personnel and financial resources. The Governing Documents of each of the Funds mitigate this conflict to some extent by providing that, in general, none of such Fund's General Partner, Principal, nor any of their respective affiliates may act as general partner, manager or the primary source of transactions, and commence investing, on behalf of any other pooled equity investment vehicle which has the same primary purpose as those of such Fund until the earlier of (a) the end of such Fund's commitment period, or (b) such time as an amount equal to at least 80% of the total commitments to such Fund has been invested or committed for investment, applied to expenses of the Fund or reasonably reserved for follow-on investments, expenses, and fees.

Resolution of Conflicts. The Governing Documents of each Fund generally provide that such Fund's General Partner shall consult with the applicable investor Advisory Committee with respect to certain conflicts of interest. On any matter involving a conflict of interest not contemplated by the Governing Documents (i) the Firm shall be guided by its sole discretion as to the best interests of each applicable Fund, and shall take actions as are determined in the sole discretion of the Firm to be necessary or appropriate to ameliorate such conflicts of interest, and (ii) the Firm shall consult with the applicable investor Advisory Committee with respect to any matter as to which the Firm has determined presents a conflict of interest that it cannot resolve.

ITEM 12. BROKERAGE PRACTICES

- A. Level Equity will provide investment advice to its clients primarily with regard to private equity and debt related investments. As such, the Firm's transactions on behalf of its clients are normally privately negotiated and may not involve the use of a broker or dealer for the execution of client transactions. In those cases, the Firm will seek to negotiate and execute transactions in an efficient manner and consistent with its fiduciary duties to clients. Due to the nature of the Firm's investment advice and relationship with its clients, Level Equity does not expect to recommend or select broker-dealers for transactions with clients. In rare cases where the Firm determines to utilize a broker or a dealer to transact on behalf of its clients, the Firm shall evaluate such broker or dealer based on a range of factors, including without limitation commission price, willingness to commit capital, ability to execute the desired transaction and other factors. As a fiduciary, Level Equity must execute securities transactions in such manner that each client's total cost or proceeds in each transaction is the most favorable under the circumstances. The determinative factor is whether the transaction represents the best qualitative execution for the account and not whether the lowest possible commission cost was obtained. Thus, the Firm will consider the full range and quality of a broker's service in selecting or recommending brokers to meet best execution obligations, including the ability to access or otherwise execute large transactions in the public market. Level Equity may not pay the lowest commission rate available, but the trade price and commission quoted by the broker-dealers will be a substantial consideration in selecting a broker-dealer. Level Equity does not generate, accrue or use "soft dollars" with any broker-dealers, but if the Firm does in the future, it intends to keep any such arrangements within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended.
- B. As noted above, the investment advisory services provided by the Firm to its Clients will generally be in relation to private equity and debt related investments, for which the aggregation of orders is generally not applicable. The Firm's overall objective is to treat all Clients in a fair and equitable manner. The Firm may allocate selected private equity and debt related investments among certain Clients according to certain specifications, including, but not limited to: a Client's investment guidelines and restrictions; available cash, capital commitments, and reserves; liquidity requirements; and, tax or legal reasons.

ITEM 13. REVIEW OF ACCOUNTS

- A. The Portfolio Companies are monitored and reviewed on a regular basis by the investment team for, among other things, performance in the context of each Client's stated objectives and portfolio and risk management.
- B. Additional reviews may be triggered by material changes in key variables that may affect the performance of the Portfolio Companies, including, without limitation, changes in the financial markets, activity, and trends in the political or economic environment, as well as the specific circumstances affecting the Firm's Clients.
- C. Audited financial statements of Clients are provided to the Firm's investors within 120 days of each client's fiscal year as required by Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). In addition, the Clients will distribute quarterly reports of net asset value and/or other relevant performance updates to investors.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

- A. Level Equity does not receive an economic benefit from anyone, other than its Clients, for providing investment advice or other advisory services to the Clients.
- B. Neither Level Equity nor any of its related persons compensates any person for Client referrals.

ITEM 15. CUSTODY

Level Equity, through its General Partners and Managing Members is deemed to have custody of Client assets. Client assets other than certain privately offered securities are held with a qualified custodian as defined in the Custody Rule.

Level Equity complies with the Custody Rule through the so-called “audit exemption” which requires that the financial statements of Clients are: (i) prepared in accordance with U.S. Generally Accepted Accounting Principles; (ii) audited by an independent accounting firm registered with, and subject to regular examination by, the Public Company Accounting Oversight Board; and (iii) distributed to Client underlying investors within 120 days following the Client’s fiscal year-end and promptly after liquidation.

ITEM 16. INVESTMENT DISCRETION

Level Equity accepts discretionary authority to manage assets and securities on behalf of its Clients through the applicable Governing Documents. The investors generally do not have the ability to place any limits on the Firm's authority beyond the limitations set forth in the Governing Documents of the applicable Client.

ITEM 17. VOTING CLIENT SECURITIES

A. While the securities evidencing the investments made by the Firm's Clients are not typically the subject of proxies, there could be certain circumstances where Level Equity, having discretionary authority over the accounts of its Clients, may be asked to vote the securities of such Clients on restructuring or other corporate matters. Level Equity has adopted a proxy voting policy as required by the Advisers Act. While unlikely, the Firm's investment strategy may involve the acquisition of publicly traded securities with voting authority, and as such, the Firm's Clients may be placed in a position of proxy voting authority. If Clients do come into possession of securities with proxy voting rights, the Firm has the authority to vote proxies and will do so in its sole judgement and in the best interest of its Clients. To the extent Level Equity receives proxy voting authority, the Firm generally believes that company management is best suited to make the decisions that are essential to the ongoing operation of the company. Therefore, Level Equity will generally vote proxies in line with company management. However, under circumstances where the Firm believes that company management's proposal will not maximize value for the Firm's Clients, Level Equity will vote against company management. The Firm's proxy voting policy includes guidelines for voting against company proposals as well as guidance for situations where a proxy vote may present a conflict of interest to ensure that such conflict is resolved in the best interest of the Firm's Clients. Clients may obtain information about how proxies were voted or a copy of the Firm's proxy voting policies by contacting the CCO, Benjamin Magleby, at bmagleby@levelequity.com.

B. Not Applicable

ITEM 18. FINANCIAL INFORMATION

- A. Level Equity does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance and therefore has not included a balance sheet.
- B. Level Equity does not believe that there are any conditions that are reasonably likely to impair its ability to meet contractual commitments to the Firm's clients.
- C. Level Equity has never been the subject of a bankruptcy petition.

