

# **Princeton Value Partners (PVP), LLC**

## **Investment Advisor Brochure Form ADV Part 2A**

**March 11<sup>th</sup>, 2025**

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**This brochure provides information about the qualifications and business practices of Princeton Value Partners (PVP), LLC. If you have any questions about the contents of this brochure, please contact us at 609-571-6687 or [ir@princetonvp.com](mailto:ir@princetonvp.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.**

**Princeton Value Partners (PVP), LLC is a registered investment advisor. Additional information about Princeton Value Partners (PVP), LLC is available on the SEC’s website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov). Investment advisor registration does not imply a certain level of skill or training.**

## **ITEM 2 – MATERIAL CHANGES**

This section summarizes the material changes to the Form ADV Part 2A Brochure for Princeton Value Partners (PVP), LLC (“PVP” or the “Firm”) that have been made since its brochure dated September 3<sup>rd</sup>, 2024.

### Appointment of Operations Head

Effective November 1<sup>st</sup>, 2024, John J. Krystofik has been appointed Head of Operations. He will maintain his title “Head of Corporate Strategy and Business Development” while broadening his responsibilities to further augment the infrastructure of the firm.

Clients may request a copy of the Form ADV Part 2A at any time without charge by sending a written request to [ir@princetonvp.com](mailto:ir@princetonvp.com).

### Description of Advisory Business to Include Model Provider Services

### Update on the Selection and Utilization of Brokers and Details Regarding Soft Dollar Arrangements and Order Aggregation

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## ITEM 4 – ADVISORY BUSINESS

Princeton Value Partners (PVP), LLC is a Delaware Limited Liability Company that was formed in August 2020. PVP is owned by Manoj Tandon, who is a natural person residing in New Jersey.

PVP was formed to act as an investment adviser to private funds, separately managed accounts and sub-advised accounts. In addition, PVP offers model provider services. PVP mainly seeks to earn advisory fees based on the value of the assets it manages/advises. In some cases, PVP may also earn performance-based fees, typically by generating returns in excess of an agreed-upon benchmark. As of March 11<sup>th</sup>, 2025, PVP managed approximately \$55 million in assets on a discretionary basis.

PVP provides investment management services to institutions and high net worth individuals, in addition to private funds that are offered exclusively to sophisticated investors. Investors in the private funds will be accredited investors (as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended). The firm also provides discretionary investment advice to other financial service firms and/ or overlay managers through the delivery of model investment portfolios.

The Firm offers investment advisory services to sophisticated investors on a discretionary basis through separately managed accounts, which may utilize strategies similar to other portfolios managed by the Firm. The Firm does not hold itself out as specializing in a particular type of advisory service.

### **PRIVATE FUNDS**

Private funds refer to investment vehicles that raise money via the sale of limited partnership interests to institutions, qualified investors, and accredited individuals while relying on an exemption (Rule 506 of Regulation D) from the registration requirements of the Securities Act of 1933. Money raised in this manner is co-mingled and invested as per the guidelines of the offering documents associated with the private fund.

### **SEPARATELY MANAGED ACCOUNTS**

Separately managed accounts (“SMA”) refers to an account beneficially owned by a single investor (who is usually an institution or an accredited investor). SMAs are managed as per an investment advisory agreement between PVP and the account owner.

### **SUB-ADVISORY SERVICES**

PVP offers sub-advised investment management services to unaffiliated financial services firms.

### **MODEL PROVIDER SERVICES**

PVP offers model portfolio services to unaffiliated financial services firms.

In the Model Program, the Firm provides model portfolio advice through an agreement with Program sponsors and/or an overlay manager. The Firm monitors and updates the model portfolios on an ongoing basis and delivers updates to the Program Sponsor or overlay manager.

Program Sponsors or an overlay manager will provide participants the services described in the Program Sponsor's or overlay manager's agreement with such participants, including selection of the investment strategies based on information provided by the participant. The Firm does not provide customized investment advice or recommendations to the Model Program participants. No model portfolio is personalized or in any way, tailored by the Firm to reflect the personal financial circumstances or investment objectives of any participant.

In addition to the strategies described above, the Firm may, from time to time, agree to manage accounts according to different investment guidelines specifically negotiated with a client.

As of March 11<sup>th</sup>, 2025, we are advisers as well as the general partner to three private funds. These are (a) PVP Focused Value Fund LP with assets of approximately \$10.2 million, (b) PVP Diversified Value Fund LP with assets of approximately \$1.7 million and (c) PVP Global Value Fund LP with assets of approximately \$0.3 million. We also manage 28 SMAs with assets of approximately \$15.1 million. In addition, we manage 2 Model delivery fee paying accounts with assets of approximately \$27.8 million.

Currently all our assets are managed/vised on a fully discretionary basis in a set of equities that are generally publicly traded on a major exchange in the United States. We do not currently use options, short sales, derivatives, swaps, or other non-listed securities.

The Firm's strategies adhere firmly to a value-drive, research -intensive investment process. By adhering to a consistent, value-driven process, the Firm strives to outperform its benchmarks over the long term. PVP actively selects securities that it believes are trading at a discount to intrinsic value. Our investment strategies are subject to change without notice.

## ITEM 5 – FEES AND COMPENSATION

### PRIVATE FUNDS AND SEPARATELY MANAGED ACCOUNTS

Our clients pay us management fees and/or performance-based compensation as set forth in each client's applicable written agreement with us (and, with respect to private funds, in their respective offering documents). We generally deduct our management fees from each account monthly in advance. Once paid, the management fee is non-refundable. Generally, we receive performance-based fees or allocations on an annual basis in arrears. Investors withdrawing from a private fund or SMAs that terminate their advisory contract may owe accrued and unpaid management and performance-based fees at the time of withdrawal. Management fees and performance-based fees or allocations are generally not refundable, including upon the termination of the advisory contract. We reserve the right to re-negotiate fees with existing investors as well as offer different terms to different investors now or in the future.

In addition to those fees and charges described above, the expenses that are charged to each client are determined according to the specific terms of the client's applicable written agreement with us (and, with respect to the private funds as described in its offering documents). The expenses that are charged to the various accounts that we may manage are negotiated on a case-by-case basis.

Generally, the private funds are currently obligated to pay, or reimburse us for advancing, the funds' expenses. These include, without limitation, expenses directly or indirectly related to its operations and trading transactions and positions for its account, including, but not limited to: the management fee and investment management expenses, interest expense, brokerage commissions, custodial fees, research and due diligence fees and expenses (including any research and/or due diligence related travel) and materials (including online news and quotation services, computer hardware and software used for research, Bloomberg service, etc.), order management systems, withholding and transfer taxes imposed on it, blue sky fees, initial and periodic legal, audit, administration and accounting fees and expenses, investor reporting costs, insurance expenses, consulting fees and expenses, professional fees and expenses, and other similar fees and expenses.

Management fees and/or performance-based compensation may be reduced or waived in certain circumstances, including with respect to investments by PVP personnel and related parties.

Separately managed accounts may have management fees, performance-based compensation and/or expense arrangements that differ in one or more respects from those applicable to the private funds. To the extent we incur any expenses for the benefit of one or more private funds and/or separately managed accounts, we generally will allocate such expenses in a reasonable manner.

### SUB-ADVISORY SERVICES

The fees for sub-advisory services are agreed upon by PVP and the unaffiliated financial services firm. The agreement will provide details of the manner, amount and timing of compensation received by PVP. Generally, the compensation will be based on a management fee (typically a

certain % of assets under management) and may include a performance-based fee (typically a certain % of absolute performance or a certain % of excess of the absolute performance with respect to a benchmark such as Russell 1000 Value or S&P 500). Such fees can be higher or lower than those fees paid by PVP clients (Fund and SMA clients) who are under a different fee agreement. The provision of termination of advisory relationship is stated in the agreement between PVP and the unaffiliated registered investment adviser.

## **MODEL PROVIDER SERVICES**

The fees for model portfolio provider services are agreed upon by PVP and the unaffiliated financial services firm. The agreement will provide details of the manner, amount and timing of compensation received by PVP. Generally, the compensation will be based on a management fee (typically a certain % of assets under management). Such fees can be higher or lower than those fees paid by PVP clients (Fund and SMA clients) who are under a different fee agreement. The provision of termination of advisory relationship is stated in the agreement between PVP and the unaffiliated registered investment adviser.

All clients/investors incur third-party brokerage commissions and other transaction costs as explained in further detail in the *Brokerage Practices*, section below. Details concerning all applicable fees and expenses are set forth in each respective client's investment management agreement or relevant private placement memorandum.

### Alternative Fee Arrangements

The Firm may, in its discretion, consider and negotiate fee arrangements that are different from those described above.

### No Compensation from the Sale of Securities

Neither the Firm nor any of its personnel accepts compensation for the sale of securities or other investment products.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

We receive may receive annual performance-based fees or allocations from certain client accounts that we manage, which are based on a percentage of the capital appreciation of client assets above a certain benchmark. The terms of the performance-based compensation that we receive may differ between the various client accounts that we advise. This may result in a conflict of interest when we allocate opportunities among these accounts because we will have an incentive to favor an account that pays higher performance-based compensation. To avoid such a conflict of interest we generally follow documented procedures in allocating opportunities among such accounts, which do not take into account the performance-based compensation to which such accounts are subject.

When we determine that a particular trading opportunity would be desirable for more than one client, we generally seek to allocate such opportunity among such clients in a manner that we deem fair and equitable under the circumstances existing at such time. The factors that we may consider in making such determination include (but are not limited to): the relative amounts of capital in each client's account available for new positions of the type at issue; the mandate of each client account; our perception of the appropriate risk/reward ratio for each client account; the intended trading strategy of each client account; the liquidity of each client account at the time of trading and thereafter; and the overall portfolio composition of each client account.

Our affiliates (including Manoj Tandon, or other employees of PVP) usually invest in the private funds managed by us. In such case, we may have an incentive to favor the fund(s) in which our affiliates have a greater economic interest. In order to mitigate these potential conflicts, the Firm maintains and enforces written policies and procedures designed to ensure that all accounts of the Firm are treated equitably, regardless of the fee arrangement.

The Firm will generally combine contemporaneously placed client orders to buy or sell the same security (known as “aggregated” orders) in an effort to obtain best execution or to negotiate a more favorable commission rate. In addition, if contemporaneously placed orders to buy or sell a security for multiple accounts are executed at different prices or commissions, the transactions will generally be allocated to each account at the average execution price and commission. In circumstances where an aggregated order is not completely filled, each account will normally receive a pro-rated portion of the securities based upon its level of participation in the order. The Firm may under certain circumstances allocate securities in a manner other than pro-rata, but only if it is determined that the allocation is fair and equitable under the circumstances and does not systematically discriminate against any account.

All current and prospective investors are urged to review their respective investment management agreements and the offering documents for private funds, as applicable, as well as this brochure, for complete information on the fees, expenses, and any other compensation applicable to their situation.

## ITEM 7 – TYPES OF CLIENTS

As discussed in the *Advisory Business* section above, the Firm provides discretionary investment management services to a private fund, individuals, and other private clients. The Firm also provides model investment portfolios to other financial firms that may implement these portfolios for their client accounts. The Firm may also offer investment management services to sophisticated investors on a discretionary basis through separately managed accounts. Generally, all of our funds' investors qualify as "accredited investors" (as defined in Rule 501 under the Securities Act of 1933, as amended) and "qualified clients" (as defined in Rule 205-3 of the Advisers Act).

The minimum initial investment in the private investment funds is \$250,000 generally, subject to our discretion accept lesser amounts on a case-by-case basis. Our private funds offer LPs monthly liquidity with at least 30 days' notice, subject to certain conditions laid out in the offering memorandum.

We also provide investment advice to separately managed accounts (SMAs) to institutions and certain individuals and rollover Individual Retirement Accounts (IRAs). Broadly speaking, beneficial owners of our SMAs are generally qualified institutional clients or high net worth individuals with investable assets above one million dollars, and/or regular annual income above \$300,000. Certain financial professionals who are considered knowledgeable about the risks of investing may also be considered accredited investors.

The account minimum is \$1,000,000 generally, subject to our discretion accept lesser amounts on a case-by-case basis. Investment parameters for SMAs and IRAs may differ significantly among themselves and from the private funds – and thus their performance may be significantly different too.

We encourage our clients to regard their investments with us as long-term (multi-year) core allocation to US equities. We do not encourage market-timing or frequent additions/redemptions from accounts.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

Each strategy employed by the Firm has its own set of risks, but in all cases, the Firm's strategies involve a significant risk of loss that clients should understand and be prepared to bear.

This section contains a general discussion of important issues that we believe our current and prospective investors should understand while evaluating PVP. Comments herein may not apply, or may not apply equally, to different funds and SMAs managed by us; and the specific offering documents or investment management agreement should be consulted while evaluating a particular product/strategy.

### **Investment Philosophy**

We are value investors.

Value Investing is perhaps the oldest formal investment framework in existence and seeks to identify securities that appear cheaper than other alternatives according to some fundamental metrics; and thus offer the prospect for higher returns in the future. Benjamin Graham and David Dodd taught investing at Columbia Business School in the 1920s and subsequently wrote “Security Analysis” in 1934 that lays out several principles for selecting good investments. Since then, many well-known academic researchers as well as practitioners have developed investing frameworks that revolve around some metric of value. In doing so, they have examined and interpreted years of data. Their broad conclusion is that over long periods, value stocks outperform the broad market (and growth or “glamour” stocks).

In September 2020 (when Princeton Value Partners (PVP), LLC was launched), the valuation of the top 20% of US stocks was about 2.3 standard deviations above the median stock. This divergence has been seen only a few times in the last 100 years. Such times are usually associated with exciting new technologies or products. Excessive enthusiasm for certain sectors, or companies that are seen as “must-own” growth stocks can lead to their earnings (or prospective earnings) being valued at much higher multiples than traditional businesses. However, extreme valuation gaps have often proven to presage several years of mean reversion. Unless this time is different, the long-term outperformance of value stocks over the broad market should re-establish itself. We believe the stage is set for many years of outperformance of value stocks over the broad market - and especially over growth stocks.

We believe that the principles of value investing and our experience navigating various cycles and markets over the last 20 years can help us construct high-quality value portfolios. These portfolios should benefit both from beta (value outperforming growth) as well as alpha (selection of specific stocks and sectors). Crucially, such a portfolio may also act as a true diversifier to a typical passive/index portfolio.

### **Process of Security Analysis and Portfolio Management**

Our goal is to find high-quality businesses earning above their cost of capital over long business cycles. Under normal circumstances, investors appreciate such characteristics, and the shares trade at fair to rich valuations compared to the broad market. However, such businesses may suffer a valuation setback due to a cyclical downturn or a business-specific issue. If our research indicates that these problems can be corrected over time, such a valuation discount may offer an attractive investment opportunity.

Our investment process focuses on Normalized Earnings Per Share (“Normal EPS”), what a business would earn in a normalized environment over long-term or mid-cycle earnings. We combine an efficient screening process that identifies companies earning below their Normal EPS with a focused fundamental research effort.

There is no better teacher than history in determining the future - and therefore, history is a good starting point and future guide. As current earnings are well below trend, we look at historical performance for each stock in our investable universe and project future earnings for the next decade assuming business performance and earnings revert to long-term trends. A good quantitative screening process is disciplined and systematic, it is unbiased and allows you to explore the breadth of investment universe and offers a preliminary risk control. It has its shortcomings as it is a heuristic and rule-based approach, insensitive to the quality of a business, backward-looking in nature and therefore, incapable of recognizing past inflection points that might have fundamentally impaired a business. Our goal is to take advantage of the positives of a good screening process and improve upon its shortcomings through an extensive and rigorous fundamental research process. We recognize that it is artisanal work and intellect-intensive, but we strive to take the time to pursue various paths and address all important issues that can impact Normal EPS. Understanding gained through fundamental research allows us to accept, modify, or reject history. It separates great investments from value traps. It helps us gain increased conviction in quality of business and Normal EPS.

Security selection is necessary, but not sufficient, to deliver good results for our clients. The securities we consider desirable then need to be arranged in a portfolio that is consistent with clients’ objectives around concentration, sector diversification, and risk tolerance.

We strive to balance risks and rewards in our security selection as well as portfolio construction. Our goal is to have long holding periods and high active share – resulting in a portfolio that differs from market benchmarks. Many studies show that many actively managed funds hug their benchmarks in an effort to avoid underperformance. This deprives investors of the benefits of active management. We believe there are some simple and prudent portfolio construction rules that enhance investment returns. Our goal is to expose our clients to our best investment ideas, and we believe that our superior research allows us to achieve this objective through a concentrated portfolio with a high active share.

To manage risk, we have implemented rules around position size limits at the time of purchase and at market prices, and what proportion of our capital we will direct to a single stock over its life in the portfolio. Portfolios can be constructed with distinct objectives in terms of diversification and benchmark tracking error. Our goal is to meet our clients’ needs while implementing our rigorous investment process with the aim of generating superior investment results.

Our current portfolios (for the private funds as well as SMAs) are long-only, unlevered, reasonably diversified (with at least 25 and at most 50 stocks), and do not utilize any options, futures, derivatives, etc. We are close to fully invested at most times (i.e., retain little cash).

### **Risk of Loss**

Risk is inherent in all investing. There is no assurance that a client account will meet its investment objective. Clients may lose a significant part of the value of their account and their account may not perform as well as other similar investments. The following is a summary description of the material risks that clients should consider when establishing an account. This list is not exhaustive. Our investors are urged to review the offering documents for the private funds or their investment management agreements with us as applicable, for a more detailed discussion of the risks applicable to them.

### **Investment and Trading Risks**

All securities investments risk the loss of capital. We believe that our security selection and portfolio management moderate this risk via fundamental analysis and diversification. However, no guarantee or representation is made that our efforts will be successful or that the clients will not incur losses. Our performance will be correlated to the broad market, as we do not attempt to hedge market downturns (e.g., by entering short positions) or avoid downturns by moving to cash. Certain clients may elect to withdraw their investments during times of market disruption and thus incur a loss even if our funds ultimately perform well over time.

### **Business Dependent Upon Key Individuals**

Clients will have no authority to make decisions or to exercise business discretion on behalf of their accounts. The authority for all such decisions is delegated to PVP. The success of the clients' portfolios, therefore, is expected to be significantly dependent upon the expertise and efforts of the principals of PVP. The ownership and control of PVP may change without the approval of any client.

### **Concentration of Investments**

While the private funds and the SMAs have certain guidelines regarding concentration, these guidelines are not binding on us. At times, the portfolios may hold a relatively large concentration in a particular security or industry. Losses incurred in such investments could have a material adverse effect on performance. Academic research shows that most of the benefits of diversification may be achieved by a portfolio of around 20 stocks. Our portfolios contain 25-50 stocks, and we believe them to be reasonably diversified; however, they are less diversified than market indices (of 500 stocks or more), or many large mutual funds (which may own 200+ positions).

### **Non-U.S. Investments**

We typically invest in securities that are listed on a major US stock exchange (e.g., the NYSE or Nasdaq) for our two domestic funds, PVP Focused Value Fund LP and PVP Diversified Value Fund LP. Most of our separately managed account (SMA) relationships mirror the two domestic strategies. Effective February 1, 2023, we have launched PVP Global Value Fund LP, a strategy that will primarily invest in developed markets globally including US, Europe, Japan, Australia, and New Zealand. We will be investing in some companies that are listed in United States and

may be domiciled in foreign jurisdictions or may be listed on major international stock exchanges and/or may conduct much of their business overseas. These companies may be subject to different regulations and taxation that could change at short notice. Income received by clients from such sources may be reduced by withholding and other taxes. While we attempt to account for such factors during our security analysis, there is no assurance that we will be successful in our efforts.

#### Small Cap Company Risk

We typically focus our analysis on the top US 1000 stocks (by market capitalization) and thus most of our investments are expected to be in the large cap sector of the market. However, occasionally we may purchase smaller capitalization stocks where we judge the risk reward to be strongly in our favor. Small cap companies typically involve higher risk because they may lack the financial resources, management experience, and competitive strength of larger companies. Additionally, the frequency and volume of their trading may be substantially lower, leading to larger bid-ask spreads (and more slippage) in execution of trades.

#### Market Disruption Event Risk

The US exchanges, where most of our securities trade, are generally regarded as the most robust in the world. However, certain events have caused disruptions in the past. Most notably, the terrorist attacks of 9/11 caused the US markets to be closed between September 11, 2001, and September 17, 2001. In addition, events like the “flash crash” of May 6, 2010, can cause periods of extreme volatility and illiquidity. While we do not generally seek to execute trades during such times, it is possible that the portfolio value will be adversely affected, and lead to more volatile performance than expected under normal circumstances. We may have to suspend the ability of clients to withdraw funds till such time that the markets resume normal functioning.

#### Pandemics, Macroeconomic events, and Geopolitical Risk

The Covid-19 pandemic caused an unprecedented shutdown of many industries such as travel and hospitality, led to oil futures settling at negative prices, and extreme market volatility, along with trillions of dollars in new government spending. Quantitative easing, negative interest rates, and exchange rate manipulation by central banks or governments were big surprises when they first occurred. A terrorist attack, or a war involving the United States and other major powers would have unpredictable (and in the short term extremely negative) market repercussions. So could cyber-terrorism or a widespread failure of the Internet. These “black swan” events are difficult or impossible for us (and most other investment managers) to plan for. In our view, they are an unavoidable risk of investing.

#### Cybersecurity Risk

The firm’s technology systems, and those of our critical third parties such as administrators, custodians, and auditors, may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, floods, tornadoes, hurricanes, and earthquakes. Although we have implemented various measures to manage risks relating to these types of events, if our systems are compromised, become inoperable or cease to function properly, the firm and its affected advisory clients may have to make a significant investment to fix or replace them. The

failure of these systems and/or of a disaster recovery plan for any reason could cause a significant interruption in the operations of the firm and its clients and result in a failure to maintain the security, confidentiality, or privacy of sensitive data, including personal information relating to clients. Such a failure could harm a person's reputation and subject the firm to legal claims, regulatory fines, and impair business and financial performance.

**Data and Information Risk**

Although the Firm obtains data and information from third party sources that it considers to be reliable, the Firm does not warrant or guarantee the accuracy and/or completeness of any data or information provided by these sources. The Firm does not make any express or implied warranties of any kind with respect to such data.

## **ITEM 9– DISCIPLINARY INFORMATION**

Neither PVP, nor any of its personnel, has legal or disciplinary events (i.e., criminal or civil action in a domestic, foreign or military court, administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or self-regulatory organization) that are material to evaluating the Firm's advisory business or the integrity of its personnel.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

The Managing Principal of Princeton Value Partners (PVP), LLC does not currently have any other employment or businesses that occupies a significant percentage of his time or attention.

The Firm has no existing or pending affiliations with a broker-dealer or a registered representative of a broker-dealer. The Firm has no existing or pending affiliations with a Futures Commission Merchant (FCM), Commodity Pool Operator (CPO), or Commodity Trading Advisor (CTA).

The Managing Principal of PVP does not currently serve on any public company or for-profit private company boards. It is possible, but unlikely, that he will undertake such roles. He may serve on the boards of non-profit organizations.

## **ITEM 11 – CODE OF ETHICS, PERSONAL TRADING**

PVP is committed to conducting business in accordance with all applicable laws and regulations and in an ethical and professional manner. In addition, we recognize that we have a fiduciary duty to our clients.

PVP has adopted a written Code of Ethics that complies with the requirements relating to registered investment advisers set forth under Rule 17j-1 of the Investment Company Act of 1940, as well as Rule 204A-1 under the Investment Advisers Act of 1940. Existing and prospective clients may obtain a copy of the Firm's Code of Ethics by contacting the Firm at the address set forth on the cover page.

Employees of the Firm may from time to time buy or sell securities for their own accounts that are also purchased and/or sold for the accounts of clients. This has the potential to create a conflict of interest between employees of the Firm and clients. In order to address this potential conflict of interest, the Firm's Code of Ethics establishes policies and procedures relating to trading by employees. The Code of Ethics is based on the principle that the Firm's employees owe a fiduciary duty to clients and must avoid activities, interests and relationships that might interfere with making decisions in the best interests of any client. Among other things, the Firm's Code of Ethics generally requires the following:

### Personal Securities Accounts Reporting

Each covered person (all employees are deemed to be covered persons) is required to report a list of personal securities holdings and accounts, including holdings and transactions in brokerage accounts. The Firm's Code of Ethics requires the provision of duplicate statements for each securities account enabling the monitoring of each employee's trading activity to ensure the activity does not conflict with the best interests of the Firm's clients.

### Pre-Clearance of Transactions

The Firm's covered persons are required to receive pre-clearance approval for any securities transaction which is on the Firm's Restricted List. Prior to entering an order for execution, an access person must submit a trade authorization request to a pre-clearance officer. The request must identify the proposed transaction and provide certain representations. Upon receipt of the request, a pre-clearance officer will review the proposed trade, as well as information regarding past and/or pending client transactions. If the proposed transaction is deemed to be consistent with the requirements of the Code of Ethics, it may be approved. Regardless of whether a proposed transaction is approved or denied, a pre-clearance officer will maintain a record of the request, which shall include the security and number of shares, as well as the authorization/denial date and time.

### Account Transaction Reporting

PVP requires the provision of duplicate statements for each securities account in which an covered person is actively trading. Compliance staff reconcile pre-clearance authorization forms with trading activity in access persons' securities accounts. The Firm conducts this reconciliation to ensure that any trading has been conducted pursuant to the requirements set forth in the Code of Ethics.

## ITEM 12 – BROKERAGE PRACTICES

### Selection and Utilization of Brokers

Unless a client instructs PVP to execute securities transactions through a particular brokerage firm, the Firm has the authority to direct transactions to brokers or dealers that it reasonably believes can provide the best execution.

When determining which brokerage firms have demonstrated the ability to provide the best execution, the Firm will consider a variety of factors, including but not limited to; the broker's ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected, taking into account the size of the order and difficulty of execution; the financial strength, integrity and stability of the broker; the quality, comprehensiveness and frequency of available brokerage and research products and services considered to be of value; and the competitiveness of commission rates in comparison with other brokers satisfying the other selection criteria.

### Soft Dollar Arrangements

Consistent with the analysis set forth above, the Firm may cause client accounts to pay an executing broker that provides research and brokerage services that assist with the Firm's performance of its investment decision-making process a commission greater than another qualified broker might charge; provided the Firm determines in good faith that the commission paid to the executing broker is reasonable in light of the value of all research and brokerage services provided by such broker to the Firm. Such arrangements, which are generally referred to as "soft dollar arrangements," may or may not involve a target commission amount that the Firm seeks (but is not obligated) to have client accounts pay the broker over specified time periods. In the event that the Firm receives research services and trade execution services from brokers that it would otherwise have to produce or pay for with its own assets, soft dollar arrangements result in a benefit to the Firm and give the Firm an incentive to select brokers based on this benefit instead of a client's interest in receiving most favorable execution. The Firm believes that its policies and procedures adequately address this conflict of interest and are reasonably designed to ensure that clients receive best qualitative execution. The Firm's Executive Committee will assess the transactions executed through soft dollar brokers to accurately gauge the value of the research and brokerage services provided by such brokers.

PVP's soft dollar arrangements regarding research services will generally take the form of a proprietary soft dollar arrangement or a third-party soft dollar arrangement. Under a proprietary arrangement, the executing broker directly provides research it prepares to the Firm. Brokers that provide proprietary research generally charge a bundled commission that includes the cost of execution and the additional research services, and they do not typically assign a particular value to their research services.

The Firm will regularly assess the value of the research services provided by the brokers with which it deals. Over time, the Firm will attempt to direct commission business to a broker in an amount that is fair and reasonable under the circumstances and proportional to the Firm's assessment of the value added by that broker.

Under a third-party arrangement, the executing broker provides the Firm with research prepared by an organization other than the executing broker. As the broker is responsible for providing the third-party research, the broker usually has an expectation that the Firm will direct a level of business to it sufficient to compensate the broker for its execution services and the third-party research it provides. Under no circumstance is the Firm ever legally committed to meet this target. The Firm only executes transactions through a broker if it reasonably believes that the broker is capable of providing the best qualitative execution, and the broker always bears the risk that the Firm may not direct sufficient business to it to cover the broker's cost of providing the research. When the Firm fails to meet a broker's target, the broker's sole remedy is to discontinue providing the research to the Firm.

When the Firm executes a transaction through a broker with which it has a third-party arrangement, the Firm is generally given a credit, which consists of some percentage of the total commission cost, that is considered by the broker in evaluating whether the Firm has directed a level of business to the broker sufficient to cover the broker's cost of providing the research. The research PVP will receive in soft dollar arrangements includes traditional research reports; facilitating meetings with company managements; facilitating meetings and other communications with analysts; conferences; special research projects; political, economic and regulatory commentary; regulatory and policy analysis; market data; quantitative equity and economic research; general economic and market analysis; and industry/sector specific technical research.

The research services that PVP will obtain through soft dollar arrangements will generally be used to service, support, and advise all of the Firm's clients. At any point in time, however, the Firm may receive products or services that are used for some, but not all clients. In addition, a client that directs the Firm to use a particular broker to execute trades for the client's account may not contribute to the cost of research obtained through soft dollar arrangements but may benefit from such research. As a result, it is not possible to establish or monitor the arrangements to make sure that each client benefits equally or in the same proportion as its transactions constitute the total transactions effected for all clients. The Firm, however, believes that its soft dollar arrangements are reasonably structured to benefit its clients and involve the payment of no more than reasonable commissions.

The Firm may engage an unaffiliated broker to execute and settle trades on its behalf under a soft dollar arrangement. These brokerage services will be provided during the time beginning when the firm communicates with the soft dollar broker for the purpose of transmitting an order for execution and will end when the funds or securities are delivered or credited to the advised account or the account holder's agent. This arrangement will generally take the form of commissions paid to the soft dollar broker.

The Firm expects that the brokerage services provided under this arrangement will benefit all its clients and will be proportionate to the commissions paid for these brokerage services. The Firm's arrangement with the soft dollar broker will involve the benefits, incentives and conflict of interest described above for soft dollar arrangements generally. The Firm subjects the trade execution arrangement to the same policies and procedures and reviews its uses for research-related soft dollar arrangements, with the focus on ensuring clients receive the best possible

execution and pay no more than reasonable commissions.

#### Aggregated Orders

When the Firm decides to purchase or sell the same security for multiple clients at approximately the same time, the Firm will generally combine the client orders (i.e., enter an “aggregated” order) in an effort to obtain best execution or to negotiate a more favorable commission rate. If orders to buy or sell a security for multiple clients at approximately the same time are executed at different prices or commissions, the transactions will typically be allocated to each client at the average execution price and commission.

If an aggregated order is partially filled, each client participating in the aggregated order will generally receive a pro-rata portion of the shares filled based upon the client’s percentage participation in the order. The Firm may make exceptions to this general policy from time to time; provided, the Firm determines that the allocation is fair and equitable under the circumstances and does not systematically discriminate against any client.

#### Directed Brokerage

If a client directs the Firm to execute securities transactions through a particular brokerage firm, the Firm does not negotiate commission rates with the brokerage firm designated by the client. The client may be able to negotiate commission rates directly with the brokerage firm it designates (“directed broker”). The prices and execution quality achieved for a client account with a directed broker may be more or less favorable than the prices and execution quality the Firm achieves for other client accounts. The Firm may not be in a position to, and may not, monitor for best price and execution of trades the directed broker executes for the client’s account. The Firm may place trades for client accounts that direct brokerage after it places the same trades for other clients that do not direct brokerage. This may result in directed brokerage accounts receiving worse prices than other client accounts.

For certain securities transactions that are not available from a client’s directed or, in the Firm’s judgment, would not be advantageous to the client if executed with such broker, the Firm may aggregate its order for that client with orders for other clients placed with a broker the Firm selects, and then have that executing broker step out the client’s portion of the order to the directed broker for settlement. For such a transaction, the directed brokerage client receives the same prices as the other clients and pays commissions to the executing broker at the same rate paid by the other clients participating in the order. Depending on the terms of the client’s agreement with the directed broker, the directed brokerage client may also pay a commission or separate administrative fee to the directed broker for such a transaction.

## ITEM 13 – REVIEW OF ACCOUNTS

The principals of PVP frequently review each of the accounts we manage to monitor compliance with portfolio guidelines, performance, unexpectedly volatile positions, etc.

Investors in our private funds receive unaudited reports on a quarterly basis. These reports also specify the value of their investment as of the end of the relevant quarter and may contain other information such as comparisons to benchmarks.

Investors in the Firm's private funds receive written statements containing individual net asset values on a quarterly basis, either from the client's independent fund administrator, as set forth in the terms of the relevant private placement memorandum or partnership or limited liability company agreement. We expect to perform audits annually and provide copies of audited financial statements to our investors generally by March 15 of the following year. We also expect to distribute tax reports (K-1) to each investor at the same time.

Separate account (SMA) clients generally have real-time access to reports of net asset values and account activity through their custodians. The custodian also provides separate account clients with quarterly reports containing performance and holdings information. The Firm does not intend to provide an audited financial statement or tax statements to such investors but may be able to provide these at their request and expense.

All PVP Funds and Separately Managed Accounts (SMAs) have been certified for reporting Fund and Composite (Fund and SMAs) performance under established policies and procedures for complying with the Global Investment Performance Standards (GIPS®). The GIPS® standard is related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance that are designed to be in compliance with the GIPS standards, as well as whether these policies and procedures have been implemented on a firmwide basis. GIPS® is a registered trademark of CFA Institute.

## **ITEM 14 – CLIENT REFFERALS AND OTHER COMPENSATION**

Other than the circumstances described above in Item 12, we do not receive any economic benefits from non-clients in connection with the provision of investment advice or other advisory services to our clients.

If a client is introduced to us by a third-party solicitor, we and/or our affiliates may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 under the Advisers Act to the extent applicable. Any such referral fee will be paid solely by us or our affiliates and will not result in any additional charge to the client unless the client agrees otherwise in its applicable written agreement with us.

## **ITEM 15 – CUSTODY**

PVP may be considered to have custody of client assets as a result of fee payments or the service of its affiliates as general partner to private investment partnerships. Actual custody of client assets, however, is at a broker-dealer, bank or other qualified custodian. Clients should carefully review all account statements and compare those received from the Firm with those received directly from their designated administrator or custodian. For its private funds that include investors other than the Firm's principals, the Firm will send audited financial statements, prepared in accordance with GAAP, to each fund investor within 120 days after such fund's fiscal year end.

As described in Item 14, any separately managed accounts that is managed by the Firm will receive account statements from their custodians.

## **ITEM 16 – INVESTMENT DISCRETION**

As an investment adviser, the Firm generally has discretionary authority over clients' accounts to determine what securities or other investments will be bought and sold and in what quantities, the amount of leverage employed, the broker-dealer used and the commission rates to pay, among other things. The specific terms of the scope of such investment discretion are detailed in the relevant account's investment management agreement. Clients may place reasonable restrictions on their accounts (for example, limits on the percentage invested in a particular security; limits on industry concentration; or prohibitions against investments in particular securities). In most circumstances, the Firm will accommodate client restrictions provided they do not interfere materially with the Firm's portfolio construction process. If a client directs the Firm to use a particular broker-dealer, the Firm does not have discretion to choose the broker-dealer used or negotiate the commission rate.

## **ITEM 17 – VOTING CLIENT SECURITIES**

We generally have voting discretion over securities held in client accounts. We will exercise our judgement on a case-by-case basis while responding to proxy solicitations. In general, our main objective is to maximize the value of our holdings in a particular company. We are not “activist” investors in that we do not purchase securities in order to explicitly influence the actions of a company.

The purpose of these Proxy Voting Policies and Procedures (‘the Policy’) is to memorialize the guidelines adopted by Princeton Value Partners (‘PVP’) to enable the Firm to comply with its accepted responsibilities and the requirements of Rule 206(4)-6 under the Investment Advisors Act of 1940, as amended (‘Advisers Act’).

### **POLICY**

PVP acts as discretionary investment advisor for various clients. When voting proxies, PVP’s primary concern is that all decisions be made in shareholders’ best interests. PVP will act in a manner it deems prudent to enhance the economic value of the assets of the account, which may include consideration of environmental, social, and governance (ESG) items.

Unless a client specifically reserves the right to vote for its own proxies, PVP will vote client proxies and act on all other corporate actions. For those clients who specify to PVP that they will vote proxies for their accounts, PVP does not take any action with respect to proxy voting for these clients. In certain situations, PVP may consider written direction from a client on how to vote on a specific proxy proposal but will only do so with respect to assets owned by the respective client. Shares voted under client direction may not be consistent with the proxies voted by PVP for other clients or with the established Policy.

To ensure that the voting of proxies is done in a consistent manner and in compliance with PVP’s fiduciary responsibilities, we provide firmwide proxy voting guidelines that focus on clients’ best interests. PVP intends to vote in such a way as to maximize long-term shareholder value and avoid exercising judgement on non-monetary or non-economic objectives sought by certain parties as shareholders through proxy voting. The Policy has been established by Manoj Tandon, Chief Investment Officer (CIO), and is overseen by the Chief Compliance Officer (CCO) who provides an administrative framework to facilitate and monitor the exercise of such proxy voting and fulfill the obligations of reporting and recordkeeping under federal securities laws and the Policy.

Each proxy issue will be considered individually. The following principles are a partial list to be used as a guide to vote on proposals often contained in proxy statements but will not be used as rigid rules.

### **GUIDELINES**

PVP is establishing certain guidelines that will be followed by the research team when voting proxies. Any member of the research team can exercise discretion on any item being voted upon if they deem that it is more appropriate to enhance shareholder value. As part of our due diligence process, we consider proxy-related topics including, but not limited to, the quality and competence of boards and executive management, audit and tax policies, compensation, stock voting rights, or ESG factors that may impact shareholder value. We highlight below principles that incorporate our views and outline how an individual proxy may be voted.

With respect to matters that do not fit in the categories stated below, PVP will exercise its judgement to vote in the manner which we believe will best enhance shareholder value.

### **Boards of Directors**

PVP will generally vote in favor of board members proposed by the Board of Directors but will seek to limit insiders on the board to fewer than 25% of members. If insiders are more than 25% of a Board's members, PVP will favor the appointment of an independent Lead Director. PVP will generally favor Boards whose members have a range of expertise, with special attention paid to appointing quality individuals to chair its Board committees. PVP will also generally favor Directors with a limited number of external Board memberships to ensure Directors have sufficient bandwidth to perform their fiduciary duties. PVP will evaluate the attendance of the Directors at Board meetings and will favor board members who minimize absences and missed meetings so that the Board functions properly and is able to exercise appropriate oversight.

PVP will evaluate proposals for the separation of the Chairman and CEO roles with a view that CEO duality may be appropriate for a company based on several factors. PVP will favor the appointment of a Lead Independent Director in the case of CEO duality.

PVP prefers Boards of Directors comprising experienced individuals and believes that restrictions such as compulsory retirement age or length of tenure on the board should be avoided. However, PVP will evaluate average tenure and Board turnover with a view that support should not be given to entrenched boards that are likely, in our judgement, to be unduly swayed by Company executives.

PVP believes that cumulative voting can be misused and will generally vote against it. PVP will evaluate this on a case-by-case basis.

PVP will favor diversity in Board composition with a view that having a highly qualified, well-functioning board is the primary objective. PVP will generally not favor numerical quotas on certain characteristics of Board members which may be detrimental to shareholders' interests.

### **Routine Matters**

PVP will generally support management proposals for annual meeting events, approval of financial statements and any changes to incorporation articles and bylaws that are in accordance with local laws and regulations and are in the ordinary course of business. Matters that pertain to these and similar topics but which are not, in PVP's judgment, in the ordinary course of business will be considered on a case-by-case basis.

## **Audit Services**

PVP will generally support the approval of auditors proposed by the Board with the objective that the auditor is independent, unbiased, and competent to provide a high-quality examination of the financial records of the company through its audit services. PVP will consider non-audit fees earned by the auditor with the objective of avoiding conflicts of interest. PVP will examine the opinions rendered by the auditor and will check for accuracy and that to the best of our knowledge of the business, its financial operations and profitability, no fraud or incorrect application of Generally Accepted Accounting Principles (GAAP) is being proposed or implemented.

## **Compensation**

PVP believes that stock-based incentive compensation aligns the goals of Management and employees with those of shareholders. PVP examines each program on a case-by-case basis and evaluates several factors, including proposed compensation targets, dilution, important metrics, and thresholds required for achieving compensation. In line with our investment philosophy, PVP prefers performance metrics that are primarily based on returns over longer time periods.

## **Capital Structure**

PVP believes that meaningful changes in capital structure should be evaluated carefully and should be undertaken only in special circumstances, such as the acquisition of a business or assets or to avoid an existential threat. PVP will consider the business needs and conditions of a Company at the time changes are proposed, as well as Management and the Board's reasoning and the adequacy of supplied information.

## **Environmental & Social**

PVP believes that adherence to carefully considered environmental and social policies and principles enhances long-term shareholder value. PVP will examine environmental and social matters that are brought up for a shareholder vote on a case-by-case basis. PVP will not support matters that we do not believe will enhance shareholder value over time.

## **Takeover Defenses**

PVP believes that adopting takeover defenses has the potential to impair the full realization of business value through the sale of a company. PVP will generally not support anti-takeover measures that entrench Management or the Board. However, certain defenses may be acceptable if, in our judgment, they are necessary to prevent the acquisition of the company without what we believe to be appropriate compensation.

## **PROXY VOTING**

To vote client proxies, PVP intends to utilize Institutional Shareholder Services, Inc. ('ISS') a leading national provider of proxy voting administrative and research services.

PVP's proxy elections are made by the primary analyst ('Covering Analyst') on a security, as we believe the Covering Analyst is best positioned to vote on various issues consistent with our policy. In cases where the Covering Analyst determines that the appropriate vote goes against the general guidelines established by PVP, they will bring the matter up for discussion with the

CIO/PM and the proxy will be voted following agreement between the CIO/PM and the Covering Analyst. Written records will be kept for any such votes.

PVP will maintain records pertaining to proxy voting in either written or electronic format for six years.

### **PROXY VOTING POLICY REVIEW**

The Policy is subject to modification and will be reexamined at least annually. Changes may be made to the policy to consider new matters introduced by Management, Boards, or shareholders and included on proxies.

The policy may also be modified to assure adherence to all applicable rules, regulations and laws under the Investment Company Act, Advisers Act, and ERISA.

## **ITEM 18 – FINANCIAL INFORMATION**

Currently, there is no financial condition that is reasonably likely to impair PVP's ability to meet contractual commitments to clients. PVP has not been the subject of a bankruptcy petition at any time since firm inception.

For questions or requests for additional information, please contact [ir@princetonvp.com](mailto:ir@princetonvp.com) or call 609-571-6687.