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## 1. Firm Overview

### 1.1 General overview

PFA is a registered investment advisor with the SEC with offices in Colorado and Minnesota. PFA was established to develop a series of 1940 Act mutual funds in alternative asset classes. Together with its affiliates, PFA advises on approximately \$2.9 billion in traditional and alternative investment strategies as of September 30, 2023. PFA partners with experienced investment managers who typically have long Separate Account or LP track records to bring those strategies into a liquid mutual fund structure. PFA is the Advisor of six mutual funds; the Eagle MLP Strategy Fund (a midstream energy infrastructure fund), the Deer Park Total Return Credit Fund (an alternative credit fund), the Princeton Premium Fund (an option premium collection strategy), the Princeton Long/Short Treasury Fund (a long/short fund focused only on US Treasuries), the Princeton Everest Fund (a private equity fund of funds) ("PEF") and the Ellington Income Opportunities Fund (an alternative structured credit interval fund).

### 1.2 Legal structure

The Princeton Everest Fund's investment advisor is Princeton Fund Advisors, LLC. The Advisor is registered with the Securities and Exchange Commission ("SEC") as an investment advisor under the Investment Advisors Act of 1940 (the "1940 Act"). Under the control of John L. Sabre and Greg D. Anderson, the Advisor is an independent investment advisory firm specializing in the management of a variety of types of registered funds. The Advisor was founded in 2011 by John L. Sabre and Greg D. Anderson. The Advisor is an affiliate of Mount Yale Capital Group, LLC, a Delaware limited liability company, founded in 1999 and also controlled by John L. Sabre and Greg D. Anderson.

### 1.3 Overview of PFA key professionals

The Advisor's management team is supported by over 30 professionals across multiple areas of expertise. These areas include research, due diligence, portfolio construction, asset allocation, and client services. In aggregate, the Advisor employs four MBAs, one JD, one CFA, and one CPA. Below are biographies of key professionals as they relate to the Fund:

John L. Sabre: Mr. Sabre is a founder and Chief Executive Officer of the Advisor. He has served as a Portfolio Manager of the Fund since it commenced operations. Mr. Sabre has also served as the Chairman and Chief Executive Officer of Mount Yale since 2003. Prior to 2003, Mr. Sabre was a Senior Managing Director at Bear Stearns & Co. and Head of the Mezzanine Capital Group. Mr. Sabre previously served as President of First Dominion Capital, which managed \$3.0 billion of assets and is now owned by Credit Suisse First Boston. Prior to his position at First Dominion Capital, Mr. Sabre was a Managing Director and founding partner of Indosuez Capital, the merchant banking division of Credit



Agricole Indosuez. Mr. Sabre also was employed in the investment banking groups of Credit Suisse First Boston and Drexel Burnham Lambert. Mr. Sabre holds a B.S. degree from the Carlson School at the University of Minnesota and an M.B.A. degree from the Wharton School at the University of Pennsylvania.

Greg D. Anderson: Mr. Anderson is a founder and President of the Advisor. He has served as a Portfolio Manager of the Fund since it commenced operations. Mr. Anderson is also the President of Mount Yale. Prior to founding the Advisor in 2011 and Mount Yale Asset Management, LLC in 1999, Mr. Anderson was a Senior Vice President and Managing Director of Investment Manager Search, Evaluation, and Due Diligence at Portfolio Management Consultants, Inc. Mr. Anderson was previously employed with Deloitte & Touche where he specialized in the areas of estate planning, health care and non-profit organizations, and tax and personal finance planning for high net worth individuals. Mr. Anderson holds a B.A. degree from Hamline University in Minnesota and a J.D. from the University of Minnesota School of Law. Mr. Anderson is a Certified Public Accountant (inactive).

Zach Slater: Mr. Slater serves as the Vice President of Portfolio Strategy for the Advisor. Mr. Slater joined Princeton Fund Advisors, LLC and its affiliated entities in 2011 to conduct research on new investment opportunities. His experience includes evaluating and monitoring traditional, alternative and private investment strategies. Additionally, he has experience transitioning strategies into different investment vehicles. Mr. Slater is responsible for sourcing new managers, conducting due diligence on potential managers and ongoing monitoring of current managers and investments. He holds a B.S. from the Daniels College of Business at the University of Denver.

Chris Snyder: Mr. Snyder serves as the Vice President of Portfolio Management and Research for the Advisor. Mr. Snyder joined PFA and its affiliate, Mount Yale, in 2004. He is responsible for the construction and maintenance of client portfolios and performs research on existing and potential investment managers. In addition, Chris acts as a portfolio manager on the firms Managed Model Portfolios. He holds a B.S. in Business and Administration from the University of Colorado at Boulder and earned the right to use the Chartered Financial Analyst® designation.

Chris Moran: Mr. Moran has worked in the accounting and finance department for Mount Yale's and the Advisor's private equity funds since 2006, and currently serves as the Chief Financial Officer. He is experienced in a broad range of financial, regulatory and operational activities specific to onshore and offshore private equity fund-of-funds, including the management of capital calls and distributions for investors and underlying investments, financial reporting, fair market valuation of underlying investments, taxation, senior financing reorganizations, and cash management. Mr. Moran has worked to secure and manage novel lending arrangements with top-tier banks to meet the short-term liquidity needs of private equity funds pursuing over-commitment strategies. He has also served as the Treasurer to the Fund since inception. Prior to Mount Yale, Mr. Moran worked as a licensed certified public accountant for CBIZ and Mayer Hoffman McCann where he specialized in attestation and tax services for employee benefit plans, family investment partnerships, and service companies. He holds a Masters in Accountancy from Truman State University in Missouri.



## Due Diligence Questionnaire

Michael Sabre: Mr. Sabre came to Princeton Fund Advisors and its affiliates in 2003 and serves as the Chief Operating and Compliance Officer. Mr. Sabre oversees compliance, finance, accounting and administration. Prior to joining the firm, Mr. Sabre was with JP Morgan in New York. He holds a B.S. in Economics from the University of Minnesota and earned an M.B.A. from University of California, Los Angeles.



## 2. Fund Overview

### 2.1 General overview

The Fund is a closed-end investment company that is registered under the 1933 and 1940 Act. Private equity funds are collective asset pools that typically offer their securities privately, without registering such securities under the 1933 Act, and also exempt from registration under the 1940 Act. Securities offered by private equity funds are typically sold in large minimum denominations (often at least \$5,000,000 to \$30,000,000) to qualified purchasers and institutional investors. The Fund seeks to give accredited investors, access to the following:

- Long-term capital appreciation, primarily through investment in private equity funds.
- Attractive risk-return characteristics to give diversity to their investment portfolios

The Fund will aim to combine private equity investments through primary, secondary, and co-investment opportunities with private debt investments to provide accessibility, administrative simplicity, and the potential for periodic liquidity. These features contrast private equity feeder funds and unregistered fund-of-funds, which do not usually provide access to these options.

The Fund has been structured with the intent of alleviating or reducing a number of the burdens typically associated with private equity investing, such as funding capital calls on short notice, reinvesting distribution proceeds, paying fund-of-funds level incentive fees (a performance fee at the fund level, in addition to the performance allocation of the underlying fund), meeting large minimum commitment amounts, and receiving tax reporting on Schedule K-1s. The Fund intends to qualify as a RIC under Subchapter M of the Code, it is expected to provide simpler tax reports to Investors on a Form 1099.

### 2.2 Investment style

The Advisor starts its analysis with a wide review of historical data, current data, and macroeconomic research that is generated internally. This broad quantitative analysis is complemented by outside qualitative inputs that the Advisor gains through interactions with private equity and private debt managers. The Advisor will go into selective due diligence on sectors and geographies that show favorable quantitative and qualitative characteristics.

The Fund hopes to provide investors access to investment fund managers whose services are generally not available to the investing public, or who may otherwise restrict the number and type of persons whose money will be managed. Investing in the Fund has the potential to gain exposure to products from investment fund managers without being subject to the high minimum investment requirements typically charged by such investment fund managers. The Fund also attempts to benefit from exposure to different investment styles. Investing through various investment fund managers that employ



different strategies may reduce the volatility inherent in a direct investment by the Fund with a single investment manager. The Fund will seek to provide exposure to the following:

- Leveraged buyout, expansion, replacement capital, distressed buyout, and restructuring
- Direct, secondary, and co-investment opportunities
- Primary geographical focus of North America, Europe, Asia, and emerging markets

The Advisor believes that the Fund's current strategy of investing in a portfolio of private equity investment funds may provide opportunities to participate in alternative investment strategies that may earn attractive risk-adjusted returns. Of course, investing through the Fund adds an additional layer of fees which would not be charged if you invested directly in the private equity funds.

### **2.3 Strategic focus**

The Fund's investment objective is to seek long-term capital appreciation. The Fund will invest predominantly in private equity pooled investment vehicles ("Investment Funds") of any type, including primary offerings and secondary acquisitions of interests in alternative funds that pursue private equity strategies and co-investment opportunities in operating companies presented by one or more Investment Funds.

The Advisor believes that the Fund's investment program may offer an approach to private equity investing for certain investors who previously have not had access to established private equity Investment Fund Managers, or who desire to access private equity investments through lower account minimums. The Fund will seek to allocate its investments in Investment Funds across multiple strategies (e.g., buyouts, growth capital, special situations, and other opportunities) or other distinguishing features, including geography (e.g., North America, Europe, Asia, and other regions, including emerging markets), Investment Fund Managers, and vintage year (i.e., the year in which an Investment Fund begins investing). The Advisor believes that seeking a range of investments is an important factor in attempting to achieve the Fund's investment objective.

### **2.4 Investment selection**

The Advisor uses a process that seeks to allocate capital to what the Advisor believes to be some of the highest quality investments available. The Advisor's proprietary, multi-step investment selection process typically begins with the following minimum screening criteria for funds:

- a. Sponsoring firm is one of the largest private equity buyout fund managers
- b. Sponsoring firm has multiple years of operating and performance histories
- c. Sponsoring firm has ten years of portfolio management tenure
- d. Reasonable management fees and expenses



Following the initial screening process, the Advisor follows a structured process to source, evaluate, select, and monitor investments for the Fund. The process includes the following five steps:

1. Deal Generation: The Advisor leverages strong relationships with global private equity and debt fund managers to identify prospective investments from multiple sources.
2. Pre-Selection: For opportunities that pass the initial screening process, a summary and a qualitative analysis of the opportunity are documented in a “first check” and presented to the Investment Management Committee. Opportunities that pass pre-selection are then further analyzed by the due diligence team.
3. Due Diligence: The Advisor conducts a detailed analysis of each opportunity in order to better understand market trends, potential return scenarios and/or the historical or anticipated sources of value creation for an investment. The due diligence team gathers information many ways, which may include but is not limited to interviews with key personnel, case studies of select past investments, on-site visits, reference calls and/or track record analysis. The conclusion of the review is then documented in a “Preliminary Investment Recommendation” presented to the Investment Management Committee. Analysts focus on four broad categories:

- a. Firm and product
  - i. We believe the history, ownership structure, culture, and infrastructure are all key elements of an investment manager’s ability to provide effective portfolio management. These elements must be well understood to make useful judgments about business viability, corporate objectives, and firm potential.
- b. Investment approach
  - i. Analysts ask questions related to investment philosophy and portfolio strategy, and investigate what we believe to be important details related to the manager’s research and investment selection activities. In addition, we investigate portfolio construction guidelines, including risk controls and trade implementation procedures. This information is used to draw what we believe to be meaningful conclusions about the merits of the investment manager’s approach to investing.
- c. Investment professionals
  - i. A thorough analysis of investment professional talent is what we believe to be of primary importance in the evaluation of investment managers. Our analysts search for investment managers with seasoned professionals involved in the day-to-day research and portfolio management activities of the firm. In the case of team managed portfolio strategies, we place a higher value on established groups with a meaningful number of years working together as a team.
- d. Historical performance



i. In our opinion, accurately assessing performance requires discipline, a long-term focus, and sophisticated analytical tools. Our analysts avoid simple, esoteric, incomplete, or inconsistent methodologies that may offer random luck, but seldom yield long-term investment success.

e. Fit with current strategy

i. All investment opportunities are analyzed with an eye towards the structural fit within the Fund. Characteristics such as duration, liquidity, income characterization and diversification also receive strong consideration.

4. Tax and legal assessment: The tax treatment and legal terms of each investment are carefully assessed in the due diligence process. The assessment includes evaluating the transparency of information reporting to ensure the Fund's ability to comply with applicable rules established for investment companies by the SEC, IRS and other governing authorities. The Advisor's legal and investment teams negotiate the terms and conditions of the investment for the Fund. Princeton Fund Advisors, LLC does not provide tax or legal advice. Please consult your tax advisor before making any decisions or taking any action based on this information.

5. Approval and subscription: A final "Investment Memorandum" is prepared and presented to the Capital Commitment Committee after all open issues and terms are resolved. The Capital Commitment Committee then approves or declines the investment; subscription documents are prepared upon the approval of an investment and submitted to the investment manager for acceptance.

6. Portfolio monitoring: Due diligence continues throughout the life of an investment with ongoing interaction with the underlying managers represented in the portfolio, including monthly holdings updates, phone calls, onsite visits with fund senior management, and attendance of investor conferences.

The Advisor receives periodic reports including holdings commentary, fair market valuations for underlying investments, and performance updates. The Advisor follows up with the managers frequently to request further information when necessary on an ad hoc basis.

The data collected from the managers is used to monitor investment fund performance and to ensure the Fund is in compliance with applicable rules and regulations.

Note: PFA does not provide tax or legal advice. Please consult your tax advisor before making any decisions or taking any action based on this information.





### 3. Administration and Operations

#### 3.1 Administrator, custodian, and transfer agent

Administrator: The Fund has retained Ultimus Fund Solutions, LLC (“Ultimus”) as an administrator to provide it with certain administrative services and to assist with operational needs.

Custodian: US Bank, N.A. serves as the primary custodian of the assets of the Fund, and may maintain custody of the Fund’s assets with domestic and foreign sub-custodians approved by the Trustees. Assets of the Fund are not held by the Advisor or commingled with the assets of other accounts other than to the extent that securities are held in the name of a custodian in a securities depository, clearing agency or omnibus customer account of such custodian. US Bank, N.A. is not affiliated with Ultimus Fund Solutions, LLC.

Transfer Agent: Ultimus has also been retained as the transfer agent of the Fund. Ultimus will provide a variety of client support services, as well as transaction processing.

#### 3.2 Distributor

The Advisor has entered into an agreement with Northern Lights Distributors, LLC (“NLD”) to serve as the principal underwriter of the Fund. NLD is authorized to retain financial intermediaries to assist in or otherwise sell Shares of the Fund and to provide related sales and shareholder services to certain investors.

#### 3.3 Legal advisors

Thompson Hine LLP acts as legal counsel to the Fund. Thompson Hine LLP is not affiliated with Ultimus Fund Solutions, LLC.

#### 3.4 Fund auditor

RSM Global LLP is the auditor for the Fund. The Fund’s accounts are prepared in accordance with the US GAAP. RSM Global LLP is not affiliated with Ultimus Fund Solutions, LLC.

#### 3.5 Liquidity

The Fund offers quarterly liquidity through a tender offer process that is subject to approval by the Fund’s board of directors. Historically, the Fund has offered 5% of the Fund’s NAV each quarter since December 2017, though there is no guarantee that this offer, or %, will continue in the future.



### **3.6 Conflicts of interest**

The Fund and the Advisor have policies and procedures in place to mitigate the effect of any conflicts of interest and any affiliate transactions have or shall comply with applicable rules under the 1940 Act and relevant no-action relief previously provided by the SEC.

On occasion, clients of one of PFA's affiliates may invest in PEF. In such cases, the affiliate waives its advisory fee. Also, PEF has invested some of its cash reserves in other mutual funds managed by PFA. In such cases, PFA waives an equivalent amount of its management fee charged to PEF to ensure PFA is not receiving two management fees. the Advisor voluntarily elected to waive a portion of the Management Fee attributable to the assets of the Fund invested in any mutual fund advised by the Advisor. The portion waived is equal to the amount of the management fee paid to the Advisor by such affiliated mutual fund that is attributable to Fund assets invested in the affiliated mutual fund, less the attributable

### **3.7 Investor reporting**

The Fund will furnish reports to Investors as soon as practicable after the end of each taxable year on Form 1099 as is required by law to assist the Investors in preparing their tax returns. The Fund will also prepare and transmit to Investors unaudited semi-annual reports and audited annual reports (when each becomes available) within 60 days after the close of the period for which the report is being made, or as otherwise required by the 1940 Act.

### **3.8 Disclosure**

The Fund may pay distributions in significant part from sources that may not be available in the future and that are unrelated to the Fund's performance, such as from offering proceeds, borrowings, and amounts from the Fund's affiliates that may be subject to repayment by the Fund. All or a portion of a distribution may consist of a return of capital. Return of capital is the portion of a distribution that is a return of your original investment dollars in the Fund. A return of capital reduces the tax basis of your investment, and you may be subject to tax in connection with the sale of your Shares, even if the Shares are sold at a loss.

Note: US Bank, N.A., Thompson Hine LLP, and RSM Global LLP are not affiliated with Ultimus Fund Solutions, LLC.



PRINCETON  
EVEREST FUND

## Due Diligence Questionnaire

### Contacts

Investment Advisor:

**Princeton Fund Advisors, LLC**

8500 Normandale Lake Blvd, Suite 1900

Minneapolis, MN 55437

952-897-5390





**IMPORTANT RISK INFORMATION**

**Investors should carefully consider the investment objective, risks, charges and expenses of the Princeton Everest Fund. This and other information is contained in the prospectus and should be read carefully before investing. For a prospectus, please call the Princeton Everest Fund at 1-888-868-9501. The Fund is distributed by Northern Lights Distributors, LLC, member FINRA/SIPC. Northern Lights Distributors, LLC and Princeton Fund Advisors, LLC are not affiliated.**

This document does not constitute an offer to sell or a solicitation of an offer to buy securities. Any such offer will be made only by means of the Prospectus. This document does not contain a complete description of the Fund and the risks associated with an investment therein. Prospective investors and their respective advisors should consider the investment objectives, risks, and charges and expenses of the Fund carefully and read the Prospectus carefully before investing.

Contact Princeton Fund Advisors, LLC for a copy of the Prospectus. Nothing contained in this document is intended to constitute legal, tax, securities or investment advice. The Securities and Exchange Commission has not approved or disapproved of the securities of the Princeton Everest Fund described herein and, in the Prospectus and has not passed upon the adequacy of this document or the Prospectus. Any representation to the contrary is a criminal offense.

No assurance can be given that the Fund's investment program will be successful. Accordingly, the Fund should be considered a speculative investment and entails substantial risks, and a prospective investor should invest in the Fund only if it can sustain a complete loss of its investment. An investment in the Fund should be viewed only as part of an overall investment program.

An investment in the Fund is suitable only for accredited investors who fully understand and are capable of assuming the risks inherent in investing in the Fund. Such investors should: possess adequate financial means; be able to tolerate a high degree of risk and the potential of losing their entire investment; not require a liquid investment or access to their invested capital for a long period of time; not have the investment constitute their complete investment program.

The Fund may take several years to fully deploy its private equity strategy as it waits for capital to be called, and investors may not realize the full potential benefits of an investment in the Fund in the near term. In addition, there may be little or no near-term cash flow distributed by the Fund. The Fund's shares are highly speculative and illiquid and are subject to significant limitations on transferability. Liquidity will be provided only through limited repurchase offers described in the Prospectus. Although the Fund may offer to repurchase shares from time to time, shares will not be redeemable at an investor's sole option nor will they be exchangeable for shares of any other fund. Shares of the Fund are not listed on a securities exchange, and it is not anticipated that a secondary market for shares will develop.