

Item 1: Cover Page

Foundry Group, LLC
1050 Walnut Street, Suite 210
Boulder, CO 80302
303.642.4050

March 2019

Form ADV, Part 2A (the “Brochure”) provides information about the qualifications and business practices of Foundry Group, LLC and its affiliates (“Adviser”). For more information on the disclosure requirements required for Part 2A see the “General Instructions for Part 2 of Form ADV” by visiting www.sec.gov/rules/final/2010/ia3060.pdf. If you have any questions about the contents of this Brochure, please contact Jason M. Lynch (303.642.4085 / lynch@foundrygroup.com).

Additional information about the Adviser is also available on the SEC’s website at: www.adviserinfo.sec.gov. The Adviser is registered as an investment adviser with the Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940 (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Item 2: Material Changes

The Adviser is providing the annual update to the Brochure for the fiscal year ended December 31, 2018. A summary of the material changes made to this Brochure since the date of the last filing is set forth below:

- The Adviser had a change in Assets Under Management, reflected in Item 4.

In this Item, the Adviser will periodically identify and discuss material updates to the Brochure. This is intended to inform current and prospective Clients of important developments that may take place in the Adviser's business practices.

Nevertheless, investors and clients are encouraged to review this brochure in its entirety. The information set forth in this brochure is qualified in its entirety by the applicable offering and governing documents. In the event of a conflict between the information set forth herein and the applicable offering and governing documents, the information set forth in the applicable offering and governing documents shall control.

Item 3: Table of Contents

Item 1: Cover Page	1
Item 2: Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation	6
Item 6: Performance-Based Fees and Side-By-Side Management	8
Item 7: Types of Clients	9
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9: Disciplinary Information	16
Item 10: Other Financial Industry Activities and Affiliations	17
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	19
Item 12: Brokerage Practices	21
Item 13: Review of Accounts	22
Item 14: Client Referrals and Other Compensation	23
Item 15: Custody	24
Item 16: Investment Discretion	25
Item 17: Voting Client Securities	26
Item 18: Financial Information	27

Item 4: Advisory Business

Foundry Group, LLC, (the “Adviser”) is an investment advisory firm organized as a Delaware limited liability company. The Adviser was founded in August 2007 by Brad Feld, Seth Levine, Ryan McIntyre and Jason Mendelson, who are the principal owners of the Adviser.

The Adviser conducts its advisory business through affiliated entities. Specifically, FG Advisory, LLC, MFVC, Inc., Foundry Group Next, LLC and various other entities that serve as general partners of or advisers to private investment funds (together “Affiliated Entities”) are not registered investment advisers. Instead, the Affiliated Entities rely on the Adviser’s registration in accordance with SEC guidance (the Adviser and Affiliated Entities are collectively referred to herein as “Foundry Group”). See Item 10. This Brochure describes the business practices of Foundry Group, as a single advisory business.

Foundry Group provides discretionary investment management services to affiliated venture capital funds (each a “Fund” or “Funds” and collectively, the “Clients”)¹. Foundry Group’s services to the Funds consist of (i) investigating, identifying and evaluating investment opportunities; (ii) structuring, negotiating and making investments on behalf of the Funds; (iii) managing and monitoring the performance of such investments; and (iv) exiting such investments on behalf of the Funds. Foundry Group’s services to each Fund are subject to the specific investment objectives and restrictions applicable to such Fund, as set forth in such Fund’s limited partnership agreement and other governing documents (collectively, the “Governing Documents”).

The Funds are offered exclusively to individuals and other persons who qualify as “accredited investors” under Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”), and/or “qualified purchasers” as defined under Section 2(a)(51) of the Investment Company Act of 1940, as amended (the “Company Act”) and are therefore not required to register as investment companies with the SEC in accordance with the exemptions set forth in Sections 3(c)(1) or 3(c)(7) of the Company Act.

Foundry Group primarily invests in private companies in the information technology sector. Foundry Group’s universe of potential investments ranges across all stages of development, including but not limited to: (i) early or seed-stage companies, where Foundry Group is one of the initial institutional investors, (ii) mid-stage companies that need capital and expertise to continue growth (iii) and mature companies that have a proven track record and further growth potential.

Foundry Group takes a thematic approach to investing. Through this approach, Foundry Group selects a domain that it believes represents a significant long term opportunity and invests deeply in several companies early in the cycle of the domain. Foundry Group then leverages these early investments as a platform to explore new investment opportunities and broadens its reach in a particular domain. As a result, Foundry Group has developed a clear philosophy and approach to investing: (i) identify and develop a set of investment themes; (ii) work with its extensive entrepreneur ecosystem to both identify market leaders and for initial management; (iii) actively participate in building and creating value, and ultimately exiting investments; (iv) take advantage, when possible, of Foundry Group’s

¹ “Fund” or “Client” means a private investment fund to which Foundry Group provides investment advice and/or invest on a discretionary or nondiscretionary basis. The individuals and other persons that invest in the Foundry Group private investment funds are generally referred to herein as “investors.” Unless otherwise expressly stated herein, the terms “Fund” and “Client” do not include “investors.”

significant geographic presence to seek out market leaders; (v) determine whether a syndicate partner is valuable; and (vi) invest with a long term view.

Generally, Foundry Group structures its investments in a form of direct equity ownership of portfolio companies, but may also invest indirectly through unaffiliated venture capital funds (also known as fund of funds investing, or “Other Investment Funds”). Foundry Group’s average direct investment ranges from \$5 million to \$20 million in size with an initial investment generally in the range of \$500,000 to \$20 million per company. For Other Investment Funds, Foundry Group’s average investment ranges from \$5 million to \$10 million in size.

If portfolio companies achieve or exceed their objectives, or management identifies new opportunities for growth, Foundry Group may continue to fund them throughout their lifecycle, maintaining Foundry Group’s investment position in the company. In the context of direct investments, Foundry Group is usually a member on the board of directors and takes an active role in the management of portfolio companies.

Investors and prospective investors in each Fund should refer to the Governing Documents of that Fund for information on the investment objectives and investment restrictions with respect to that Fund. There can be no assurance that any of the Funds’ investment objectives will be achieved, and Foundry Group’s services are generally not tailored to the individualized needs of any particular investor of the Fund. Since Foundry Group does not provide individualized advice to investors (and an investment in the Fund does not, in and of itself, create an advisory relationship between the investor and the Adviser), investors must consider whether a particular Fund meets their investment objectives and risk tolerance prior to investing.

As of December 31, 2018, Foundry Group has \$2,972,703,056 discretionary assets under management.

Item 5: Fees and Compensation

In consideration of Foundry Group's investment advisory and other services, Foundry Group typically receives a management fee from each of the Funds, which is generally equal to a percentage of the total capital commitments to such Fund. The fee percentage and/or the base upon which the fee is calculated may vary with the size of the Fund and may also vary over the life of the Fund, as negotiated and determined at the time the Fund is established and as set forth in its Governing Documents. The percentage of the management fee generally starts at 1-2.5% annually and is then reduced upon occurrence of certain events that are fully described in the Governing Documents of each Fund ("Adjustment Date"). After the Adjustment Date, the management fee generally accrues at an annual rate based on a percentage of the aggregate capital contributions of all investors used to make investments in portfolio companies that have not been sold or written off.

In addition, affiliates of Foundry Group, as general partners of the Funds, typically receive certain allocations and distributions calculated and charged based on a share of capital gains on or capital appreciation of the assets of such Fund, as negotiated and determined at the time such Fund is established and as set forth in its Governing Documents. These allocations and distributions are commonly known as "carried interest". Foundry Group's affiliates generally do not receive carried interest until all investors have received aggregate distributions equal to the sum of their capital contributions to the Fund.

Management Fees and carried interest distributions generally are not negotiable. However, Foundry Group (or an affiliate) has discretion to reduce or waive Management Fees and/or carried interest distributions. Foundry Group's affiliates generally are subject to the Management Fee and carried interest distributions. However, Foundry Group anticipates using its discretion to waive the Management Fee and carried interest distributions for Foundry Group's affiliates in certain instances in the future.

Management Fees are typically funded with capital contributions drawn for such purpose, but may also be funded with or withheld from proceeds from investments. Carried interest distributions generally will be distributed to Foundry Group's affiliate from time to time upon the disposition of investments by a Fund and are distributed to such affiliate in accordance with the terms of the applicable Governing Document.

Foundry Group's general policy is not to charge portfolio companies any additional fees. Unless it is specifically provided otherwise in the applicable Governing Documents, the Management Fee is reduced by one hundred percent (100%) of any net transaction, break-up, consulting or directors' fees received by Foundry Group or its members from any portfolio company of the Fund.

Foundry Group and its affiliates generally pay all of their own operating and overhead costs and expenses, including salaries, benefits and rent. In addition to any Management Fees payable to Foundry Group, a Fund will incur certain charges imposed by third parties and other expenses. Such expenses may include (but are not limited to): (i) organizational and liquidation expenses of each Fund; (ii) any sales or other taxes that may be assessed against the Fund; (iii) commissions or brokerage fees or similar charges incurred in connection with the purchase or sale of securities, including any merger fees payable to third parties (whether or not any such purchase or sale is consummated); (iv) fees (if any) and expenses of members of the Fund's advisory committee (including travel-related costs and expenses); (v) the costs and expenses (excluding travel-related expenses, other than travel-related expenses of members of the Fund's advisory committee) of hosting annual or special meetings for the Fund's investors or advisory committee, or otherwise holding

meetings or conferences with investors of the Fund, whether individually or in a group; (vi) interest expense for borrowed money (if any); (vii) all expenses relating to litigation and threatened litigation involving the Fund, including indemnification expenses; (viii) expenses attributable to certain consulting services (other than consulting fees for services that could have been reasonably rendered by Foundry Group, its partners and employees) and to normal and extraordinary investment banking, commercial banking, accounting, auditing, tax, appraisal, insurance, legal, custodial and registration services provided to the Fund, including, without limitation, all such services relating to the actual or proposed purchase or sale of securities by the Fund (whether or not any such purchase or sale is consummated); (ix) other due diligence expenses (such as market diligence and background checks) with respect to actual or proposed investments by the Fund, whether or not consummated; (x) “broken-deal” fees and expenses, other than travel, incurred in connection with proposed investments by the Fund that are not consummated; (xi) fees payable to any placement agent engaged by Foundry Group in connection with the offering of interests in the Fund (subject to an offset of such amount against the Management Fee payable by the Fund to Foundry Group); and (xii) all other expenses properly chargeable to the activities of the Fund.

For applicable investments in each of the Other Investment Funds, the Funds may pay management fees, carried interest, and other expenses to a management company and/or general partner that is not affiliated with Foundry Group. Fees paid to Foundry Group for investment advisory services are separate and distinct from the fees and expenses charged by the independent investment adviser and/or general partner for that entity’s advisory/management services.

The types of other fees and expenses incurred will vary from Fund to Fund. Please refer to the Governing Documents of each applicable Fund for more complete information.

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

As noted under Item 5 above, one or more of Foundry Group's affiliates may be entitled to receive carried interest distributions with respect to the Funds. The carried interest or incentive distribution is effectively equivalent to a percentage of a Fund's net profits, subject to certain terms and conditions set forth in the Governing Documents of the Fund. Any share of Fund net profits paid to Foundry Group's affiliates are separate and distinct from any annual Management Fees and other fees paid or borne by the Funds.

As a fiduciary, Foundry Group recognizes that it must treat all its clients fairly and must refrain from favoring one Client's interests (or Foundry Group's own interests) ahead of another Client(s). Carried interest distributions could motivate Foundry Group to make investment decisions that are riskier or more speculative than would be the case if these arrangements were not in effect. For example, a carried interest distribution generally entitles Foundry Group's affiliates to a percentage of the net profits of a Fund; however, such affiliates are not required to bear the same proportion of the net losses, if any, suffered by the Fund as a whole. Foundry Group generally attempts to mitigate conflicts of interest associated with carried interest distributions through (i) the requirement that invested capital be returned to investors before Foundry Group's affiliates are entitled to receive any carried interest distributions; (ii) the requirement that Foundry Group and/or its affiliates have a capital commitment to the applicable Fund; and (iii) the periodic clawback obligations of Foundry Group's affiliates.

In general, Foundry Group attempts to address any material conflicts through full and fair disclosure in the applicable Governing Documents and this brochure.

Item 7: Types of Clients

Currently, Foundry Group provides investment advisory services solely with respect to affiliated private pooled investment vehicles and co-investment vehicles, its sole advisory clients.

The minimum initial capital commitment generally required for an investor in a Fund is \$5,000,000 (subject to Foundry Group's discretion to accept a lesser amount).

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

Foundry Group generally seeks long-term capital appreciation through investment in companies in the information technology sector. Foundry Group primarily invests directly and indirectly in equity and equity related instruments of private companies.

Foundry Group invests in private companies across all stages of development, including but not limited to (i) early or seed-stage companies where Foundry is one of the initial institutional investors, (ii) mid-stage companies that need capital and expertise to continue growth and (iii) mature companies that have a proven track record and further growth potential.

Foundry Group's average investment ranges from \$5 million to \$20 million in size with an initial investment generally in the range of \$500,000 to \$20 million per company. For Other Investment Funds, Foundry Group's average investment ranges from \$5 million to \$10 million in size. If portfolio companies achieve or exceed their objectives, or management identifies new opportunities for growth, Foundry Group may continue to fund them throughout their lifecycle, maintaining Foundry Group's investment position in the company. In the context of direct investments, Foundry Group is usually a member on the board of directors and takes an active role in the management of portfolio companies.

The strategies that Foundry Group employ entail a significant degree of risk and could result in substantial losses under certain circumstances. Accordingly, an investment in a Fund managed by Foundry Group should be undertaken only by investors capable of evaluating and bearing the risks of the investment. Please refer to the Governing Documents of the applicable Fund for more complete information on the investment strategies employed by such Fund and corresponding risks associated with such investment strategies.

Such risks include those related to Foundry Group's focus on the information technology sector as well as general risks related to investing in the types of funds that Foundry Group manages. Below are summaries of certain of those risks. Prospective fund investors are advised to review the applicable prospectus, private placement memorandum or other offering document for a more extensive description of the risks of investing in any particular fund or strategy.

Risk Inherent in Venture Capital Investments. The types of investments that Foundry Group anticipates making involve a high degree of risk. In general, financial and operating risks confronting portfolio companies can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that the Clients will be adequately compensated for risks taken. A loss of an investor's entire investment is possible. The timing of profit realization is highly uncertain. Losses are likely to occur early in the Fund's life, while successes often require a long maturation.

Early-stage and development stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing, and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing, which may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper can be small.

Investments in more mature companies in the expansion or profitable stage involve substantial risks. Such companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire other businesses, or develop new products and markets. These

activities by definition involve a significant amount of change in a company and could give rise to significant problems in sales, manufacturing, and general management of these activities.

Investment in Companies Dependent Upon New Scientific Developments and Technologies.

Foundry Group focuses a significant portion of its investing on information technology companies. The value of the Clients' interests may be susceptible to factors affecting the information technology industry and to greater risk and market fluctuation than an investment in a fund that invests in a broader range of securities. The specific risks faced by such companies include:

- Rapidly changing science and technologies;
- Products or technologies that may quickly become obsolete;
- Scarcity of management, technical, scientific, research and marketing personnel with appropriate training;
- The possibility of lawsuits related to patents and intellectual property; and
- Rapidly changing investor sentiments and preferences with regard to information technology sector investments (which are generally perceived as risky).

Changing Economic Conditions. The success of Foundry Group's investment strategy could be significantly impacted by changing external economic conditions in the U.S. and global economies. The stability and sustainability of growth in global economies may be impacted by terrorism or acts of war. Changing economic conditions could potentially adversely impact the valuation of portfolio holdings.

No Assurance of Returns. There can be no assurance that the investors in the Funds will receive distributions from the respective Funds in an amount equal to their investment in the Funds. The timing of profit realization, if any, is highly uncertain.

Reliance on Foundry Group. Foundry Group has sole discretion over the investment of the funds committed to the Funds as well as the ultimate realization of any profits. As such, the pool of funds in the Funds represent a blind pool of funds. Investors in the Funds will be relying on Foundry Group to conduct the business as contemplated by this document. The loss of one or more senior investment professionals of Foundry Group could have a significant adverse impact on the business of the Funds. No assurances can be given that each key personnel will continue to be affiliated with Foundry Group throughout the term of the Funds. Notwithstanding any prior experience that members of Foundry Group may have in making investments of the type expected to be made by the Funds, any such prior experience necessarily was obtained under different market conditions and with different technologies at the forefront of development. There can be no assurance that members of Foundry Group will be able to duplicate prior levels of success.

Competitive Marketplace. The marketplace for venture capital investing has become increasingly competitive. Involvement by financial intermediaries has increased, substantial amounts of funds have been dedicated to making investments in the private sector and the competition for investment opportunities is at historically high levels. Some of the Funds' potential competitors may have more relevant experience, greater financial resources and more personnel than Foundry Group. There can be no assurances that Foundry Group will locate an adequate number of attractive investment opportunities. To the extent that the Funds encounter competition for investments, returns to limited partners may vary.

Minority Investments. The majority of Foundry Group investments are expected to be minority stakes in privately held companies. The Funds may also invest in companies for which the Funds have

no right to appoint a director or otherwise exert significant influence. In such cases, the Funds rely significantly on the existing management and Board of Directors of such companies, which may include representatives of other financial investors with whom the Funds are not affiliated and whose interests may conflict with the interests of the Funds. In addition, during the process of exiting investments, the Funds are highly likely to hold minority equity stakes if portfolio holdings are taken public. As is the case with minority holdings in general, such minority stakes that the Funds may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded to majority or controlling stakes.

No Assurance of Additional Capital for Investments. After the Funds have financed a company, continued development and marketing of products may require that additional financing be provided. In particular, information technology companies—a sector in which the Funds expect to invest—generally have substantial capital needs that are typically funded over several stages of investment. No assurance can be made that such additional financing will be available, and no assurance can be made as to the terms upon which such financing may be obtained. Alternatively, the Funds, either directly or through one of its portfolio companies, may elect to sell developed or undeveloped technology to existing companies. No assurance can be made that buyers for such technology can be located or that the terms of any such sales will be advantageous.

Future and Past Performance. Foundry Group’s prior performance is not necessarily indicative of Foundry Group future results. While Foundry Group intends for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurance that targeted results will be achieved. Loss of principle is possible on any given investment.

Bridge Financing. The Funds may lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in Foundry Group’s control, such long-term securities may not issue and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Funds.

Limitations on Ability to Exit Investments. Foundry Group expects to exit from its investments in two principal ways: (i) private sales (including acquisitions of its portfolio companies) and (ii) initial and secondary public offerings. At any particular time, one or both of these avenues may not be open to the Funds, or timing with respect to these exit mechanisms may be inopportune. As such, the ability to exit from and liquidate portfolio holdings may be constrained at any particular time.

Potential Liabilities. In connection with its investments, Foundry Group may negotiate the right to appoint one of the principals of Foundry Group as a member of the portfolio company’s Board of Directors. Such membership on the Board of Directors of a company can result in the Funds or the individual director being named as a defendant in litigation. Typically, portfolio companies will have insurance to protect directors and officers, but this insurance may be inadequate. The Funds will also indemnify Foundry Group and its principals, among others, for liabilities incurred in connection with operations of the Funds, including liabilities arising from such suits. Such indemnification obligations and other liabilities could be substantial.

Contingent Liabilities on Disposition of Investments. In connection with the disposition of an investment in a portfolio company, Foundry Group may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. The Funds may be required to indemnify the purchasers of such investment to the extent

that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which Foundry Group may establish reserves and escrows. In that regard, distributions may be delayed or withheld until such reserve is no longer needed or the escrow period expires.

Absence of Liquidity and Public Markets. Foundry Group's investments are generally private, illiquid holdings. As such, there is no public market for the securities held by the Funds and no readily available liquidity mechanism at any particular time for any of the investments held by the Funds. In addition, the realization of value from any investments will not be possible or known with any certainty until Foundry Group elects, in its sole discretion, to sell the Funds' investments and subsequently distribute the proceeds to its investors or to distribute securities to investors in lieu of cash.

No Market; Illiquidity of Fund Interests. An investment in the Funds is illiquid and involves a high degree of risk. There is no public market for limited partnership interests in the Funds, and it is not expected that a public market will develop. Consequently, limited partners bear the economic risks of their investment for the term of the Funds. Prospective investors will be required to represent and agree that they are purchasing the limited partnership interests for their own account for investment only and not with a view to the resale or distribution thereof.

Certain Limitations on Ability of Limited Partners to Transfer Their Interests in the Fund. The transferability of interests in the Funds is restricted by the Governing Documents and by United States federal and state securities laws. In general, limited partners are not able to sell or transfer their limited partnership interests to third parties without the consent of Foundry Group.

Limited Portfolio Diversification. As is typical of venture capital firms, the portfolio holdings of the Funds will not be broadly diversified. A downturn of the economy or in the business of any one company could impact the aggregate returns delivered to investors by the Funds.

Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes could occur during the term of the Fund that may adversely affect the Funds.

Conflicts of Interest. Instances may arise where the interest of Foundry Group (or its members) may potentially or actually conflict with the interests of the Funds and limited partners. For example, the existence of Foundry Group's carried interest may create an incentive for Foundry Group to make more speculative investments on behalf of the Funds than it would otherwise make in the absence of such performance-based arrangements. Further, conflicts of interest may arise as a result of the members of Foundry Group having investments in portfolio companies of both existing entities and the Funds, as well as other investments both public and private.

Failure to Make Capital Contributions. If a limited partner fails to pay when due installments of its capital commitment to the Funds, and the contributions made by nondefaulting limited partners and borrowings by the Funds are inadequate to cover the defaulted capital contribution, Foundry Group may be unable to pay Funds' obligations when due. As a result, the Funds may be subjected to significant penalties that could materially and adversely affect the returns to limited partners (including nondefaulting limited partners). If a limited partner defaults, it may be subject to various remedies as provided in the Governing Documents, including forfeiture of its interest.

Limited Operating History. Foundry Group's Funds are entities with limited operating history. Foundry Group's investment program should be evaluated on the basis that there can be no assurance

that Foundry Group's assessment of the prospects of investments will prove accurate or that the Funds will achieve its investment objective. Past performance of the principals of Foundry Group is not necessarily indicative of future results.

Lack of Limited Partner Control. Subject to the implementation of the investment limitations set forth in the Governing Documents or subject to applicable law, Foundry Group has complete discretion with respect to the Funds' portfolio. The limited partners will not make decisions with respect to the management, disposition or other realization of any investment made by the Funds, or other decisions regarding the Funds' business and affairs.

Portfolio Fund Investments. The Funds will invest directly in Other Investment Funds managed by investment managers unrelated to the Foundry Group and, therefore, investments by such Other Investment Funds will be selected by such unrelated investment managers. The Funds will not have an active role in the day-to-day management of the Other Investment Funds. Moreover, the Funds will generally not have an opportunity to evaluate the specific investments made by the Other Investment Funds. As a result, the returns of the Funds will depend in large part on the performance of these unrelated investment managers and could be substantially adversely affected by the unfavorable performance of a small number of investment managers.

Both the Funds and the Other Investment Funds generally impose performance-based allocations or fees, management charges and other expenses that will be borne (directly or indirectly) by investors in the Funds. An investment in a Fund may therefore result in a greater expense than if investors were able to invest directly in one of the Other Investment Funds. Investors should take into account that the return on their investment will be reduced to the extent of both levels of fees.

Foundry Group investments in Other Investment Funds may have some or all of the following characteristics: (1) no or limited investment histories, (2) reliance on a few key principals at such investment funds, (3) investments in portfolio companies with no or limited operating histories, (4) reliance on a few key personnel at underlying investments, (5) formed and/or operate outside the U.S., and (6) are, or have investments that are, highly leveraged and/or that operate in rapidly changing markets. Generally, Clients as an investor, will be a limited partner with no management authority and will be relying on the management skill of such other investment fund's general partner.

The business of identifying and structuring investment funds and transactions (including commitments to Other Investment Funds) is highly competitive and involves a high degree of uncertainty. It is possible that the investment funds targeted by Foundry Group for investment may not come to market, may not have commitments available for Clients, may have unfavorable or limiting terms, etc., that will limit or prohibit an investment by the Clients. It is possible that Foundry Group will never be able to fully invest all the capital if enough sufficiently attractive investments are not identified. However, investors will be required to pay Management Fees during the investment period based on the entire amount of the limited partners' commitments. In addition, it is possible that the investment funds in which the Clients invest will never be fully invested if enough sufficiently attractive investments are not identified by such investment funds. Typically, Clients, as an investor in such investment funds will be required to pay fees during the investment period of such investment funds based on Foundry Group's commitment to such investment fund. Foundry Group may have limited, or no ability, to control or influence the fees paid to such investment funds.

Investment Company Act Of 1940. The Funds are not be subject to the provisions of the Companies Act, in reliance upon either Section 3(c)(1) or Section 3(c)(7) of the Companies Act. The Funds'

Governing Documents contain representations and restrictions on transfer designed to ensure that the conditions of one or both of these provisions are met.

Securities Act Of 1933. Interests in the Funds are not registered under the Securities Act, in reliance upon exemptions for transactions not involving a public offering. Each investor is required to execute certain agreements in connection with its subscription for the interest in the Fund, and in so doing will make certain representations to Foundry Group.

THE FOREGOING RISKS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF ALL THE RISKS INVOLVED IN INVESTING IN THE FUNDS. POTENTIAL INVESTORS ARE URGED TO READ THIS ENTIRE DOCUMENT AND THE APPLICABLE GOVERNING DOCUMENTS BEFORE MAKING A DETERMINATION WHETHER TO INVEST IN THE FUNDS.

Item 9: Disciplinary Information

Neither Foundry Group, nor any of its managers, officers or principals have been involved in any investment-related criminal or civil actions in a domestic, foreign or military court.

Neither Foundry Group, nor any of its managers, officers or principals have been involved in any administrative proceedings before the Securities and Exchange Commission, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority.

Neither Foundry Group, nor any of its managers, officers or principals have been involved in any self-regulatory organization proceedings.

Item 10: Other Financial Industry Activities and Affiliations

Relying Advisers. Certain of Foundry Group, LLC's affiliates (each, a "Relying Adviser" and, collectively, "Relying Advisers") serve as general partner, manager, managing member or investment manager with respect to one or more of the Funds. While Foundry Group and the Relying Advisers have been organized as separate legal entities, they collectively conduct a single investment advisory business. Accordingly, each Relying Adviser relies and/or will rely on Foundry Group's investment adviser registration instead of separately registering as an investment adviser with the SEC under the Advisers Act. To rely on Foundry Group's registration, (i) the Relying Adviser, its employees and persons acting on its behalf will be "persons associated with" and "supervised persons" (as each term is defined in the Advisers Act) of Foundry Group, (ii) any investment advisory services will be subject to Foundry Group's supervision and control, (iii) any investment advisory functions will be subject to the Advisers Act and the rules and regulations thereunder, and (iv) the activities and books and records of the Relying Adviser will be subject to inspection and examination by the SEC. Each Relying Adviser will be subject to Foundry Group's compliance policies and procedures and, except as the context otherwise requires, any reference in this brochure to Foundry Group includes both Foundry Group and the Relying Advisers. Foundry Group has disclosed in the Miscellaneous Section of Schedule D of Part 1A of its Form ADV that Foundry Group and each of the Relying Advisers are together filing a single Form ADV in reliance upon guidance expressed in a SEC no-action letter.

In connection with sponsoring any Fund, Foundry Group will also sponsor an affiliated general partner for such Fund, which will receive the performance compensation described in **Item 5**.

FG Advisory, LLC

FG Advisory, LLC ("FG Advisory") is a Relying Adviser that is 100% owned and controlled by Foundry Group, LLC. FG Advisory's sole purpose is limited to acting as a sub-adviser to certain investment vehicles formed and operated by third parties to serve as syndication entities for investments by certain Funds and other third parties in early stage start-up companies. FG Advisory acts as a sub-adviser to certain dedicated investment vehicles ("SPV") formed by third parties for each syndicated investment referenced above. Upon establishment of the SPVs, an unaffiliated third-party adviser is responsible for managing the SPVs.

MFVC, Inc.

MFVC, Inc. ("MFVC") is a Relying Adviser that is under common control with Foundry Group. MFVC's role is limited to managing certain legacy Funds that no longer accept outside investors and are primarily in process of an orderly liquidation.

Foundry Group Next, LLC

Foundry Group Next, LLC ("Foundry Next") is a Relying Adviser that pursues substantially the same investment strategy as Foundry Group by making direct portfolio investments, as well as investments in Other Investment Funds.

Portfolio Company Activities. Certain of Foundry Group's employees, officers, members and/or

affiliates serve (and may in the future serve) as directors, officers or committee members of the various portfolio companies of the Funds. Such persons could face conflicts of interest between discharging their duties as directors, officers or committee members, as the case may be, of such companies and acting in the best interest of the applicable Funds. Moreover, certain of Foundry Group's affiliates also may serve as directors of public companies and their activities on behalf of those other companies may present actual and/or potential conflicts of interest (including conflicting fiduciary duties). Foundry Group's affiliates may receive compensation from companies in their capacities as directors, officers or committee members and this compensation generally will not be shared with the Funds; provided that such amounts may reduce or offset the management fees that would otherwise be payable with respect to a Fund, as set forth in the applicable partnership agreement. See Item 5 for further details.

Advisory Boards of Other Advisers

Certain of the Foundry Group's personnel may be invited to serve on the advisory committees of the Other Investment Funds to provide advice on certain conflicts of interest and other matters pertaining to such Other Investment Funds. There may be instances where such persons are asked to vote on issues taking the needs of all investors in such Other Investment Funds into account. Such persons may receive compensation for such services. As noted in Item 14, such compensation will be used to offset the advisory fees payable by the relevant Fund(s).

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

Pursuant to SEC Rule 204A-1, Foundry Group has adopted and implemented a Code of Ethics and Securities Trading Policy (the “Code”), which sets forth standards of conduct that are expected of Foundry Group supervised persons. A copy of the Code will be provided to any Client or prospective client upon request.

The Code requires Foundry Group personnel to (among other things):

- Report their personal securities transactions and holdings;
- Pre-clear any proposed purchase of any initial public offering or limited offering; and
- Comply with policies and procedures reasonably designed to prevent the misuse of, or trading upon, material non-public information.

Foundry Group and its affiliated persons may come into possession, from time to time, of material nonpublic or other confidential information about public companies which, if disclosed, might affect an investor’s decision to buy, sell or hold a security. Under applicable law, Foundry Group and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Foundry Group. Accordingly, should Foundry Group or any of its affiliated persons come into possession of material nonpublic or other confidential information with respect to any public company, Foundry Group would be prohibited from communicating such information to clients, and Foundry Group will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Foundry Group personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Funds.

Foundry Group maintains a restricted list that includes issuers and securities with respect to which supervised persons generally are not permitted to trade without the prior approval of the Chief Compliance Officer. The restricted list may include, for example, an issuer about which Foundry Group or one or more of its personnel may have acquired, or may otherwise be in possession of, material, non-public information.

Foundry Group has also adopted policies and procedures relating to gifts and entertainment, political contributions and other potential material conflicts of interest.

Foundry Group generally will allocate investment opportunities among its various clients on a fair and equitable basis, consistent with its fiduciary obligations and the governing documents for the relevant fund.

In addition to the foregoing, Foundry Group or an affiliate thereof generally may, to the extent deemed appropriate, offer to any person the opportunity to invest in any transaction in which a Fund has made or will make an investment if Foundry Group or its affiliate believes that the participation of such person or persons in such investment would be beneficial to the consummation or success of the investment; provided, however, that (i) no such investment may be offered to Foundry Group, the general partner or any of their respective affiliates except as specifically authorized in the governing document of a Fund and (ii) such investment will be in the same securities and on substantially the same terms and conditions as the Fund’s investment. Subject to the foregoing,

Foundry Group or its affiliate may allocate any such opportunity to invest among a Fund or Funds and such persons as Foundry Group or its affiliate may, in its discretion, determine; provided that Foundry Group will not be entitled to receive any compensation in respect of any person that is not an investor in the applicable Fund or an affiliate of any such investor or any co-investment entity formed by Foundry Group or an affiliate with respect to such investment.

Foundry Group and its affiliates, principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in the Funds, and may give advice and recommend securities to vehicles that may differ from advice given to, or securities recommended or bought for, the Funds or other clients, even though their investment objectives may be the same or similar. Foundry Group and its affiliates may from time to time cause the Funds to enter into transactions and/or arrangements involving actual or potential conflicts of interest. Foundry Group and its affiliates generally review any such transactions or arrangements involving material conflicts of interest and take such actions as they deem appropriate or necessary under the circumstances in an attempt to ensure that the overall terms of such transactions or arrangements are fair and equitable under the circumstances.

Pursuant to the applicable Governing Documents, an advisory committee may be established with respect to a Fund consisting of representatives of independent investors of such Fund. An advisory committee generally has or will have the authority to consider and, on behalf of the Fund and its investors, approve or disapprove (to the extent required by applicable law, the governing document or by Foundry Group or its affiliate) related party transactions, principal transactions, certain transactions or arrangements involving actual or potential conflicts of interest, matters requiring client consent under Section 206(3) of the Advisers Act, and any other matters that the general partner of the Fund elects to present thereto. Any consent or approval provided by the advisory committee on behalf of a Fund in good faith will be binding on the Fund and its investors

Item 12: Brokerage Practices

Foundry Group's advisory business generally involves privately negotiated transactions with the prospective sellers and prospective buyers. Accordingly, Foundry Group generally does not use, select or otherwise recommend broker-dealer or other counterparties in connection with the investment activities of the Funds.

When publicly traded securities are the subject of a trade and there is a broker selection opportunity, Foundry Group will endeavor to select a broker or other counterparty on the basis of best execution and in consideration of various factors deemed relevant or appropriate, including, without limitation: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker; (iv) the broker's risk in positioning a block of securities; and (v) the competitiveness of commission rates in comparison with other brokers satisfying other selection criteria. Foundry Group may cause a Fund to pay higher commissions to brokers believed to offer superior service under the circumstances, including brokers that provide investment research and analysis to their clients, including the Funds. Accordingly, when Foundry Group determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the overall services provided to the Fund or Funds, including internally-developed research and other services provided by such broker, Foundry Group may cause the Funds to pay commissions to such broker in an amount greater than the amount another broker might charge.

Foundry Group currently does not use soft dollars generated by client accounts to pay for research and/or related services provided by brokers.

Investment opportunities generally are allocated in accordance with the provisions set forth in the Governing Documents of each Fund. See **Item 11** above.

Item 13: Review of Accounts

Foundry Group's officers and employees generally will participate on the boards of directors (or equivalent governing body) of the Funds' portfolio companies. Foundry Group generally monitors the financial and operating progress of the business of each portfolio company on a current basis against plans and budgets, with more formal reviews as necessary. Such reviews will be conducted by one or more of Foundry Group's officers. Funds are audited on a yearly basis by an independent public accountant of recognized national standing.

Certain events may require other than a periodic review. Such events include a transfer or withdrawal of an investor of the Fund or material change in the business of a portfolio investment.

Investors in the Funds generally receive quarterly and annual reports and annual audited financial statements. Each of the Funds' investors will receive annual audited financial statements (prepared in accordance with U.S. GAAP) and unaudited quarterly statements of the Funds. Investors in each Fund will receive tax information in connection with the preparation of their federal income tax returns. All reports to investors to the Funds are in writing. Foundry Group may provide additional information to certain investors that are not distributed to other investors in a Fund.

Item 14: Client Referrals and Other Compensation

Neither Foundry Group nor any of its affiliates generally receive any economic benefit from a non-client for providing investment advice or other advisory services with respect to the Funds.

Foundry Group may in the future enter into agreements or arrangements with third party placement agents that solicit and refer prospective eligible investors in one or more of the Funds to Foundry Group or an affiliate thereof. In consideration of such solicitation and referral services, such placement agents receive or may receive compensation from Foundry Group or its affiliates consisting of, among other things, a percentage of the Management Fee and carried interest distributions payable or distributable with respect to investors referred by such placement agents. Foundry Group and/or its affiliates may also pay fees to third parties for locating or sourcing potential investment opportunities and sharing information relating thereto with Foundry Group. Investors will not be charged any higher or additional fees as a result of any such placement agent arrangements. In each instance, all arrangements and payments of placement agent fees will be disclosed to applicable investors.

Item 15: Custody

While it is Foundry Group's practice not to accept or maintain physical possession of any client assets, Foundry Group is deemed to have custody of each Fund's securities and cash for purposes of Rule 206(4)-2 of the Advisers Act.

In order to comply with Rule 206(4)-2, Foundry Group utilizes the services of a bank and other qualified custodians (as defined under Rule 206(4)-2) to hold all cash and securities of the Funds (except with respect to privately offered securities). In accordance with Rule 206(4)-2, Foundry Group also (1) has engaged an independent public auditor to conduct annual audits of the Funds, and (2) distributes audited financial statements of the Funds that are prepared in accordance with United States generally accepted accounting principles to all investors in the Funds within at least 120 days after the end of the fiscal year. Qualified custodians are not expected to provide account statements directly to investors in the Funds.

Item 16: Investment Discretion

In accordance with the terms and conditions of the applicable Governing Documents, Foundry Group generally has discretionary authority to manage each Fund's investments. Accordingly, Foundry Group has the authority to determine, without obtaining specific client consent but subject to the terms and conditions of the applicable Governing Documents, which portfolio companies to buy or sell and the duration of the holding period prior to exiting such investments. Despite this broad authority, Foundry Group is committed to adhering to the applicable investment strategy and program set forth in each Fund's offering documents.

Item 17: Voting Client Securities

While Foundry Group generally has proxy voting authority on behalf of the Funds, it generally does not expect to be called upon to vote with respect to securities owned by the Funds. Nevertheless, in the event that Foundry Group is called upon to vote proxies, it will vote such proxies in accordance with the proxy voting policies and procedures in Foundry Group's compliance manual. Pursuant to SEC rule 206(4)-6, Foundry Group has established policies and procedures to address voting procedures and any conflicts of interests involved in a proxy vote between Foundry Group and clients. Foundry Group's proxy voting procedures are designed to ensure that proxies are voted in a manner that is in the best interest of the clients. Foundry Group will generally vote in favor of matters that follow an agreeable corporate strategic direction, support an ownership structure that enhances shareholder value without diluting management's accountability to shareholders and/or present compensation plans that are commensurate with enhanced manager performance and market practices. Foundry Group addresses conflicts of interest involved in a proxy vote through the following three-step process of identifying potential conflicts of interest, determining material conflicts and establishing procedures to address material conflicts. Foundry Group may determine not to vote proxies in respect of securities of an issuer if it determines it would be in the Fund's overall best interest not to vote. Clients may obtain copies of Foundry Group's proxy voting policies by contacting the Chief Compliance Officer.

Item 18: Financial Information

Foundry Group does not require prepayment of Management Fees more than six months in advance.

Currently, Foundry Group and its affiliates are not aware of any financial condition that is likely to impair Foundry Group's ability to meet its contractual obligations and commitments to clients.

Foundry Group was not subject of a bankruptcy petition at any time during the past ten years.