

**PART 2A OF FORM ADV**

**FIRM BROCHURE**

Crimson Ventures, Ltd.

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**March 28, 2019**

**This Brochure provides information about the qualifications and business practices of Crimson Ventures, Ltd. and Crimson Asia Capital Holdings, Ltd. (together referred to herein as “Crimson Velocity”). If you have any questions about the contents of this Brochure, please contact Crimson Velocity by phone at (415) 970-5800 or by email at [Compliance@crimsoninvestment.com](mailto:Compliance@crimsoninvestment.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, and references in this Brochure to Crimson Velocity as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

**Additional information about Crimson Velocity is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2 -MATERIAL CHANGES

This brochure contains routine annual updates to the prior version of this Brochure.

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## ITEM 4 – ADVISORY BUSINESS

<b>Item 4.A</b>	<p><b>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</b></p> <p>This Brochure provides information for two investment advisers, each of which is a Cayman Islands exempted limited liability company:</p> <ul style="list-style-type: none"><li>• Crimson Asia Capital Holdings, Ltd. (“CACH”), formed in 1996; and</li><li>• Crimson Ventures, Ltd. (“CVL”, and together with CACH, “Crimson Velocity”), formed in 2000.</li></ul> <p>Crimson Velocity provides discretionary investment advisory services to private investment funds (the “Funds”) which are principally organized as Cayman Islands limited partnerships and Cayman Islands exempted limited partnerships. The Funds are currently organized into two main investment programs, Crimson Asia Capital and Crimson Ventures (each an “Investment Program”) each of which have Asia-focused investment strategies. Crimson Asia Capital and Crimson Ventures have reached the end of their respective commitment periods and are “winding down” and are no longer making investments.</p> <p>Crimson Velocity provides growth equity, buyout and venture capital financing to companies building and leveraging capabilities between Asia and the U.S. in the manufacturing, services and technology sectors. As part of this strategy, Crimson Velocity also invests in traditional businesses that use new technologies to enhance their competitive position and accelerate growth. The foregoing investments are referred to herein as “Portfolio Investments” and the companies in which Portfolio Investments are made are referred to as “Portfolio Companies”.</p> <p>Crimson Asia Capital and Crimson Ventures each consist of a number of parallel funds that Crimson Velocity, or an affiliate, established to meet the requirements of certain investors (each a “Parallel Fund”).</p> <p>At present, the only advisory clients of Crimson Velocity are the Funds. The Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and the securities of the Funds are not registered under the Securities Act of 1933, as amended (the “Securities Act”).</p> <p>Crimson Capital Management, Ltd. and Crimson Velocity Management, L.P., affiliates of Crimson Velocity, serve as the general partners of the Funds (the “Affiliated General Partners”). Crimson Velocity and the Affiliated General Partners are together filing a single Brochure in reliance on the position expressed in the SEC’s staff’s no-action letter addressed to the American Bar Association, Business Law Section dated January 18, 2012. As such it should be noted that Crimson Velocity has aggregated its responses to the questions posed in this Brochure so that its responses refer to both the filing adviser, CVL, and the relying advisers, CACH and the Affiliated General Partners. References to Crimson Velocity in this Brochure refer to Crimson Velocity and the Affiliated General Partners unless otherwise indicated.</p>
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	<p>Crimson Velocity is owned by John-Paul Ho (the “Principal”).</p> <p>Each Fund is governed by a limited partnership agreement (each, a “Fund Agreement”) that specifies the specific investment guidelines and investment restrictions applicable to the Fund. In addition, the private placement memoranda prepared for the investors of each Fund also contain information regarding the intended investment program for such Fund. Crimson Velocity, together with the Affiliated General Partners, provide investment management and administrative services to the Funds in accordance with the applicable Fund Agreements, private placement memoranda and other offering materials. Each of the Affiliated General Partners retains management authority over the business and affairs, including investment decisions, of the Funds for which it serves as general partner.</p> <p>The investors in the Funds (“Investors”) are primarily “qualified purchasers” (as defined in the Investment Company Act), and may include, among others, high net worth individuals, pension and profit sharing plans, trusts, endowments, estates, charitable organizations, corporations, limited partnerships and limited liability companies.</p> <p>Certain persons, including but not limited to, Investors, employees of Crimson Velocity and its affiliates, and other persons not affiliated with Crimson Velocity, may participate for their own account in Portfolio Investments (such participation, a “Co-investment”).</p> <p>Furthermore, partners, senior executives and other senior investment professionals of Crimson Velocity and its affiliates have made and will make capital commitments to the Funds. Such commitments are generally not subject to management fees. In addition, such persons may also make additional Co- Investments on the same terms as the Funds in any Portfolio Investments, subject to detailed provisions as disclosed in the applicable Fund Agreement.</p>
<b>Item 4.B</b>	<p><b>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</b></p> <p>Crimson Velocity offers advice solely with respect to the investments made by the Funds.</p> <p>Crimson Velocity has two principal investment strategies for its clients as described in Item 4.A above. Crimson Ventures invests in technology-related companies in the U.S. and Pacific Rim as well as traditional businesses that use new technologies to enhance their competitive position and accelerate growth. Crimson Asia Capital makes equity and equity-related investments in companies that are primarily based in, or have significant operations in, the Asia Pacific</p>

	<p>region and require growth capital.</p> <p>Crimson Velocity generally has broad and flexible investment authority with respect to the Funds. Each Fund's investment objectives and strategy are set forth in the relevant Fund Agreement and a confidential private placement memorandum. All Investors in the Funds are provided with a limited partner agreement and a confidential private placement memorandum and are urged to carefully review those documents.</p>
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<b>Item 4.C</b>	<p><b>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</b></p> <p>As noted above, the clients of Crimson Velocity are the Funds. Crimson Velocity tailors its investment advice to each Fund in accordance with the Fund's investment objectives and strategy as set forth in the relevant Fund Agreement and confidential private placement memorandum. Crimson Velocity typically does not tailor its advisory services to the individual needs of Investors.</p> <p>The Investors in each Fund are able to negotiate the terms of the applicable Fund Agreement in connection with their investments in such Fund. In certain cases, the Affiliated General Partners have, and may in the future, enter into side letter agreements with certain Investors in a Fund establishing rights under, or supplementing or altering the terms of, the applicable Fund Agreement. Such rights and privileges may not be available to other Investors.</p> <p>Once invested in a Fund, Investors generally cannot impose additional investment guidelines or restrictions to such Fund.</p>
<b>Item 4.D</b>	<p><b>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</b></p> <p>Not applicable. Crimson Velocity does not participate in wrap fee programs.</p>
<b>Item 4.E</b>	<p><b>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date "as of" which you calculated the amounts.</b></p> <p>As of December 31, 2018, the most recent available period, Crimson Velocity managed \$45,550,000 of client assets on a discretionary basis. The determination of this asset figure was made within 90 days of March 28, 2019. Crimson Velocity does not currently manage any client assets on a non-discretionary basis.</p>

## ITEM 5 – FEES AND COMPENSATION

<p><b>Item 5.A</b></p>	<p><b>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</b></p> <p>Crimson Velocity is compensated through the payment of management fees and performance based compensation by the Funds. The specific terms relating to the fees paid by each Fund, summarized below, are negotiated by the Investors in such Fund at the time of its formation and, as such, may vary from Fund to Fund.</p> <ul style="list-style-type: none"> <li>• <b>Management Fee:</b> as detailed in the offering documents, Crimson Velocity receives annual management fees from the Funds based upon (i) during the commitment period, the capital commitments of the respective Fund; and (ii) thereafter the funded capital commitments of the respective fund minus the amount of certain capital contributions (as detailed in the respective offering documents). The annual Management Fee for each Fund is between 2.0% and 2.5% of the amount from (i) or (ii) above, as the case may be, payable quarterly in advance. Prior to the beginning of each year Crimson Velocity may waive a portion of the Management Fees payable for such year.</li> <li>• <b>Carried Interest:</b> In addition, the Affiliated General Partners may receive a performance allocation (“Carried Interest”). All distributions are split between Investors and the respective Affiliated General Partner as set forth in the applicable Fund’s governing documents. The Carried Interest is generally equal to 20% of realized gains, which may apply once an Investor in the relevant Fund has received a specific preferred return (the “Return”), if applicable. Investors are generally allocated all gains until they have surpassed the Return. Thereafter, gains are generally shared on an 80%/20% basis between Investors and the Affiliated General Partners.</li> <li>• <b>Management Fee Offset:</b> Crimson Velocity and/or its affiliates may receive customary fees for certain corporate finance, investment banking and advisory and monitoring services performed for Portfolio Companies or in conjunction with unconsummated transactions. Although fees from these activities will not be paid to the Fund, the Management Fee to be paid to Crimson Velocity will be reduced by an amount equal to 80% of the following fees (“Other Fees”): (i) break-up fees received by the respective Affiliated General Partner, Crimson Velocity and their affiliates in connection with the Fund’s uncompleted transactions and (ii) transaction fees and ongoing monitoring, advisory, consulting or similar fees received by the Affiliated General Partner, Crimson Velocity and their affiliates attributable to the Fund’s investments in Portfolio Companies.</li> </ul> <p>It should be noted that the fees paid by Investors are negotiable prior to an investment in the Fund, at the discretion of the Affiliated General Partner.</p>
<p><b>Item 5.B</b></p>	<p><b>Describe whether you deduct fees from <i>clients</i>’ assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</b></p>

	<p>Crimson Velocity or its affiliates deduct fees applicable to the appropriate Funds (and Investors) directly from the Funds' assets or issues capital call letters to Investors to request funds to pay specific expenses.</p> <p>The management fees are payable quarterly in advance and the Carried Interest distribution may be made when earned or at a later date.</p> <p><b>It is critical that Investors refer to the relevant confidential private placement memorandum or other governing documents for a complete understanding of how fees are paid to Crimson Velocity. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
<b>Item 5.C</b>	<p><b>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</b></p> <p>The Affiliated General Partner bears all the following expenses of the general partner related to each Fund: costs and expenses for office space, facilities, supplies and compensation of its staff and the costs and expenses associated with the preliminary investigation of potential investment opportunities.</p> <p>Each Fund pays all of the following expenses to the extent they do not constitute expenses paid by the Affiliated General Partner: (i) reasonable fees and expenses for tax advisors, attorneys and accountants, including the fees and expenses of preparing the annual audit and any reports for limited partners of the Fund; (ii) all reasonable out-of-pocket costs and expenses, if any, incurred in due diligence, negotiating, structuring, acquiring, holding, valuing, developing, advising, monitoring and disposing of actual or proposed portfolio investments, including without limitation any financing, legal, accounting, advisory, recruiting and consulting expenses in connection therewith; (iii) reasonable broken deal expenses; (iv) brokerage commissions, registration fees and expenses, custodial expenses and other investment costs actually incurred in connection with actual or potential portfolio investments; (v) interest on and fees and expenses arising out of all borrowings made by the partnership, including but not limited to, the arranging thereof; (vi) the out-of-pocket costs of any litigation, D&amp;O liability or other insurance and indemnification or extraordinary expense or liability relating to the affairs of the Fund; (vii) expenses of liquidating the Fund; (viii) registration expenses and any taxes, fees or other governmental charges levied against the Fund and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Fund; (ix) the fees and expenses of an administrator; (x) the expenses of an investor advisory committee; (xi) costs and expenses incurred in connection with the Fund's legal and regulatory compliance with U.S. and non-U.S. laws and regulations (other than compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act and registration pursuant to the Investment Advisers Act of 1940, as amended, including, without limitation, filings under the U.S. Securities Exchange Act of 1934, as amended (including Form 13F, Form 13H, Section 16 filings, Schedule 13D filings and Schedule 13G filings), any forms, schedules, filings, information or other documents prepared with respect to the Foreign Account Tax Compliance Act, reports to be filed with the U.S. Commodity Futures Trading Commission and reports, disclosures, filings and notifications prepared in accordance with the</p>



	<p>European Union Alternative Investment Fund Managers Directive; (xii) travel, entertainment and related expenses in connection with the Fund’s investment activities (including first class and/or business class airfare (and/or private charter, where appropriate), first class lodging, ground transportation, travel and premium meals (including closing dinners, closing “deal toys,” late night cars and dinners, social and entertainment events with portfolio company management, customers, clients, borrowers, brokers and service providers)); and (xiii) expenses incurred in connection with complying with provisions in side letter agreements, including “most favored nations” provision.</p> <p>The Affiliated General Partner and the Investors may be required to make capital contributions to the extent of their unfunded capital commitments for the payment of Fund expenses to the extent the Fund does not have sufficient funds to pay such expenses. Any amount drawn from unfunded capital commitments to pay Fund expenses will, to the extent Affiliated General Partner and limited partners receive subsequent distributions, be added to their unfunded capital commitments and be subject to recall.</p> <p>Please refer to Item 12 of this Brochure for a discussion of Crimson Velocity’s brokerage practices.</p> <p><b>It is critical that Investors refer to the relevant confidential private placement memorandum and/or other governing documents for a complete understanding of expenses they may pay through an investment in the Funds. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
<b>Item 5.D</b>	<p><b>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</b></p> <p>As described in Item 5.B above, management fees applicable to Investors are paid quarterly in advance to Crimson Velocity.</p> <p>An Investor may not terminate advisory contracts prior to the end of a billing period because an Investor may not withdraw from their respective Fund prior to dissolution, and may not transfer any of their interest rights or obligations under the Fund without the prior written consent of Crimson Velocity or the applicable Affiliated General Partner. As such, there is no need for a refund mechanism.</p>
<b>Item 5.E</b>	<p><b>If you or any of your <i>Access Persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</b></p> <p>Not applicable to Crimson Velocity.</p>

Item 5.E.1	<p>Explain that this practice presents a conflict of interest and gives you or your <i>Access Persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client's</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</p> <p>Not applicable to Crimson Velocity.</p>
Item 5.E.2	<p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable to Crimson Velocity.</p>
Item 5.E.3	<p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable to Crimson Velocity.</p>
Item 5.E.4	<p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> <p>Not applicable to Crimson Velocity.</p>

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

**If you or any of your *Access Persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *Access Persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *Access Persons* face by managing these accounts at the same time, including that you or your *Access Persons* have an incentive to favor accounts for which you or your *Access Persons* receive a *performance-based fee*, and describe generally how you address these conflicts.**

As described in Item 5.B above, each Affiliated General Partner may receive performance-based compensation from the Fund for which it serves as general partner.

As noted above, Crimson Asia Capital and Crimson Ventures each consist of a number of Parallel Funds. Crimson Asia Capital and Crimson Ventures are no longer making Portfolio Investments. However, during each Investment Program's respective investment period the Parallel Funds generally invested pro-rata (based on capital commitments) subject to applicable legal, tax or regulatory constraints. Due to this structure from time to time, more than one Fund has participated in a given Portfolio Investment. Where the performance of one Fund has met the required performance threshold for its Affiliated General Partner to receive amounts in respect of its carried interest, while another Fund has not, Crimson Velocity may have an incentive to exit investments at a time that would maximize its returns, potentially to the detriment of the other Fund.

Furthermore, it should be noted that the possibility that an Affiliated General Partner may receive performance-based distributions creates a potential conflict of interest in that it may create an incentive for Crimson Velocity to make investments that are riskier or more speculative than in the absence of such performance-based distributions. Investors are provided with clear disclosure as to how performance-based distributions are charged with respect to the Funds and the risks associated with such performance-based distributions prior to making an investment.

The Affiliated General Partner, in consultation with the investor advisory committee (as applicable), uses its best efforts to resolve any potential conflicts of interest created by this arrangement.

## ITEM 7 – TYPES OF CLIENTS

**Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.**

Crimson Velocity provides investment advisory services solely to the Funds as described in Item 4 above, above. During the period when the Funds were open to new Investors, the Funds were open only to Investors meeting certain suitability requirements. The Funds invest capital contributed to them by one or more high net worth individuals, pension and profit sharing plans, trusts, endowments, estates, charitable organizations, pooled investment vehicles, and other investors that are “accredited investors” (as defined in Regulation D under the Securities Act), qualified clients under Rule 205-3 of the Investment Advisers Act of 1940 (“Advisers Act”) and qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act. The Funds require a significant minimum capital commitment.

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

Item 8.A	<p><b>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</b></p> <p>The following summarizes the methods of analysis and investment strategies used by Crimson Velocity in formulating investment advice. There can be no assurance that Crimson Velocity and the Funds will achieve their investment objectives or that the investment strategies employed by Crimson Velocity will be successful.</p> <p>Crimson Velocity’s investment strategy and process generally includes the following key elements:</p> <p><b>Crimson Ventures Investment Program –</b></p> <p><i>Top Down Sector Selection Approach:</i> Crimson Ventures seeks to concentrate on sectors with accelerating growth prospects in industries that are undergoing rapid transformation as a result of global trends and disruptive technologies.</p> <p><i>Proactive Generation of Deal Flow:</i> In general, Crimson Ventures looks for companies that are early in a change process, where Crimson Ventures can assist them by leveraging its capabilities, cross-border footprint and operational skills.</p> <p><i>Disciplined Investment Process:</i> Crimson Ventures’ extensive capabilities, entrepreneurial/managerial experience and focused strategy help it to quickly and thoroughly evaluate investment opportunities. Crimson Ventures also seeks to leverage the knowledge and expertise of the executives of its portfolio companies and its industry contacts.</p> <p><i>Macro-Economic and Political Risk Management:</i> Crimson Ventures makes its investment decisions primarily based on the strength, return potential and intrinsic value of its target sectors and companies. However, Crimson Ventures recognizes the impact that macro-economic and political developments can have on portfolio companies. Consequently, Crimson Ventures reviews regional trends regularly in order to stay abreast of constantly changing economic and political dynamics. Over time, as the investment environment of certain countries becomes more or less attractive, Crimson Ventures seeks to adjust its strategies accordingly.</p> <p><i>Post-Investment.</i> Following the completion of an investment, Crimson Ventures monitors the performance of each portfolio company. Crimson Ventures helps add value to portfolio companies by providing assistance in many areas, which may include providing strategic advice, establishing milestones and budgets, assisting in recruiting executives and arranging introductions to potential customers.</p> <p><b>Crimson Asia Capital Investment Program –</b></p> <p><i>Transaction Sourcing:</i> Crimson Asia Capital expects to have access to proprietary deal flow through its network of industry contacts, along with the collective</p>
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	<p>business and commercial networks of its investment team.</p> <p><i>Evaluation of Investments:</i> Crimson Asia Capital expects the due diligence process to include evaluation by the investment team, including an examination of industry trends, market potential, competitors, operations, financial condition, management, future prospects and likely exit alternatives. The due diligence process is expected to culminate with the development of a detailed operating and financial business plan.</p> <p><i>Monitoring and Enhancing Value of Portfolio Companies:</i> Following the completion of an investment, Crimson Asia Capital will monitor the financial performance of each portfolio company and, if required, will seek to take an active role in assisting in the implementation of the business plan. Crimson Asia Capital helps add value to portfolio companies by providing assistance in many areas, which may include providing strategic advice, establishing milestones and budgets, assisting in recruiting executives and arranging introductions to potential customers.</p> <p>As a general matter, Crimson Velocity utilizes the methods of analysis and investment strategies described in the Funds' governing documents provided to all Investors prior to the time of an investment.</p> <p><b>The information contained herein is a summary only and Investors and prospective Investors should refer to the respective Fund's governing documents for a complete overview of Crimson Velocity's methods of analysis and investment strategies. Investing in securities involves risk of loss that Investors should be prepared to bear.</b></p>
<b>Item 8.B</b>	<p><b>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</b></p> <p>An investment in the Funds involves a significant degree of risk. There can be no assurance that the Funds' targeted rate of return will be achieved or that there will be any return of capital. Below is a summary of certain risks related to investment in the Funds. It is not a comprehensive list of all risks associated with investments in the securities market, some of which may also affect the Funds in extreme circumstances.</p> <p><b>Investment Controls</b></p> <p>The Funds make Portfolio Investments in Asia. Foreign investment in the securities of companies in many of the countries in which the Funds intend to invest is restricted or controlled to varying degrees. These restrictions or controls may at times limit or preclude foreign investment in certain companies and increase the costs and expenses of the Funds. Some countries require governmental approval for the repatriation of investment income, capital or the proceeds of sales by foreign investors, or the purchase or sale of foreign currency. The Funds could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital interest and dividends</p>

	<p>paid on securities held by the Funds, and income on such securities or gains from the disposition of such securities may be subject to withholding taxes imposed by certain countries.</p> <p><b>Potential Market Volatility and Limited Liquidity in Asia</b></p> <p>Securities markets in Asia may be fragmented, smaller, less liquid and more volatile than the securities markets of the United States and certain developed countries. Securities markets in the countries in which the Funds may invest have in the past experienced substantial price volatility and no assurance can be given that such volatility will not occur in the future.</p> <p><b>No Assurance of Investment Returns</b></p> <p>The Funds' task of identifying investment opportunities in private operating companies, managing such investments and realizing a significant rate of return for investors is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize such investments successfully. There is no assurance that the Funds will be able to invest their capital on attractive terms or generate returns for their Investors. Also, the Funds will have considerable flexibility in the types of securities in which they invest and in the type of privately negotiated or other investments they make. The Funds may make open market investments in securities of publicly traded companies. The Funds' or their affiliates' past performance provides no assurance of future success. Furthermore, there is no assurance of any distribution to the Investors of a Fund prior to or upon liquidation, termination or dissolution of such Fund.</p> <p><b>Long-Term Investment</b></p> <p>An investment in a Fund is a long-term investment. Crimson Velocity anticipates a long time period between the initial capitalization of a Fund and the times when Investors receive distributions. In addition, the interests in the Funds are highly illiquid, have no public market value and are not transferable, except with the prior consent of the Affiliated General Partner, which may be withheld at the Affiliated General Partner's sole discretion. Moreover, the interests in the Funds have not been registered under the Securities Act or other applicable securities laws. Voluntary withdrawals of interests are not permitted, except in limited instances when necessary to comply with the laws or regulations applicable to an Investor. As a result, Investors in a Fund may not be able to liquidate their investments prior to the end of the Fund's term.</p> <p><b>Lack of Liquidity of Portfolio Investments</b></p> <p>The Funds intend to invest primarily in companies the securities of which are not at the time of investment and may never be publicly traded. These investments may be difficult to value and to sell or otherwise liquidate and the risk of investing in such companies is generally much greater than the risk of investing in publicly traded companies. Companies whose securities are not publicly traded are not subject to the same disclosure and reporting requirements that are generally applicable to companies with publicly traded securities.</p> <p>In addition, there can be no assurance that companies in which the Funds invest eventually will list their securities on a securities exchange. To the extent that</p>
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there is no liquid trading market for Portfolio Investments, the Funds may be unable to liquidate Portfolio Investments or may be unable to do so at a profit. Furthermore, there can be no assurances that private purchasers for the Funds' Portfolio Investments will be found. In addition, in certain circumstances governmental or regulatory approvals may be required for the Funds to dispose of a Portfolio Investment or the Funds may be prohibited by contract or for legal or regulatory reasons from selling a Portfolio Investment for a period of time.

#### **Competition for Investments**

The Funds will be competing for investment opportunities against other groups, including institutional investors, investment managers, industrial groups and merchant banks owned by larger and well-capitalized investors. Over the past several years, an ever-increasing number of private equity funds have been formed (and many such existing funds have grown in size). Additional private equity funds with similar investment objectives may be formed in the future by other unrelated parties. Some of these competitors may have more relevant experience, greater financial resources and more personnel than Crimson Velocity, the Funds and their affiliates. It is possible that competition for appropriate investment opportunities may increase, thus reducing the number of opportunities available to the Funds and adversely affecting the terms upon which Portfolio Investments can be made. Also, such competition may prevent the Funds from finding a sufficient number of attractive opportunities to meet their investment objectives. To the extent that the Funds encounter competition for investments, returns to Investors may decrease.

#### **Reliance on Management**

Crimson Velocity and its affiliates will make all decisions regarding the strategy, investments and day-to-day operations of the Funds. Except as set forth herein, Investors will have no right or power to take part in the management of the Funds. Only if a potential Investor is willing to entrust all aspects of management to Crimson Velocity and its affiliates should that potential Investor purchase interests in the Funds. Moreover, the Funds' performance depends on the activities of the senior professionals of Crimson Velocity and its affiliates. The loss of any team member could adversely impact the Funds, and there can be no assurance that the team members will continue to work for Crimson Velocity and its affiliates throughout the Funds' terms.

#### **Economic and Political Risks**

Governments of many Asian countries have exercised and continue to exercise substantial influence over many aspects of the private sector. In some cases, governments own or control many companies, including some of the largest in their respective countries. The availability of investment opportunities for the Funds depends in part on governments in Asia continuing to liberalize their policies regarding foreign investment and to further encourage private sector initiatives. Accordingly, government actions in the future could have a significant effect on economic conditions in such countries, which could affect private sector companies and the prices and yields of Portfolio Investments. Exchange control regulations, expropriation, confiscatory taxation, nationalization, political, economic or social instability or other economic or political developments could adversely affect the assets of the Funds held in particular Asian countries.



While the economies of certain Asian countries have experienced significant growth in the past twenty years, growth has been uneven, both geographically and among various sectors of the respective economies. The governments of many Asian countries have implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit such country's economy, but may also have a negative effect on companies in those Asian countries that the Funds may invest in. For example, the financial condition and results of operations of Asian companies that the Funds may invest in may be adversely affected by government control over capital investments or changes in tax regulations.

The businesses of the Portfolio Companies might be affected by the developing legal system of some Asian countries. In some Asian countries, government policies and internal rules promulgated by governmental agencies related to new laws and regulations covering general economic matters may not be published in time, or at all. As a result, the Funds' Portfolio Companies may operate their businesses in violation of new rules and policies without having any knowledge of their existence. In addition, there are uncertainties regarding the interpretation and enforcement of laws, rules and policies in some Asian countries. Because many laws and regulations in these Asian countries are relatively new and the legal system of some of these Asian countries is still evolving, the interpretations of many laws, regulations and rules are not always uniform. Moreover, the relative inexperience of the judiciary in certain Asian countries in many cases creates additional uncertainty as to the outcome of any litigation, and the interpretation of statutes and regulations may be subject to government policies reflecting domestic political changes. Finally, enforcement of existing laws or contracts based on existing law may be uncertain and sporadic, and it may be difficult to obtain swift and equitable enforcement, or to obtain enforcement of a judgment by a court of another jurisdiction. Litigation in some Asian countries by the Funds or the Portfolio Companies may be protracted and result in substantial costs and the diversion of resources and management attention.

#### **Financial Market Fluctuations**

General fluctuations in the market prices of securities may affect the value of the investments held by the Funds. Instability in the securities markets may also increase the risks inherent in the Funds' investments. The ability of the Portfolio Companies to refinance debt securities may depend on their ability to sell new securities in the public high-yield debt market or otherwise. Additionally, the recent deterioration of the global credit markets has made it more difficult than it had been in the recent past for financial sponsors like Crimson Velocity and its affiliates to obtain favorable financing for investments. A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise in interest rates, has reduced investor demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling or less willing to finance new private equity investments or to only offer committed financing for these investments on less favorable terms than had been prevailing in the recent past. The Funds' ability to generate attractive investment returns for their Investors may be adversely affected to the extent the Funds are unable to obtain favorable financing terms for their investments. Moreover, to the extent that such marketplace events continue or re-occur, they may have an adverse impact on the availability of credit to businesses generally

and could lead to an overall weakening of the U.S. and global economies. Such an economic downturn could adversely affect the financial resources of corporate borrowers in which the Funds have invested and result in the inability of such borrowers to make principal and interest payments on outstanding debt when due. In the event of such defaults, the Funds may suffer a partial or total loss of capital invested in such companies, which could, in turn, have an adverse effect on the Funds' returns. Such marketplace events also may restrict the ability of the Funds to sell or liquidate investments at favorable times or for favorable prices.

#### **General Economic and Market Conditions**

The private equity industry generally and the success of the Funds' investment activities will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. A sustained downturn in the U.S. or global economy (or any particular segment thereof) could adversely affect the Funds' profitability, impede the ability of the Funds' Portfolio Companies to perform under or refinance their existing obligations, and impair the Funds' ability to effectively exit their investments on favorable terms. Any of the foregoing events could result in substantial or total losses to the Funds in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in a Portfolio Company's capital structure.

#### **Availability of Investment Capital**

Some of the Funds' Portfolio Companies may require additional capital infusions. If a Fund does not have funds available to participate in subsequent rounds of financing, that shortfall may have a significant negative impact on both the Portfolio Company and the value of the Fund's original investment. Although it will be the policy of each Fund that the Fund maintain sufficient liquidity to allow it to participate in follow-on rounds of financings, the Fund may not provide all necessary follow-on financing; accordingly, third party sources of finance may be required. There is no assurance that such additional sources of finance will be available, or if available, will be on terms beneficial to the Funds' interests.

#### **Lack of Diversification**

The Funds are subject to limited diversification requirements and may invest in a limited number of companies, regions, countries or industry sectors. To the extent the Funds concentrate their investments in a particular company, region, country or sector, they will become more susceptible to fluctuations in value resulting from adverse business or economic conditions affecting that particular company, region, country, or sector. As a consequence, the aggregate return of the Funds may be adversely affected by the unfavorable performance of one or a small number of companies or countries in which the Funds have invested.

#### **Bridge Financing**

From time to time, 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 securities. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in the Funds' control, such long-term securities may not be issued 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.

### **Risks of Certain Dispositions**

In connection with the disposition of an investment in a Portfolio Company or otherwise, the Funds may be required to make representations about the business and financial affairs of the Portfolio Company typical of those made in connection with the sale of any business. They may also be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the Funds.

### **Hedging Policies/Risks**

In connection with the financing of certain Portfolio Investments, the Funds may employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices and currency exchange. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Funds may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices, or currency exchange rates may result in a poorer overall performance for the Funds than if they had not entered into such hedging transactions.

### **Non-controlling Investments**

The Funds may hold non-controlling interests in certain Portfolio Companies and, therefore, may have limited ability to protect their position in such Portfolio Companies. As a condition to investment in a Portfolio Company, it is expected that appropriate rights generally will be sought to protect the Funds' interests to the extent possible, but there can be no assurance that such minority shareholder rights will be available.

### **Currency Risk**

The Funds' assets will be invested in securities of companies incorporated under the laws of various countries or other jurisdictions and the income received by the Funds may be denominated in several different currencies. However, the books of the Funds will be maintained, and capital contributions and distributions from the Funds will be made, in U.S. dollars. Accordingly, changes in currency exchange rates between the U.S. dollar and such other currencies may adversely affect the U.S. dollar value of Portfolio Investments, interest and dividends received by the Funds, gains and losses realized on the sale of Portfolio Investments and the amount of distributions, if any, to be made by the Funds. In addition, the Funds will incur costs in converting investment principal and income from one currency to another.

### **Accounting, Disclosure and Regulatory Standards**

Accounting, auditing, financial and other reporting standards, as well as regulatory standards, practices and disclosure requirements, in countries in which the Funds may invest are not equivalent to those in the United States and certain

	<p>Western European countries. Accordingly, less information may be available to Investors. There is also varying degree of government regulation of securities markets in Asia, which may be substantially less developed than in the United States and other developed countries. In many Asian countries, regulations under which foreign investors, such as the Funds, may invest directly in local securities are new and evolving. There can be no assurance that regulations promulgated in the future will not adversely affect the Funds or that any regulations facilitating such investments will be continued or adopted in the future.</p> <p><b>Ability to Enforce Legal Rights</b></p> <p>Because the effectiveness of the judicial systems in the countries in which the Funds may invest varies, a Fund (or any Portfolio Company) may have difficulty in successfully pursuing claims in the courts of such countries, as compared to the United States or other developed countries. Furthermore, to the extent a Fund or a Portfolio Company may obtain a judgment but is required to seek its enforcement in the courts of one of the countries in which the Funds invest, there can be no assurance that such courts will enforce such judgment.</p> <p><b>Leverage</b></p> <p>The Funds' Portfolio Investments are expected to include companies whose capital structures may have significant leverage. Although Crimson Velocity and its affiliates will seek to use leverage in a manner they believe is prudent, the leveraged capital structure of such Portfolio Investments will increase the exposure of the Portfolio Companies to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the Portfolio Company or its industry.</p> <p><b>Investments in Less Established Companies</b></p> <p>The Funds may invest a portion of their assets in the securities of smaller, less established companies. Investments in such companies may involve greater risks than are generally associated with investments in more established companies. The securities of such companies may be subject to more abrupt and erratic market price movements than larger, more established companies, since trading volumes for their securities are generally quite low. Less established companies tend to have a lower capitalization and fewer resources and, therefore, are often more vulnerable to financial failure. Such companies may also have shorter operating histories on which to judge future performance. The Funds have not established any minimum size for the companies in which it will invest.</p> <p>No guarantee or representation is made that the Funds' investment program will be successful.</p> <p><b>Investors and prospective Investors are provided with a confidential private placement memorandum that contains a detailed description of the material risks related to an investment in the Funds, and are advised to carefully review <u>all</u> risk factors set forth in the relevant confidential private placement memorandum.</b></p>
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Item 8.C	<p>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</p> <p>Please see the response to Item 8.B above. In addition, Investors and prospective Investors are provided with a confidential private placement memorandum that contains a detailed description of the material risks related to the types of securities invested in by the Funds, and are advised to carefully review <u>all</u> risk factors set forth in the relevant confidential private placement memorandum.</p>
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## **ITEM 9-DISCIPLINARY INFORMATION**

Crimson Velocity is required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor's evaluation of Crimson Velocity or the integrity of Crimson Velocity's management. Crimson Velocity has no legal or disciplinary information to disclose at this time.

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

Item 10.A	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable to Crimson Velocity.</p>
Item 10.B	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable to Crimson Velocity.</p>
Item 10.C	<p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> <li>1. broker-dealer, municipal securities dealer, or government securities dealer or broker</li> <li>2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)</li> <li>3. other investment adviser or financial planner</li> <li>4. futures commission merchant, commodity pool operator, or commodity trading advisor</li> <li>5. banking or thrift institution</li> <li>6. accountant or accounting firm</li> <li>7. lawyer or law firm</li> <li>8. insurance company or agency</li> <li>9. pension consultant</li> <li>10. real estate broker or dealer</li> <li>11. sponsor or syndicator of limited partnerships</li> </ol>

	<p>Through common ownership and control, Crimson Velocity is affiliated with HM Clipper Management, Ltd., which is also registered with the SEC as an investment adviser and which serves as investment adviser to a private investment fund the general partner of which is HML Clipper Capital Management, L.P. Crimson Velocity is of the belief that it does not have any relationship or arrangement that is material to its advisory business with any other type of related person listed above. Notwithstanding the preceding sentence Crimson Velocity is of the view that the following potential conflicts of interest should be disclosed:</p> <p>The Affiliated General Partners of Crimson Velocity serve as general partners to the Funds and in connection therewith maintain investments in such Funds. As described in Item 6 above, the Affiliated General Partners are entitled to receive performance based compensation from the Funds, which may in certain circumstances create a conflict of interest.</p> <p>As described elsewhere in this Brochure, Crimson Velocity may seek to make significant investments in Portfolio Companies. Crimson Velocity typically seeks control or substantial minority positions in Portfolio Companies, with board representation and customary shareholder rights.</p> <p>The Principal and certain other representatives of Crimson Velocity serve, and may in the future serve, on the board of certain of the Portfolio Companies invested in by the Funds. Crimson Velocity tracks all such board positions and monitors for conflicts. Crimson Velocity does not believe that such directorships pose a material conflict of interest.</p> <p>As noted in Item 4 above, certain persons, including but not limited to, Investors; employees of Crimson Velocity and its affiliates; and other persons not affiliated with Crimson Velocity, may make Co-Investments. The investment advisory committee of the respective Fund (which is comprised of representatives of limited partners that are unaffiliated with Crimson Velocity) has been established in part to address potential conflicts of interests.</p>
Item 10.D	<p><b>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</b></p> <p>Certain of the Crimson Asia Capital Funds invested a portion of such Funds' assets in the Crimson Ventures Funds, but Crimson Asia Capital does not pay management fees or performance fees to the advisor of Crimson Ventures with respect to its investment. As noted above, Crimson Asia Capital and Crimson Ventures are no longer making Portfolio Investments. This investment could potentially create a conflict of interest in that Crimson Velocity serves as the investment advisor to all Funds. The Affiliated General Partner, in consultation with the investor advisory committee (as applicable), will use its best efforts to resolve any conflicts of interest.</p>



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

Item 11.A	<p><b>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</b></p> <p>Crimson Velocity’s Code of Ethics (the “Code”) is designed to meet the requirements of Rule 204A-1 of the Advisers Act. The Code applies to Crimson Velocity’s “Access Persons.” Access Persons include, generally, any member, officer or director of Crimson Velocity and any employee or other Access Person of Crimson Velocity who, in relation to the Funds (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non- public. All Crimson Velocity employees are deemed to be Access Persons. In addition, certain consultants and other individuals may also be deemed to be Access Persons.</p> <p>The Code sets forth a standard of business conduct that takes into account Crimson Velocity’s status as a fiduciary to the Funds and requires Access Persons to place the interests of Funds above their own interests and the interests of Crimson Velocity. The Code requires Access Persons to comply with applicable federal securities laws. Furthermore, Access Persons are required to promptly bring violations of the Code to the attention of Crimson Velocity’s Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and to review the Code on at least an annual basis thereafter.</p> <p>The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide Crimson Velocity’s Chief Compliance Officer with a list of their personal accounts and an initial holdings report listing the holdings of such personal accounts within 10 days of becoming an Access Person. In addition, Crimson Velocity’s Access Persons must provide annual holdings reports and quarterly transaction reports detailing, respectively, the holdings and quarterly transactions in their personal accounts in accordance with Advisers Act Rule 204A-1.</p> <p>The Code also describes Crimson Velocity’s duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) advisory clients. Underlying these policies and procedures are two primary principles. First, confidential information must be maintained in confidence. Second, employees of Crimson Velocity who possess non-public information, whether or not it is material, must not trade in the securities affected by such information, must not disclose such information to anyone who does not have a legitimate need to know it and must immediately disclose such information to the Chief Compliance Officer.</p> <p>Investors or prospective Investors may obtain a copy of the Code by emailing a request to <a href="mailto:Compliance@crimsoninvestment.com">Compliance@crimsoninvestment.com</a>.</p>
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Item 11.B	<p><b>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p><b>Examples: (1) You or a <i>related person</i>, as principal, buys securities from (or sells securities to) your <i>clients</i>; (2) you or a <i>related person</i> acts as general partner in a partnership in which you solicit <i>client</i> investments; or (3) you or a <i>related person</i> acts as an investment adviser to an investment company that you recommend to <i>clients</i>.</b></p> <p>As explained in Item 10 above, the Affiliated General Partners, which are owned by the Principal and are related persons to Crimson Velocity, serve as the general partners of the Funds. These Affiliated General Partners also commit capital to the Funds, and as a result every investment made by a Fund involves a purchase of securities whereby related persons of Crimson Velocity indirectly acquire an indirect interest in such securities.</p> <p>Crimson Velocity's Principal and employees also invest indirectly in certain of the Funds and in certain cases may not be subject to the management or performance-based fees as described in Item 4.A above.</p> <p>The fact that Crimson Velocity's Principal and employees have financial ownership interests in the Funds creates a potential conflict in that it could cause Crimson Velocity to make different investment decisions than if such parties did not have such financial ownership interests. Such potential conflicts are addressed by the personal securities transaction pre-clearance and reporting requirements described in Item 11.A and 11.C.</p> <p>Crimson Velocity seeks to address these potential conflicts through regular monitoring of the Funds' portfolios for consistency with objectives, strategies, and target capacity. Furthermore, the Principal carefully considers the risks involved in any investments and Crimson Velocity provides extensive disclosure to Investors regarding the potential risks that come with an investment with Crimson Velocity. As stated in Item 11.A, the Code requires Access Persons to place the interests of the Funds over their own or those of Crimson Velocity, and all Access Persons are required to acknowledge their receipt and understanding of the Code.</p> <p>Furthermore, Crimson Velocity receives management and performance-based compensation. The management fees are payable without regard to the overall success or income earned by the Funds and therefore may create an incentive on the part of Crimson Velocity to raise or otherwise increase assets under management to a higher level than would be the case if Crimson Velocity were receiving a lower or no management fee. Performance-based fees may create an incentive for Crimson Velocity to make investments that are riskier or more speculative than in the absence of such performance-based fees.</p> <p>Finally, as described in Item 5 above, Crimson Velocity, an Affiliated General Partner, or a Principal or other personnel may receive certain transaction fees, advisory fees, director's fees, break-up fees or other similar fees in connection with portfolio investments of the Funds as compensation for financial advisory and similar services provided by them to the Funds' portfolio companies. Payment of such fees may create a conflict of interest because it could create an</p>
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	<p>incentive for Crimson Velocity or an Affiliated General Partner to cause a Fund to invest its capital in a company that will pay such a fee to Crimson Velocity or its affiliate.</p> <p>While the management fees payable by the Funds to Crimson Velocity may be offset by a portion of such fees pursuant to the applicable Fund Agreement, Crimson Velocity further mitigates this conflict of interest by negotiating such fees at arm's length with such portfolio company and generally seeking to ensure that such fees are, in the good faith opinion of Crimson Velocity, in accordance with prevailing market rates in the relevant industry. Crimson Velocity does not take into consideration whether a portfolio company will pay Crimson Velocity or its affiliate a services fee when making an investment determination.</p>
Item 11.C	<p><b>If you or a <i>related person</i> invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</b></p> <p>Crimson Velocity's Access Persons are permitted to make certain securities transactions in their personal accounts. This presents potential conflicts in that an employee could make improper use of information regarding a Fund's holdings or future transactions or research paid for by the Funds. Although unlikely, an Access Person could theoretically take for himself or herself an investment opportunity available to a Fund.</p> <p>As noted in Item 4 above, employees of Crimson Velocity and its affiliates may make Co-Investments alongside the Funds. Such investments could create a conflict of interest because they could give Crimson Velocity or an Affiliated General Partner an incentive to cause a Fund to invest its capital in a company in which it would not otherwise invest, or to dispose of its investment in a company at a time or for a price which it would not otherwise recommend for the Fund absent such related person's ownership of such securities. Such Co-Investments will only be made if the terms of the applicable Fund Agreements permit such investment. The Affiliated General Partner, in consultation with the investor advisory committee (as applicable), will use its best efforts to resolve any material conflicts of interest created by this arrangement.</p> <p>As noted in Item 10.D above, certain of the Crimson Asia Capital Funds invested a portion of such Funds' assets in the Crimson Ventures Funds, but Crimson Asia Capital does not pay management fees or performance fees to the advisor of Crimson Ventures with respect to its investment. As noted above, Crimson Asia Capital and Crimson Ventures are no longer making Portfolio Investments. This investment could potentially create a conflict of interest in that Crimson Velocity serves as the investment advisor to all Funds. The Affiliated General Partner, in consultation with the investor advisory committee (as applicable), will use its best efforts to resolve any conflicts of interest.</p> <p>Crimson Velocity manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons.</p>

	<p>Crimson Velocity requires that Access Person's transactions in certain "reportable securities" (as defined in Section 202(a)(18) of the Advisers Act) be pre-cleared with the Chief Compliance Officer. Further details are available in the Code which is available to Investors upon request.</p> <p>Crimson Velocity maintains a "Restricted List" with the names of issuers of securities about which Crimson Velocity or its affiliates (including Access Persons) have learned material, non-public information. In order to minimize the risk of improper transactions, all public Portfolio Companies in which Crimson Velocity or a client owns stock or controls one or more board seats, and if applicable, all of the publicly-traded affiliates of such companies, will be placed on the Restricted List. Access Persons are strictly prohibited from trading securities on the Restricted List.</p> <p>In addition, Crimson Velocity receives transaction and holdings reports in accordance with Advisers Act Rule 204A-1. The Chief Compliance Officer or his designee also reviews Access Persons' personal transaction and holdings reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.</p>
<b>Item 11.D</b>	<p><b>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p>Please refer to responses to Items 11.A, 11.B, and 11.C.</p>
<b>Item 11 – Miscellaneous</b>	<p><b><i>Allocation of Investment Opportunities</i></b></p> <p>Crimson Velocity may encounter situations where an investment opportunity falls within the investment objective of more than one fund and must determine how to allocate such opportunity among its funds and other persons, including but not limited to co-investment vehicles that have been formed to invest side-by-side with one or more of funds (the investors in such co-investment vehicles may include investors in the funds and/or individuals and entities that are not investors in any of the funds) and investors whose co-investment Crimson Velocity determines in good faith will provide strategic benefits for the funds or their portfolio companies. Crimson Velocity generally allocates investment opportunities to funds on a basis that it reasonably determines in good faith to be fair and reasonable, taking into account a number of factors, including but not limited to, the nature of the investment focus of each fund, the relative amounts of capital available for investment, the size and stage of the investment, and any requirements contained in the governing documents of such funds.</p> <p>Subject to the governing documents of the funds, Crimson Velocity may offer co-investment opportunities to certain persons, including certain investors and other third parties, in its sole discretion. Crimson Velocity is not expected to offer co-investment with respect to all investments of the funds and may allocate any such opportunities in its sole discretion, including for example, on the basis of the size of investor commitments to the funds. The allocation of co-investment opportunities may involve a benefit to Crimson Velocity including, without limitation, fees or carried interest from the co-investment opportunity. The Firm may or may not charge management fees, carried interest and/or one-time funding fees-in respect of co-</p>

	<p>investments, as it determines in its sole discretion. Any such fees may be calculated solely with respect to each co-investment. For the avoidance of doubt, except as otherwise agreed by Crimson Velocity, investment in a fund does not entitle investors to be presented with or otherwise participate in any co-investment opportunities.</p> <p>In exercising its discretion to allocate investment opportunities, Crimson Velocity may be faced with a variety of potential conflicts of interest. For example, in allocating an investment opportunity among the funds with differing fee, compensation or expense structures, Crimson Velocity may have an incentive to allocate investment opportunities to the funds from which Crimson Velocity or its affiliates may derive, directly or indirectly, a higher fee, compensation or other benefit.</p> <p>In the event Crimson Velocity determines that there is an actual or potential conflict of interest, it will present such matter to the fund's limited partnership advisory committee for review and approval.</p> <p><b><i>Transactions between Investors and Portfolio Companies</i></b></p> <p>Crimson Velocity may, from time to time, facilitate introductions between its prospective or actual investors and its portfolio companies, to create business opportunities between the investors and portfolio companies if Crimson Velocity believes that one may be in need of services of the kind provided by the other. Crimson Velocity does not receive any referral or success fee for facilitating such introductions.</p> <p><b><i>Investments in which Crimson Velocity or the Other Funds Have a Different Interest</i></b></p> <p>The funds may invest in a broad range of securities, instruments and obligations throughout the corporate capital structure. These investments include (but are not limited to) investments in common equity securities, preferred equity securities and corporate loans and debt obligations. Accordingly, certain funds may invest in different parts of the capital structure of an issuer in which other funds invest. For example, with respect to a fund's investments in certain companies, one or more other funds may invest in equity and/or different classes of debt issued by the same companies. Such investments may give rise to conflicts of interest, or perceived conflicts of interest, for Crimson Velocity. In the event that a conflict of interest arises, Crimson Velocity will attempt to resolve such conflict on a case by case basis and in the best interests of the parties involved, while maintaining its duty of fiduciary care to the relevant funds.</p> <p><b><i>Valuation Matters</i></b></p> <p>The fair value of all investments or of property received in exchange for any investments will be determined by the general partner of a fund in accordance with the applicable organization documents of such fund. Accordingly, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation of investments will, under certain circumstances, affect the amount of management fees payable to Crimson Velocity. The valuation of investments may also affect the ability of Crimson Velocity to raise successor funds. As a result, there may be circumstances where the general partner of a fund is incentivized to determine valuations that are higher than the actual fair value of</p>
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investments.

***Varying Interests Among Limited Partners***

The investors in the funds may have conflicting investment, tax and other interests with respect to their investments in such funds. The conflicting interests of individual investors may relate or arise from, among other things, the nature of investments made by the funds, the structuring or the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with the decisions made by the general partner of a fund, including with respect to the nature or structuring of investments that may be more beneficial for one investor, including such general partner, than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for the funds, the general partners of the funds will consider the investment and tax objectives of the funds and its investors as a whole, not the investment, tax or other objectives of any investor individually. In addition, the interests held by a relatively small number of investors may be significantly larger than those held by other investors which could have a material impact on the outcome of matters requiring investor consent or approval.

***Cyber Security Breaches and Identity Theft***

Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. The information and technology systems of Crimson Velocity, the funds and their respective portfolio companies may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Crimson Velocity has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the funds and/or their investments may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Crimson Velocity's, the funds' and/or their respective portfolio companies' operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm Crimson Velocity's reputation, subject Crimson Velocity or the funds to legal claims and otherwise affect their business and financial performance.

***Personal Trading and Other Business Activities***

The managing directors, officers, members, partners, employees, affiliates of such persons and relatives of such persons of Crimson Velocity may trade in securities for their own accounts, subject to pre-clearance restrictions and reporting requirements as may be required by law or Crimson Velocity's policies, or otherwise determined from time to time by Crimson Velocity, as applicable. Subject to the governing documents of the funds, Crimson Velocity and such persons may conduct any other business, including any business within the securities industry, whether or not such business is in competition with a fund.

	<p><b><i>Side Letters</i></b></p> <p>Crimson Velocity or its funds have and may in the future enter into agreements, or “side letters”, with certain prospective or existing investors whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the fund’s offering memorandum and limited partnership agreement (or other applicable organizational documents). The modifications are solely at the discretion of Crimson Velocity and may, among other things, be based on the size of an investor’s investment in a fund. Crimson Velocity and its funds generally have no obligation to disclose the details of these side letters to all the investors in the relevant fund.</p>
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## ITEM 12 – BROKERAGE PRACTICES

Item 12.A.1	<p><b>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (<i>e.g.</i>, commissions).</b></p> <p><b>1. Research and Other Soft Dollar Benefits.</b> If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.</p> <p>Crimson Velocity invests in private transactions that are not executed on an exchange and does not utilize brokers. Notwithstanding the above, in the past, Crimson Velocity has and may in the future utilize brokers and investment banks in connection with the purchase and/or sale of Portfolio Companies. This is typically done on a limited basis to remove restrictions from the securities and to help liquidate the securities in the open market. Furthermore, Crimson Velocity or the Funds may pursue public investments that are executed through brokers. Any such purchases or sales will be executed in an effort to seek best execution. Crimson Velocity does not make use of soft dollar benefits.</p>
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Item 12.A.2	<p><b><u>Brokerage for Client Referrals.</u></b> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <ul style="list-style-type: none"> <li>a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients'</i> interest in receiving most favorable execution.</li> <li>b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals.</li> </ul> <p>As a general matter, Crimson Velocity typically invests in private transactions that are not executed on an exchange and does not utilize brokers. Notwithstanding the above, in the past, Crimson Velocity has and may in the future utilize brokers and investment banks in connection with the purchase and/or sale of portfolio companies. This is typically done on a limited basis to remove restrictions from the securities and to help liquidate the securities in the open market. Any such purchases or sales will be executed in an effort to seek best execution. For any such public transactions that may be executed on an exchange, Crimson Velocity uses broker-dealers that are not selected on the basis of client referrals.</p>
Item 12.A.3	<p><b><u>Directed Brokerage.</u></b></p> <ul style="list-style-type: none"> <li>a. If you routinely <b><u>recommend</u></b>, <b><u>request</u></b> or <b><u>require</u></b> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money.</li> <li>b. If you <b><u>permit</u></b> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices.</li> </ul> <p>Not applicable to Crimson Velocity. As a general matter, Crimson Velocity typically invests in private transactions that are not executed on an exchange and does not utilize brokers.</p>

Item 12.B	<p>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</p> <p>Not applicable to Crimson Velocity.</p>
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## ITEM 13 – REVIEW OF ACCOUNTS

<b>Item 13.A</b>	<p><b>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the <i>Access Persons</i> who conduct the review.</b></p> <p>Crimson Velocity’s client accounts are under quarterly review by the Principal and other senior personnel of Crimson Velocity. Such reviews include a review of investment policy, the suitability of the investments used to meet policy objectives, and investment objectives. Crimson Velocity considers, among other things, investment performance, the portfolio’s sensitivity to market changes, and whether anything has changed subsequent to an initial investment decision that impacts the risk or potential return.</p>
<b>Item 13.B</b>	<p><b>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</b></p> <p>Please see Item 13.A. Client accounts are under quarterly review.</p>
<b>Item 13.C</b>	<p><b>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</b></p> <p>Each Investor in the Funds will receive: (i) audited annual and unaudited quarterly financial statements for the Fund, prepared in compliance with United States GAAP, (ii) a schedule and summary description of the portfolio investments owned by the Fund quarterly and at year-end, (iii) a quarterly and annual statement of such Investor’s capital account and (iv) tax information necessary for completion of its tax returns.</p>

## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

<b>Item 14.A</b>	<p><b>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</b></p> <p>Not applicable to Crimson Velocity.</p>
<b>Item 14.B</b>	<p><b>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>Access Person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</b></p> <p>Crimson Velocity has used, and may use periodically in the future, professional placement agents to raise capital from potential investors in Crimson Velocity funds. The economic arrangement with these placement agents is based on standard market terms.</p> <p>All such referral activities are conducted in a manner that is consistent with the Advisers Act Rule 206(4)-3 and relevant SEC guidance. All arrangements with solicitors must be approved by the Chief Compliance Officer, and any approved solicitor must be registered with the appropriate regulatory agency.</p>

## ITEM 15 – CUSTODY

**If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.**

The Affiliated General Partners are deemed to have custody by virtue of their status as general partner to the Funds. To ensure compliance with Rule 206(4)-2 under the Advisers Act, Crimson Velocity has a reasonable belief that Investors have been provided with audited financial statements for their respective Funds within 120 days of the end of such Funds' fiscal years.

To the extent that Crimson Velocity's investments involve securities that are certificated, Crimson Velocity will maintain such certificates with a qualified custodian or otherwise rely on the provisions of the August 1, 2013 IM Guidance Update issued by the SEC's Division of Investment Management which provides that certain certificated, privately-offered securities are no longer required to be maintained with a qualified custodian.

Crimson Velocity is exempt from the quarterly account statement delivery obligations and surprise audit requirement of the custody rule because each of the Funds are audited each year by an independent public accountant, and Crimson Velocity distributes financial statements to Investors in each Fund annually.

Investors in the Funds receive statements from Crimson Velocity. These statements should be carefully reviewed. Clients and Investors are urged to compare such statements to the information provided to them in the annual audited financial statements provided by the Funds' auditor.

## ITEM 16 – INVESTMENT DISCRETION

**If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

Crimson Velocity has discretionary authority to manage securities accounts on behalf of the Funds. Crimson Velocity is authorized to make transaction recommendations for the Funds. As explained in Item 4.C above, each Fund's investment strategy is set forth in detail in such Fund's confidential private placement memorandum. Investors do not have the ability to impose limitations on Crimson Velocity's discretionary authority. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Furthermore, prospective Investors in the Funds must execute a limited partnership agreement.

## ITEM 17 – VOTING CLIENT SECURITIES

Item 17.A	<p><b>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</b></p> <p>Crimson Velocity understands and appreciates the importance of proxy voting. Crimson Velocity has adopted proxy voting and procedures that are designed to ensure that when Crimson Velocity votes proxies with respect to securities held on behalf of Funds, such proxies are voted in the Funds’ best interests, in the judgment of Crimson Velocity to the extent reasonably practicable. The procedures also require that Crimson Velocity identify and address conflicts of interest between Crimson Velocity, its related persons and its Funds. If a material conflict of interest is identified, Crimson Velocity will determine whether voting in accordance with the guidelines set forth in the procedures is in the best interests of its Funds or whether taking some other action may be more appropriate.</p> <p>It should be noted that given Crimson Velocity’s business as a private equity fund manager, it is anticipated that it will be extremely rare that Crimson Velocity will receive proxies with respect to securities held on behalf of Funds. To the extent that Crimson Velocity controls a Portfolio Company, such voting will not be required. However, there are situations where private companies could have proxy issues (e.g. a private company needs approval of investors to make changes to board of directors, auditors, etc.). In such situations, Crimson Velocity would have authority to vote proxies on behalf of Funds (assuming that Crimson Velocity does not otherwise have control over the Portfolio Company and exercise such authority through control of the Portfolio Company’s board of directors).</p> <p>If a material conflict is identified, Crimson Velocity will determine what course of action is in the best interests of the affected Investors (which may include utilizing an independent third party to vote such proxies). Furthermore, Crimson Velocity will determine whether it is appropriate to disclose the conflict to affected Investors and give such Investors the opportunity to vote the proxies in question themselves.</p> <p>The Chief Compliance Officer or his designee delivers proxies in accordance with instructions related to such proxy. Crimson Velocity keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each client request for proxy voting records and Crimson Velocity’s response for the previous five years.</p> <p>Investors generally do not have the ability to direct proxy votes. Investors may obtain additional information regarding how Crimson Velocity voted proxies and may obtain a copy of Crimson Velocity’s proxy voting policies and procedures by contacting <a href="mailto:Compliance@crimsoninvestment.com">Compliance@crimsoninvestment.com</a>.</p>
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<p><b>Item 17.B</b></p>	<p>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</p> <p>Not applicable to Crimson Velocity.</p>
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## ITEM 18 – FINANCIAL INFORMATION

Item 18.A	<p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> <li>1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.</li> <li>2. Show parenthetically the market or fair value of securities included at cost.</li> <li>3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.</li> </ol> <p>Not applicable to Crimson Velocity.</p>
Item 18.B	<p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>Crimson Velocity is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Funds or Investors.</p>
Item 18.C	<p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Crimson Velocity has not been the subject of any such bankruptcy petition.</p>