

Item 1 – Cover Page

**Part 2A of Form ADV
Brochure for:**

5AM Venture Management, LLC

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This Brochure provides information about the qualifications and business practices of 5AM Venture Management, LLC (“5AM” or the “Firm”). If you have any questions about the contents of this Brochure, please contact the Firm at the address listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

5AM is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any certain level of skill or training.

Additional information about 5AM is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

There were no material changes to the Brochure 5AM's initial filing for SEC registration. In the future, Item 2 will discuss material changes to the Brochure since the last updating amendment.

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Item 4 – Advisory Business

A. Description of the Advisory Firm

A. 5AM Venture Management, LLC (“5AM” or the “Firm”) was founded in 2002. 5AM serves as an investment adviser to pooled investment vehicles (each, a “Fund” and collectively, the “Funds”). An affiliate of 5AM serves as the general partner of each Fund (the “General Partners”). The General Partners are registered under the Advisers Act pursuant to 5AM’s registration as an investment adviser in accordance with SEC guidance. These affiliated investment advisers operate as a single advisory business together with 5AM and share common owners, officers, partners, employees, consultants or persons occupying similar positions. The General Partners are under common control and subject to 5AM’s code of ethics and compliance programs adopted pursuant to the requirements of the Advisers Act.

The Firm’s headquarters is located in San Francisco, CA with an additional office in Boston, MA. 5AM’s principal owners are Andrew Schwab and Kush Parmar. They serve as the Firm’s Managing Partners.

B. Types of Advisory Services

5AM offers discretionary investment advice to the Funds under two investment platforms: (1) venture funds and their related co-investment vehicles that make early-stage venture capital investments into life science companies (the “Venture Funds”) and (2) funds that make follow-on investment rounds in life science companies in which the Venture Funds have existing interests and later stage private and publicly held companies in life science related fields (the “Opportunities Funds”) (collectively, the Venture Funds and Opportunities Funds, the “the “Funds”).

5AM pursues investments in advanced life science innovations, and seeks to be diversified across the biopharmaceutical therapeutics, and platform technologies. Within each sector, 5AM invests across multiple therapeutic areas and modalities on behalf of the Funds, and evaluates opportunities based on innovative platform technologies, corporate spin-offs and products with shorter development cycles.

C. Client Tailored Services and Client Imposed Restrictions

5AM provides investment advisory services to each Fund in accordance with such Fund’s private placement memorandum, limited partnership agreement (“LPA”) (or analogous organizational document), separate investment advisory agreements or contractual side letters with such Fund’s investors, as applicable (the “Governing Documents”).

D. Wrap Fee Programs

5AM does not participate in wrap fee programs.

E. Amounts Under Management

As of December 31, 2021, 5AM manages approximately \$2 billion in regulatory assets, including uncalled capital commitments, on a discretionary basis. The Firm does not manage any assets on a non-discretionary basis.

Item 5 – Fees and Compensation

Investors in the Funds are generally “accredited investors” as that term is defined in Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and/or “qualified clients” as defined in the Advisers Act or “qualified purchasers” or “knowledgeable employees,” each as defined in the Investment Company Act of 1940, as amended (the “Investment Company Act”). Investors and prospective investors should refer to the applicable Governing Documents for a detailed description of the fees associated with investments in the applicable Fund.

A. Forms of Compensation and Fee Schedule

The fees and compensation payable to 5AM are negotiable and vary among the Funds. The fees and compensation described herein are generally subject to waiver or reduction by 5AM in its sole discretion, both voluntarily and on a negotiated basis with selected investors via side letters or other similar arrangements, which may not be required to be disclosed to other investors in a Fund. To date, 5AM has not waived or reduced fees and compensation for any investor in the Funds but may do so in the future. The range of compensation is generally as follows:

1. Management Fees

5AM is generally entitled to a management fee (the “Management Fee”) of up to 2.5% per annum (Venture Funds) committed capital and subject to reduction after a specified anniversary of the Fund’s initial closing and up to 1.5% per annum (Opportunities Funds), based on the applicable Fund’s called capital and subject to reduction after a specified anniversary of the Fund’s initial closing, as set forth in the applicable Governing Documents.

5AM Personnel¹ may receive compensation (e.g., stock options, warrants, common stock) from services provided by 5AM Personnel to a portfolio company. This compensation may be offset against and may reduce the Management Fee payable by the Fund to 5AM, where determined by the governing LPA.

2. Performance-based Fees

Each Fund’s General Partner, generally receives carried interest equal to a percentage of the net profit of the Fund, as described more fully in each Fund’s Governing Documents. The

¹ 5AM Personnel is defined as 5AM supervised persons (officers, partners, directors, or other persons occupying a similar status or performing similar functions), employees, consultants, or any other person who provides investment advice on 5AM’s behalf and is subject to 5AM’s supervision or control.

carried interest is generally subject to a clawback at the end of life of a Fund if the General Partner has received excess cumulative distributions.

B. Payment of Fees

The Firm deducts the Management Fee directly from each Fund's assets. The Management Fee is payable in advance at the beginning of each fiscal quarter and is prorated for a partial quarter.

5AM deducts the Carried Interest Distribution or the Incentive Allocation directly from the respective Fund's assets. Investors should refer to the applicable Governing Documents for the timing of the Carried Interest Distributions, which is at the discretion of the respective General Partner.

C. Fund Expenses and Other Fees

Fund Expenses

- Each Fund shall bear all costs and expenses incurred by the applicable Fund, the Firm, the applicable General Partner and the affiliates of the foregoing. Fund expenses typically include costs and expenses incurred in respect of the purchase, holding, sale, exchange or other disposition of securities, for example, reasonable private placement and finder's fees in contemplation of an investment by the Fund paid to persons other than the General Partner or members of the General Partner or any of their affiliates; real property or personal property taxes on investments; brokerage fees; taxes applicable to the Fund on account of its operations; fees incurred in connection with the maintenance of bank or custodian accounts; legal, audit, and other expenses incurred in connection with the registration of the Fund's portfolio securities under the Securities Act; legal and accounting fees and expenses incurred in connection with the purchase or sale or exchange or other disposition of securities (whether or not such purchase, sale or exchange or other disposition is ultimately consummated); and fees and expenses of investment advisers and independent consultants incurred in investigating and evaluating investment opportunities (for example, fees associated with specialized patent and other due diligence).
- Each Fund shall also bear expenses incurred by the General Partner in serving as the tax matters partner or Fund representative, the fees of the independent certified public accountant incurred in connection with the annual audit of the Fund's books and the preparation of the Fund's annual tax return, costs of independent appraisers, legal expenses of the Fund, premiums associated with insurance, if any, to insure against any claims that could be made directly against the Fund, the General Partner, the Firm or any indemnified parties or that could give rise to a Fund liability (the purchase of such insurance, if any, shall be in the discretion of the General Partner), preparation and other expenses associated with annual and other reports to the investors, costs associated with the maintenance of the reporting site, costs associated with any Fund information meetings, expenses of the Fund advisory board meetings and reimbursement of reasonable out-of-pocket costs for the advisory

board members and the General Partner to attend such meetings, and all expenses that are not normal operating expenses provided for under the LPA, including out-of-pocket fees and expenses related to regulatory compliance (including Advisers Act compliance of the Firm) and all legal fees and expenses incurred in prosecuting or defending administrative or legal proceedings relating to the Funds brought by or against the Funds, the Firm or the General Partner, or the members, partners, employees or agents or former members, partners, employees or agents of any of the foregoing, including all costs and expenses arising out of or resulting from the Funds' indemnification pursuant to the LPA and subject to the limitations imposed therein.

- Each Fund shall bear all setup, formation, organizational and syndication costs, fees and expenses in connection with the setup, formation, organization and structuring of the Fund, all parallel fund vehicles, and the General Partner (including the definitive agreements related thereto), including legal and accounting fees and expenses incident thereto, subject to a cap on such organizational expenses set forth in the respective LPA. Expenses that exceed such cap shall generally be borne by the respective General Partner, but the General Partner may, in its sole discretion, cause the Fund to bear all or a portion of such excess organizational expenses in lieu of payment of an equal amount of the Management Fee.
- Each Fund shall bear all liquidation costs, fees and expenses incurred by the General Partner, the Firm or members of the General Partner in connection with the liquidation of the Fund's assets, specifically including but not limited to legal and accounting fees and expenses.
- To the extent that certain operating or organizational expenses borne by one Fund also benefit one or more other Funds managed by the General Partner or its affiliates, such expenses may be allocated among the Funds, as the General Partner may reasonably determine, either (i) pro rata in proportion to the aggregate capital commitments of each Fund, (ii) pro rata in proportion to relative investment amounts, where the expenses relate to a particular transaction in which the applicable Funds participate, or (iii) another reasonable method of allocating expenses

D. Prepayment of Fees

The Funds invest in the securities of companies on a long-term basis. Accordingly, investors are generally not permitted to withdraw or redeem interests in the Funds.

E. Outside Compensation for the Sale of Securities

Neither 5AM nor 5AM Personnel accept compensation for the sale of securities or other investment products outside of their association with 5AM.

It is critical that investors refer to the relevant Governing Documents for a complete understanding of the fees and expenses applicable to each Fund. The information contained herein is a summary only and is qualified in its entirety by the Governing Documents.

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

The General Partners are entitled to receive Carried Interest Distributions and an Incentive Allocation as specified in the applicable Governing Documents.

The Carried Interest Distributions and Incentive Allocation from the Funds may create an incentive for 5AM to recommend to the Funds investments that are riskier or more speculative than those that would be made under a different fee arrangement. Additionally, any differences in 5AM's compensation arrangements with the Funds, particularly if some Funds were to pay higher performance-based compensation, could create incentives for 5AM to manage Fund portfolios so as to favor those portfolios of Funds paying higher performance-based compensation, as could the ownership interest of 5AM and/or its affiliates (such as a General Partner) in some Fund accounts. Notwithstanding these conflicts, 5AM will allocate transactions and opportunities among the various Fund accounts it manages in a manner it believes to be as fair and equitable as possible, considering each Fund's investment objectives, limitations and capital available for investment.

Item 7 – Types of Clients

5AM provides investment advice to the Funds. The Funds are private investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended. The Funds' investors are limited to individuals and entities that meet certain suitability criteria including "accredited investors," "qualified clients" and "qualified purchasers" set forth under the United States federal securities laws.

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

A. Methods of Analysis and Investment Strategies

5AM's advisory services consist of (a) identifying and evaluating investment opportunities, (b) structuring, negotiating and consummating investments on behalf of a Fund, (c) managing and monitoring such investments and (d) deciding when to exit such investments. 5AM Personnel may serve on the board of directors of certain of the Funds' portfolio investments.

The Firm believes that early-stage life science companies offer opportunities for value creation and subsequent realization. 5AM seeks portfolio companies that present differentiated products with meaningful proof of concept, often based on what the Firm believes to be innovative platforms. 5AM strives to help build these companies, typically using a combination of venture capital and non-dilutive (e.g., partnership) funding, through a series of value inflection points – such as Phase 1 or Phase 2 human clinical trials for biopharmaceuticals and sustainable revenues for platform technologies – to make them appealing acquisition candidates for large pharmaceutical or medical technology companies.

Biopharmaceuticals. The Funds invest in therapeutic areas where the investment team has significant operating and investment history, such as autoimmune diseases, central nervous system disorders, infectious diseases, endocrinology, gastrointestinal disorders, metabolic diseases and oncology. Such opportunities may include enabling technology companies having a platform (e.g., for target identification) that the Firm believes can generate multiple product pipeline opportunities.

Platform Technologies. The Funds also consider investments in companies that have developed platform technologies that enable the delivery or development of novel therapeutics. Examples of such platform companies include drug delivery technologies that can deliver already marketed drugs in a novel method or location to enhance efficacy; life science instruments that enable the development of new drugs through novel scientific data and insights; and new therapeutic categories like prescription digital therapeutics.

5AM has access to high-quality deal flow, largely because of the Firm's range of industry contacts, its profile in the life science venture community and its entrepreneurial scientific advisors. 5AM builds and maintains relationships throughout the global life science industry (with executives, entrepreneurs, researchers, academics, venture capitalists, attorneys and bankers).

As a general matter, 5AM utilizes the methods of analysis and investment strategies described in the applicable Governing Documents. The information contained herein is a summary only. Investors and prospective investors should refer to those documents for a complete overview of the Firm's methods of analysis and investment strategies.

There can be no assurance that 5AM's investment objectives will be achieved, and actual investment results may vary substantially from the investment objective. Investors should be prepared to bear these risks. The success of the Firm's investment activities will depend on its ability to identify investment opportunities that have the proper risk/reward balance. No guarantee or representation is made that each Fund's investment program will be successful.

B. & C. Risks of Investments and Strategies Utilized

Investing in securities involves risk of loss that investors should be prepared to bear. The following risks do not purport to be a complete explanation of all the risks involved in investing in the Funds. Investors should consult the applicable Governing Documents before determining whether to invest in a Fund.

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

Legal and Regulatory Risks in Life Sciences Portfolio Companies. Legal and regulatory changes could occur during the terms of the Funds that may adversely affect the Funds. The products of portfolio companies and some Fund assets may be subject to extensive and rigorous regulation by United States local, state and federal regulatory authorities and by foreign regulatory bodies. There can be no assurance that products developed by the Funds' portfolio companies will ever be approved by such governmental authorities. Prior to the grant of marketing approvals by the U.S. Food and Drug Administration and corresponding regulatory authorities outside of the U.S., many of the products of portfolio companies may have to undergo extensive investigation and clinical trials to meet stringent safety and efficacy requirements. There have been instances when the discovery of previously unknown problems with a product, manufacturer or facility have resulted in restrictions on the use or the manufacture of such product, including costly recalls or even withdrawal of the product from the market. Such events, whether voluntarily or mandated by a regulatory authority, typically result in an immediate reduction or discontinuation of revenues from the product worldwide. If such an event were to occur, it would likely have a significant and adverse effect on the performance of a particular product or associated royalty income and could have a material adverse effect on the aggregate performance of the Funds.

Risks Associated with the Life Sciences / Healthcare Industry. The life science, healthcare, medical device and biotechnology industry is dominated by large multi-national corporations with substantially greater financing and technical resources than generally will be available to the Funds' portfolio companies. Such large corporations may be better able to adapt to the challenges presented by continuing rapid and major scientific, regulatory and technological changes as well as related changes in governmental and third-party reimbursement policies. Many of the Funds' portfolio companies will be at least partially dependent for their success upon governmental and third-party reimbursement policies that are under constant review and are subject to change at any time. Any such change could adversely affect the viability of one or more portfolio companies. Within the life science, healthcare, medical device and biotechnology industry, the development of products generally is a costly and time-consuming process. Many highly promising products ultimately fail to prove safe and effective. Products under development and preclinical testing generally will require extensive clinical testing prior to application for commercial use. There can be no assurance that the research or product development efforts of the Funds' portfolio companies or those of their collaborative partners will be successfully completed, that specific products can be manufactured in adequate quantities at an acceptable cost and with appropriate quality, or that such products can be successfully marketed or achieve customer acceptance. Many of the Funds' portfolio companies will depend heavily upon intellectual property for their competitive position. There can be no assurance that the Funds' portfolio companies will be able to obtain patents for key inventions. Moreover, within the life sciences/health care industry, patent challenges are frequent. Even if patents held by the Funds' portfolio companies are upheld, any challenges thereto may be costly and distracting to the portfolio companies' management.

No Assurance of Returns. An investment in a Fund is highly speculative, involves a high degree of risk and could result in the loss of part or all of an investor's investment in the Fund. There can be no assurance that an investor will receive distributions from a Fund in an amount equal to its investment in the Fund. The timing of profit realization, if any, is highly uncertain. The General Partners expect the initial expenses of a Fund to result in initial losses for the Fund. The Funds pay a management fee and various other fees and expenses related to their ongoing operations regardless of whether or not the Funds' investment activities are profitable. These fees and expenses will require that the Funds' investment activities generate sufficient revenues in excess of these expenses in order to become profitable. There can be no assurance that Fund investors will receive distributions from the Funds in an amount equal to their investment in the Funds. The timing of profit realization, if any, is highly uncertain.

Reliance on the General Partners and Managing Partners. The applicable General Partners will have sole discretion over the investment of the funds committed to the Funds as well as the ultimate realization of any profits. As such, the pool of funds in a Fund represents a blind pool of funds. Investors in a Fund will be relying on the respective General Partner to identify, structure, and implement investments consistent with such Fund's investment objectives and policies and to conduct the business of the Fund as contemplated by the applicable Governing Documents. The loss of one or more of a General Partner's managing members could have a significant adverse impact on the business of the Fund. No assurances can be given that any of the managing members will continue to be affiliated with the General Partner or a Fund throughout its term. Notwithstanding any prior experience that the General Partner, the Firm, or the managing members may have in making investments of the type expected to be made by the Funds, any such experience necessarily was obtained under different market conditions and with different technologies at the forefront of development. There can be no assurance that the managing members and the General Partners will be able to duplicate prior levels of success.

Reliance on Portfolio Company Management. Although the General Partners may seek representation on the board of directors of each of the portfolio companies, the Funds will not have an active role in the day-to-day management of the companies in which they invest. To the extent that the senior management of a portfolio company performs poorly, or if a key manager terminates employment, a Fund's investment in such company could be adversely affected.

Absence of Liquidity and Public Markets. The Funds' investments will include private, illiquid holdings. As such, there will be no public markets for such securities held by the Funds and no readily available liquidity mechanism at any particular time for such investments held by the Funds. In addition, the realization of value from any such investments will not be possible or known with any certainty until the respective General Partner elects, in its sole discretion, to sell such Fund's investments and subsequently distribute the proceeds to its investors or to distribute securities to investors in lieu of cash. There may also be limited liquidity for publicly-traded investments held by the Funds, particularly where the Funds

hold a Board seat or hold a large position in the company due to blackout periods, affiliate status, Rule 144 trading limitations, and limited liquidity and daily trading volumes within thinly traded companies.

Limited Portfolio Diversification. As is typical of venture capital firms, the portfolio holdings of the Funds will not be broadly diversified. In addition, if a General Partner is unable to raise sufficient capital commitments to a Fund, the diversification of the portfolio holdings of such Fund will be further limited. A downturn of the economy or in the business of any one company could impact the aggregate returns delivered to investors by a Fund. To the extent a Fund concentrates investments in a particular issuer, industry, security or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic and business conditions with respect thereto.

Investments in Public Companies. The Funds' investment portfolios will include securities or instruments issued by publicly held companies. Such portfolio investments may subject the Funds to risks that differ in type or degree from those involved with portfolio investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Funds to dispose of such securities or instruments at certain times, increased likelihood of shareholder litigation against such companies' board members, and increased costs associated with each of the aforementioned risks.

Special Purpose Acquisition Companies. A special purpose acquisition company ("SPAC") is a publicly traded company formed for the purpose of raising capital through an initial public offering to fund the acquisition, through a merger, capital stock exchange, asset acquisition, or other similar business combination, of one or more undervalued operating businesses. Following the acquisition of a target company, a SPAC typically would exercise control over the management of such target company in an effort to increase the value of such target company. Capital raised through the initial public offering of securities of a SPAC is typically placed into a trust until the target company is acquired or a pre-determined period of time elapses.

The sponsor of a SPAC receives founders shares in exchange for an investment of "at-risk" capital, such as the underwriters' fees for the initial public offering. The sponsor of a SPAC would only receive a return on investment in the event that a target company is acquired, but in the event that the SPAC is unable to locate and acquire a target company by the deadline, the SPAC would be forced to liquidate its assets, which would result in a total loss of the at-risk capital.

Investors in a SPAC (whether in the founders shares or common shares) are subject to the risk that, among other things, (i) such SPAC may not be able to locate or acquire a target company by the deadline, (ii) assets in the trust may be subject to third-party claims against such SPAC, which may reduce the per share liquidation price received by the investors in the SPAC, (iii) such SPAC may be exempt from the rules promulgated by the SEC to protect

investors in “blank check” companies, such as Rule 419 promulgated under the Securities Act, so that investors in such SPAC may not be afforded the benefits or protections of those rules, (iv) such SPAC may only be able to complete one business combination, which may cause it to be solely dependent on a single business, (v) the value of any target company may decrease following its acquisition by such SPAC, (vi) the value of the funds invested and held in the trust may decline, (vii) the inability to redeem due to the failure to hold the securities in the SPAC on the record date or the failure to vote against the acquisition, and (viii) if the SPAC is unable to consummate a business combination, public stockholders will be forced to wait until the deadline before liquidating distributions are made. In addition, most SPACs are illiquid and have a concentrated shareholder base that tends to be composed of hedge funds (at least at inception).

A Fund may invest in a SPAC that, at the time of investment, has not selected or approached any prospective target businesses with respect to a business combination. In such circumstances, there may be limited basis for such Fund to evaluate the possible merits or risks of such SPAC’s investment in any particular target business. To the extent that a SPAC completes a business combination, it may be affected by numerous risks inherent in the business operations of the acquired company or companies. For these and additional reasons, investments in SPACs are speculative and involve a high degree of risk.

Private Investments in Public Equity. Private investments in public equity (“PIPE”) are investments that the Funds will generally not be able to sell or distribute unless the securities are registered under applicable securities laws or an exemption from such registration is available. Such securities might not be publicly tradable and they may never become publicly tradable. In addition, since the Funds may take large ownership positions as part of PIPE transactions, even after the securities are saleable, it may take a significant period of time for them to be sold or distributed in an orderly manner during which time profit could have otherwise been realized or loss avoided, and in some cases the Fund may be prohibited by securities laws or by contract from selling such public company securities for a period of time. Restricted securities generally are difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded.

Clawback Obligation. If a Fund incurs a liability or other similar financial obligation and does not have sufficient available funds or other resources to satisfy such liability or obligation, and the Fund investors have already made aggregate contributions equal to their capital commitments, the Fund’s General Partner may require investors to make additional capital contributions to satisfy such liability or obligation (any such required contribution a “Clawback Obligation”), subject to certain stipulations as detailed in the applicable Governing Documents. An investor’s obligation to make such contributions to a Fund under this Clawback Obligation shall survive the liquidation or termination of the respective Fund.

Line of Credit. Certain Funds are parties to one or more subscription-based credit facilities and borrowings by the Funds. Such facilities will generally be secured by the Funds’ investors’

capital calls and contributions as well as by the Funds' cash, securities and other assets subject to certain limitations, and the terms of such facilities may provide that during the continuance of a default under such facilities, the interests and distributions of the Funds' investors may be subordinated to such facilities. Subject to the limitations in the Governing Documents of a Fund, the use of a subscription-based credit facility by such Fund is within the applicable general partner's discretion. The intention of the Firm is that such borrowings will be short-term in nature, no more than 90 days and will be repaid on a regular basis.

The foregoing risks do not purport to be a complete explanation of all the risks involved in investing with 5AM. Investors should consult the applicable Governing Documents before determining whether to invest in a Fund.

Item 9 – Disciplinary Information

5AM and 5AM Personnel have not been a party to any legal or disciplinary events that would be material to an investor's or prospective investor's evaluation of its investment advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither 5AM nor its management persons are registered as a broker-dealer or broker-dealer representative.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Adviser

Neither 5AM nor its management persons are registered as futures commission merchant, commodity pool operator, or a commodity trading adviser, nor are there any pending applications for such registrations.

C. Relationships Material to this Advisory Business and Possible Conflicts of Interest

The following discussion enumerates certain potential conflicts of interest that should be carefully evaluated before making an investment in the Fund. The following is not intended as an exhaustive list of the potential conflicts. Investors should consult the applicable Governing Documents before determining whether to invest in a Fund.

Services Provided to Portfolio Companies. 5AM Personnel may serve in interim or part-time roles at portfolio companies, including 5AM Personnel in service roles (roles hired for the sole purpose of providing quality, cost-effective services to 5AM portfolio companies), and investment team members (as listed on 5AM's website) who perform an executive function in 5AM portfolio companies (e.g. interim CEO, interim COO, interim CSO), regardless of whether they hold a formal title, while maintaining certain benefits, office space, administrative support and/or indicia of employment at 5AM. Compensation for services

provided by such 5AM Personnel (including reimbursement for any compensation, including any bonuses, and employee benefits provided by 5AM), and any other services provided by 5AM, such as a portfolio company's use of 5AM's office space (if applicable), are borne by such portfolio companies and are not offset from the Management Fee. These arrangements could create conflicts of interest, in that any compensation that would ordinarily be borne by 5AM or its affiliates as overhead in respect of those personnel would instead be borne by the portfolio company. Therefore, 5AM has an incentive to cause its employees to perform services for portfolio companies to reduce its overhead or otherwise shift costs to portfolio companies. In addition, it is possible that certain 5AM Personnel may perform services that directly or indirectly benefit 5AM while serving as portfolio company personnel.

Performance-Based Compensation and Other Investments of the General Partners and Managing Partners. Instances may arise where the interest of the General Partners (or their members) may potentially or actually conflict with the interests of a Fund and the investors. For example, the existence of a General Partner's performance-based compensation may create an incentive for a General Partner to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such performance-based arrangements. Further, conflicts of interest may arise as a result of the managing members' having investments in portfolio companies and a Fund as well as other investments both public and private. While certain assurances are provided in the Governing Documents to address these potential conflicts, certain risks may remain. By acquiring an interest in a Fund, each investor will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflicts of interest.

Other Funds. The General Partners may form other investment funds, including without limitation special purpose vehicle funds and overage funds, for the purpose of permitting certain investors and other parties to invest in the investment opportunities of a Fund. An inherent conflict of interest exists as a result of the allocation of investment opportunities by a General Partner to a Fund and such other investment funds and investors. By acquiring an interest in the Funds, each investor will be deemed to have acknowledged that the respective General Partner shall have sole and absolute discretion in offering the right to participate in such other investment funds (including without limitation SPV Funds and overage funds) to third parties or existing investors in such Fund in such amounts as are determined by the respective General Partner. For the avoidance of doubt, unless otherwise agreed to in writing by the General Partner, investors will not be guaranteed to receive a pro rata allocation of any opportunity to participate in any such additional investment fund.

SPACs. 5AM-affiliated entities have sponsored one SPAC to date. The sponsor entity, 5:01 Acquisition, LLC, is wholly owned by 5AM Ventures VI, L.P. and no other 5AM entities or persons have invested in the underlying SPAC entity, 5:01 Acquisition Corp. Certain 5AM team members are serving in board and management roles for 5:01 Acquisition Corp, but they have not received compensation from either 5:01 Acquisition, LLC or 5:01 Acquisition Corp for those roles. As such, none of the 5AM Managing Partners nor other 5AM team members have directly participated in sponsoring the SPAC nor have they received sponsor

shares, and all economic benefits accrue to the 5AM investing Fund. 5AM anticipates that future SPACs, if any, may be structured similarly.

Co-Investments. To the extent that co-investments are offered to investors in the Funds to directly co-invest in investment opportunities in the Funds, an inherent conflict of interest exists as a result of the allocation of investment opportunities by the General Partner to a Fund and such direct co-investors.

Service Providers. Certain service providers invest in (or are affiliated with an investor), engage in transactions with and/or provide services (including services at reduced rates) to, 5AM, and/or the Funds (including portfolio companies). 5AM expects to be subject to a potential conflict of interest with the Funds in recommending the retention or continuation of a third-party service provider to the Funds or a portfolio company owned by the Funds if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide 5AM information about markets and industries in which 5AM operates (or is contemplating operations), will provide future deal flow for a Fund or successor Fund(s) or will provide other services that are beneficial to 5AM or one or more Funds. 5AM expects to be subject to a potential conflict of interest in making such recommendations, in that 5AM has an incentive to maintain goodwill between itself, the service provider(s) and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio companies.

Written Side Agreements. In accordance with common industry practice, the Funds, the General Partner and the Firm will be authorized, without the approval of any investor, to enter into side letters or similar written agreements with investors that have the effect of establishing rights under, or altering or supplementing the terms of the Governing Documents, including without limitation to provide for different or more favorable rights (including without limitation to provide for more favorable fees or carried interest rates with respect to such investor), access to information about the applicable Fund's investments, or other matters relating to an investment in such Fund. These agreements and the special arrangements included in such agreements could have an adverse effect on the respective Fund and the other investors. The ability of other investors to elect to receive the benefit of such side agreements will be limited.

Advisory Board. Each Fund has an advisory board comprised of members selected by the applicable General Partner (the "Advisory Board"). Per the Governing Documents, the Advisory Board reviews certain conflict of interest matters. The General Partners meet at least annually with their Advisory Boards and more frequently on an ad-hoc as necessary basis.

D. Selection of Other Advisors or Managers

5AM does not recommend or select other investment advisers for the Funds.

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

A. Code of Ethics

5AM has adopted a Code of Ethics (the “Code”) under the Investment Advisers Act of 1940, which describes the Firm’s fiduciary duties and responsibilities to the Funds, requires that 5AM Personnel act in the best interests of the Funds, act in good faith and in an ethical manner, avoid conflicts of interest with the Funds to the extent reasonably possible, and identify and manage conflicts of interest to the extent that they arise. 5AM Personnel are also required to comply with applicable provisions of the federal securities laws and to make prompt reports to the Firm or other appropriate parties of any actual or suspected violations of such laws by 5AM or 5AM Personnel. In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of 5AM Personnel. The Code prohibits 5AM Personnel from engaging in personal trading in the securities of issuers on the Firm’s restricted list, requires 5AM access persons to provide duplicate brokerage accounts statements and trade statements to the Firm or to report all securities transactions on at least a quarterly basis, and requires 5AM access persons to provide a summary of securities holdings on at least an annual basis. The Code also includes policies and procedures to prevent the misuse and disclosure of material nonpublic information (“insider trading”) and other confidential information and policies and procedures addressing conflicts of interest, outside activities of access persons, gifts and business entertainment, including limitations and reporting requirements, and pre-clearance and reporting of political contributions.

5AM will provide a copy of its Code of Ethics to investors and prospective investors upon request. Such a request may be made by submitting a written request to 5AM at the address on the cover page of this Brochure.

B., C. & D. Recommendations Involving Material Financial Interests / Investing Personal Money in the Same Securities as Clients / Trading Securities At or Around the Same Time as Funds’ Securities

Unless otherwise approved by the relevant Advisory Board, or as permitted under the LPAs of the Opportunities Funds, the Funds will not invest in any company in which any of the General Partners or their affiliates have an investment. Without the approval of the Advisory Board, the General Partners and their affiliates will not invest in any portfolio companies of a Fund and will not make any investment that would reasonably be viewed as a Fund investment opportunity. 5AM access persons are generally restricted from purchasing securities of companies on 5AM’s restricted list which includes 5AM portfolio companies.

Item 12 – Brokerage Practices

A. Factors Used to Select or Recommend Broker-Dealers

Private securities transactions are primarily privately-negotiated transactions in which the services of a broker-dealer are not retained. However, in instances in which public securities are bought or sold, 5AM retains the services of a registered broker-dealer. 5AM maintains an approved list of brokers and counterparties (the “Approved Broker List”). While trade price is often a significant quantitative factor in best execution, the Firm also evaluates qualitative execution factors, which include but are not limited to:

- reputation;
- financial strength and stability;
- quality of execution;
- overall costs of a trade;
- error correction capabilities;
- availability and costs of securities to borrow in relation to short sales;
- block trading and block positioning capabilities;
- willingness to execute difficult transactions;
- willingness and ability to commit capital;
- minimization of market impact;
- derivative securities;
- quality of propriety research provided;
- ability to facilitate meetings with corporate executives;
- access to underwritten offerings and secondary markets; and
- market intelligence regarding trading activity.

1. Research and Other Soft Dollar Benefits

5AM does not utilize “soft dollars.”

2. Brokerage for Client Referrals

5AM does not receive client referrals in exchange for any brokerage service.

3. Directed Brokerage

5AM does not accept directed brokerage arrangements. Transactions are executed by brokers selected by 5AM, in its discretion, and without the consent of the Funds or Fund investors. 5AM may enter into directed brokerage arrangements only in its discretion.

B. Allocation of Investment Opportunities

As a fiduciary, 5AM must allocate investment opportunities among the Funds in a fair and equitable manner. A number of factors generally may be considered when multiple 5AM Funds are capable of purchasing or selling a particular security or other investment product based on their respective investment objectives, including, without limitation, the amount of

available cash, the impact that any such transaction may have on an existing portfolio's diversification, risk and volatility characteristics, portfolio concentration, tax, existing investments, liquidity, contractual commitments or regulatory obligations and other similar considerations.

In general, allocations across a Venture Fund and its Co-Investment fund are made on a pro rata basis. For allocations between a Venture Fund and an Opportunities Fund, allocations are made based on the Funds' Governing Documents, which generally state that the Opportunities Funds invest in later stage rounds of existing portfolio companies in the Venture Funds, and when the Venture Fund has received its full allocation as recommended by 5AM. As such, 5AM will review and offer the follow-on investment opportunity to the Venture Funds on a priority basis. If it is determined the follow-on opportunity is not suitable for the Venture Fund, 5AM will offer the opportunity to the Opportunities Fund.

The Chief Compliance Officer is responsible for evaluating a conflict that may arise due to a departure from the Firm's allocation policy. The Firm makes allocation decisions in the best interests of the Funds. The rationale for investment allocations are documented.

C. Aggregation of Trade Orders / Investments

To the extent 5AM is placing a trade for more than one 5AM Fund, 5AM may execute transactions on an aggregated basis among certain of the Funds, consistent with its duty to obtain best execution and the terms of the investment guidelines and restrictions of each Fund for which trades are being aggregated. No Fund will be favored over any other Fund. Generally, each Fund that participates in an aggregated order will participate at the average price for all of the transactions in that security on a given business day, with transaction costs shared pro rata based on each applicable Fund's participation in the transaction. If the aggregated order is filled in its entirety, it will be allocated among the applicable Funds pro rata to the extent there are no Fund-imposed restrictions. On occasion, 5AM will not be able to purchase, or sell, all of the securities ordered as part of an aggregated order in a single day. If the order is partially filled, it will generally be allocated pro rata in proportion to size orders placed for each applicable Fund to the extent practicable or allocated pari passu for each applicable Fund to the extent practicable.

Notwithstanding the foregoing, an aggregated order may be allocated on a basis different than pro rata if all relevant Funds receive fair and equitable treatment. Reasons for allocating on a basis different from pro rata, include but are not limited to: a Fund's investment guidelines and restrictions, available cash, liquidity requirements, tax or legal reasons and to avoid odd-lots or in cases when a pro rata allocation would result in a de minimis allocation to one or more Funds.

Item 13 – Review of Accounts

A. Frequency and Nature of Periodic Review and Who Conducts Reviews

5AM closely monitors the portfolio companies in which the Funds invest, and reviews are generally performed no less than quarterly to confirm that each Fund is maintained in accordance with its stated objectives. Each Fund's Advisory Board reviews certain conflict of interest matters. The General Partners meet at least annually with their Advisory Boards and more frequently on an ad-hoc as necessary basis.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may take place more frequently if triggered by economic, market, or political conditions.

C. Content and Frequency of Regular Reports

The applicable General Partner will use commercially reasonable efforts to transmit to investors, within 90 days following the end of each year, audited financial statements of the respective Fund and an annual review providing financial information for such Fund's investment in each of the portfolio companies of the Fund. The applicable General Partner will use commercially reasonable efforts to transmit summary financial information within 45 days of the close of each of the first three quarters of each calendar year. In addition, each investor will be provided annually with an IRS Schedule K-1.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties

5AM does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to Funds.

B. Compensation to Non-Advisory Personnel for Client Referrals

This is not applicable to 5AM. 5AM does not anticipate using a third-party marketer or placement agent to solicit prospective investors in the Funds.

Item 15 – Custody

5AM is deemed to have custody of the assets of the Funds pursuant to Rule 206(4)-2 of the Advisers Act (the "Custody Rule"). 5AM and the General Partners adhere to the "audit provision" of the Custody Rule, which requires each Fund to be audited on an annual basis by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board ("PCAOB"). The Funds' audited financial statements are prepared in accordance with U.S. generally accepted accounting principles and in accordance to the Custody Rule, distributed to investors in the respective Fund no more than 120 days after such Fund's fiscal year end.

Item 16 – Investment Discretion

5AM provides investment advice directly to each Fund on a discretionary basis and not individually to the investors in each Fund. An affiliate of 5AM, usually the General Partner, accepts discretionary investment authority for each Fund. Generally, this discretion is subject only to the investment guidelines set forth in each Fund's Governing Documents.

Item 17 – Voting Client Securities

5AM has adopted proxy voting policies and procedures that address how the Firm votes proxies. Such policies and procedures are based on the principle that 5AM and its employees have a fiduciary duty to the Funds and Fund Investors.

In the event that 5AM is presented with an opportunity to vote a proxy on behalf of the Funds, the Firm's general policy is to vote proxies in accordance with the best interest of each Fund. 5AM votes proxies related to underlying portfolio companies of the Funds' portfolios, which includes voting on matters in the private companies in which the Funds invest and for any public stock holdings, if any.

Prior to 5AM voting any proxies, the Firm determines if there are any material conflicts of interest related to the proxy in question and, assuming no material conflicts of interest exist, ensure that the voting recommendation is consistent with the guidelines set forth in 5AM's Compliance Manual and is in the best interest of the applicable Fund(s). If a material conflict of interest over proxy voting arises between the Firm and the Funds, the Chief Compliance Officer will determine how to proceed, which may involve seeking advice from the relevant 5AM Advisory Board. In any event, the Chief Compliance Officer will seek to resolve the conflict in the best interest of the relevant Fund(s). The Firm abstains from voting proxies when 5AM believes that it is appropriate to do so.

The Chief Compliance Officer maintains a record of all voted proxies. Investors may request a copy of 5AM's proxy voting policies and procedures and/or information concerning how proxies were voted by submitting a written request to 5AM at the address on the cover page of this Brochure.

Item 18 – Financial Information

5AM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy petition.

A. Balance Sheet

5AM does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this Brochure.

B. Financial Condition

5AM has discretionary authority over client assets. At this time, neither 5AM nor its management persons have any financial conditions that are likely to reasonably impair its ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Years

5AM has not been the subject of a bankruptcy petition in the last ten years.

Item 19 – Requirements for State-Registered Advisers

Not applicable.