

ITEM 1 – COVER PAGE
Part 2A of Form ADV
DAI Fund Management Firm Brochure

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d/b/a
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This Brochure provides information about the qualifications and business practices of DAI Fund Management, LLC (“DFM” or the “Advisor”). If you have any questions about the contents of this Brochure, please contact us at 301.664.6680 and/or schin@microvestfund.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.

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

MicroVest is registered as an investment adviser with the SEC under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). SEC registration does not imply a certain level of skill or training.

ITEM 2 – MATERIAL CHANGES

DAI Fund Management, LLC is updating its Brochure as of September 11, 2024, in this other-than-annual update. There have been no material changes to the Brochure since the Advisor submitted its last update on August 29, 2024.



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ITEM 4 – ADVISORY BUSINESS

4.A. Description of the advisory firm.

MicroVest Capital Management, LLC, now legally known as DAI Fund Management, LLC (“DFM” or the “Advisor”) was founded in 2003 and became an SEC-registered investment adviser on August 12, 2010.

DFM is wholly owned by DAI Capital General Partner Holding Company, LLC (the “Holding Company”). The Holding Company is owned by DAI Asset Management, LLC, a wholly-owned subsidiary of DAI Global, LLC. The Holding Company also owns all of the equity of MicroVest General Partner II, LLC (the “GP II”), MicroVest General Partner SD, LLC (the “GP SD”), MicroVest General Partner Plus, LLC (the “GP Plus”) and MicroVest EDF GP LLC (“GP EDF”, collectively the “GPs”). All investment activities related to the GPs are conducted pursuant to the Advisor’s procedures and any disclosures related to those activities are included in this Form ADV.

DFM provides investment advisory services to its clients, which include: (i) private investment funds controlled by the GPs (the “Private Investment Funds”); and (ii) other accounts which include charitable organizations or other private investment funds which are not controlled by the GPs or the Holding Company (the “Accounts”). The Private Investment Funds and the Accounts are collectively referred to as “Advisory Clients”.

The Private Investment Funds controlled by DFM include:

- MicroVest II-A, LP (“MVII-A”), a Cayman Islands’ exempted limited liability partnership and together with MVII LP, “MVII” - *It should be noted that MVII is no longer accepting new subscriptions.*
- MicroVest II, LP (“MVII LP”), a Delaware limited partnership, which invests all of its investable assets in MVII-A through a master feeder fund structure.
- MicroVest Short Duration Fund, LP (“MV-SD LP”), a Delaware limited partnership, and together with MV-SD Ltd., “MV-SD.”
- MicroVest Short Duration Offshore Fund, Ltd. (“MV-SD Ltd.”), a Cayman Islands’ exempted company which invests all of its investable assets in MV-SD LP through a master feeder fund structure.
- MicroVest+Plus, LP (“MV+Plus LP”), a Delaware limited partnership and together with MV+Plus, Ltd., “MV+Plus” – *It should be noted that MV+Plus is no longer accepting new subscriptions of limited partnership interests or subscriptions of its notes (the “Notes”).*
- MicroVest+Plus Offshore Fund, Ltd. (“MV+Plus Ltd”), a Cayman Islands’ exempted company, which invests all of its investable assets in MV+Plus LP through a master feeder fund structure. *MV+Plus Ltd is no longer accepting new subscriptions.*
- MicroVest EDF Master Fund, Ltd., (“MV-EDF Master”), a Cayman Islands’ exempted company and together with MV-EDF LP, and MV-EDF Cayman,” MV-EDF.”
- MicroVest EDF LP (“MV-EDF LP”), a Delaware limited partnership, which invests all of its investable assets in MV-EDF Master through a master feeder fund structure.
- MicroVest EDF Cayman Feeder, Ltd. (“MV-EDF Cayman”), a Cayman Islands’ exempted company which invests all of its investable assets in MV-EDF Master through a master feeder fund structure.

Accounts, including other private investment funds not controlled by DFM include:

- Access Africa Fund, LLC (“AAF”), a Delaware limited liability company.



Each of the Private Investment Funds (including AAF) has an Investment Committee, appointed by the relevant GP or Fund Board. The Investment Committees for MV-SD, MV+Plus, and AAF are comprised solely of members of DFM's senior management. The Investment Committee for MV-EDF is comprised of international experts in the fields of finance, investment banking, private equity, or microfinance. The Investment Committee for MVII-A includes a member of DFM's senior management, a member of the Board of Directors of the Holding Company, and other independent individuals who are experts in the fields of finance, investment banking, private equity, or microfinance. The relevant Investment Committee must approve each investment made by the private investment funds and are responsible, together with DFM, for the implementation of the investment objectives and policies thereof.

In the case of other Accounts, investments are approved by certain individuals or committees designated by the Account, independent of DFM.

4.B. Description of the type of advisory services offered.

DFM provides investment advisory services to its Advisory Clients. The Advisor's investment strategy, in general, is focused on being a capital mobilizing intermediary seeking to provide debt and equity capital to responsible financial institutions ("RFIs") and other organizations providing financial services to populations at the bottom of the economic pyramid ("pro-poor finance institutions") around the world. RFIs may include microfinance institutions ("MFIs"), small and medium enterprise banks ("SME banks"), community development banks, leasing companies, and other types of financial institutions. The Advisory Clients will generally invest in RFIs or in funds or entities that invest in or extend credit to MFIs, microenterprises, microentrepreneurs, small and medium-scale businesses, and low-income individuals.

MV-SD and MV-EDE provide short- and medium-term debt financing and hold term deposits of RFIs, bonds issued by RFIs, and other regulated or unregulated financial institutions in emerging and developed markets, including the U.S.

MVII holds common shares, preferred shares, other quasi-equity instruments, or debt instruments issued by MFIs or other pro-poor finance institutions (which may include remittance companies, leasing companies, and other financing vehicles in developing countries). MVII's investment period has expired, and the Fund is no longer making new investments.

MV+Plus invests in a diversified mix of instruments issued by RFIs including: certificates of deposit and similar term deposit instruments; senior loans, notes or bonds, equity-linked or equity-like debt instruments, including subordinated debt, convertible debt, income participation notes, or fixed coupon, redeemable preferred shares; and equity investments in common or preferred shares. MV+Plus' investment period has expired, and the Fund is no longer making new investments.

AAF holds debt and equity instruments issued by newly formed and existing MFIs in Sub-Saharan Africa. AAF's investment strategy is to provide resources to assist emerging businesses and poor people in developing countries. AAF is no longer making new investments.

Although DFM's investment advice is generally limited to the above types of investments, it has broad and flexible investment authority (in conjunction with approval from the relevant Investment Committee) with respect to Private Investment Funds. Each Private Investment Fund's structure, investment objective, and strategy are set forth in a confidential private offering memorandum provided to each investor in the relevant Private Investment Fund.

The Accounts' investment objectives and the types of investments that such portfolios will hold are individually negotiated and established between DFM and the respective Account.



4.C. Tailoring of advisory services

In the case of the Private Investment Funds, DFM neither tailors its advisory services to the individual needs of the investors in the Private Investment Funds nor accepts investor-imposed investment restrictions. In the case of the Accounts, DFM has tailored the advisory services to the specific objectives/restrictions of the Account and has individually negotiated the terms and fees, which are different than the terms and fees of the Private Investment Funds. It should also be noted that any Account relationship is generally subject to significant account minimums.

DFM and the GPs may, in their sole discretion, offer to one or more investors (including, without limitation, strategic investors and unaffiliated financial investors) the opportunity to co-invest with certain of the Private Investment Funds in certain transactions.

It should be noted that the Private Investment Funds may enter into separate agreements with certain investors, allowing such investors to invest on different terms than those described in the respective offering memorandum, including, without limitation, with respect to fees or liquidity provided to such investors, or with respect to the information and reporting offered to such investors.

4.D. Wrap fee programs

DFM does not participate in WRAP fee programs.

4.E. Client assets under management

As of December 31, 2023, DFM manages \$225,501,554 of Advisory Client regulatory assets on a discretionary basis and \$824,400 of Advisory Client regulatory assets on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

5.A. and B. Description of compensation and fee payments

The fee schedules for the Private Investment Funds vary and are described in detail in each respective Private Investment Fund's offering memorandum, limited partnership agreement or other governing document (as applicable). A summary of the fee schedules is:

MV-EDF

Management Fee: DFM is entitled to a monthly management fee of 1.00% per annum of the value of the total assets of MV-EDF Master as of the first business day of each month. The management fee will be paid monthly in advance, within 10 days of the first business day of the month and will be prorated for periods less than a full month.

Payments to MV-EDF GP: MV-EDF GP is entitled to an annual allocation equal to 15% of the net profit attributable to each ownership interest in MV-EDF LP and MV-EDF Cayman (i.e., the feeder funds) in excess of a hurdle rate. This incentive allocation is payable when such ownership interest has recovered all prior net losses allocated to the interest, which have not been subsequently offset by the allocated net profits.

**MV-SD**

Management Fee: MicroVest is generally entitled to a management fee of 1.50% of each investor's capital account calculated as of the last business day of the month. However, if, as of the last day of the applicable month, an investor has aggregate investments in MV-SD and any other private investments funds that meet a certain threshold, such investors will be charged a reduced management fee of 1.40% to 1.45%. Management fees are paid monthly in arrears.

MVII

Management Fee: Commencing on January 1, 2020, DFM's fee is equal to 1.50% of the Fund's aggregate cost-basis for Actively Monitored Securities and 0.5% of the Fund's aggregate cost-basis for Passive Securities held by the Fund, in all cases excluding Securities written down to zero. The fee is paid quarterly in arrears. Passive Securities are securities listed and trading through an open exchange or securities for which the Partnership has signed a final Sale Agreement with a willing buyer. Actively Monitored Securities are securities other than Passive Securities.

Payments to the GP II: In addition to the Management Fee and Investment-Based Fees for MVII, the GP II is entitled to 20% of distributable cash after the investors in MVII have received aggregate distributions equal to the sum of aggregated funded capital commitments plus a compounded annual preferred return equal to 8.5%.

MV+Plus

Management Fee: DFM is entitled to a management fee equal to 2.5% per annum of the aggregate cost basis value of MV+Plus' portfolio assets, plus cash held in banks and other temporary investments, subject to an annual minimum of \$250,000. Management fees are paid quarterly in arrears.

Payments to the GP Plus: The GP Plus is entitled to 20% of distributable cash after the investors have received an amount equal to the sum of aggregated commitments, plus a compounded annual return of 3.0%.

As noted in Item 4.C above, the Private Investment Funds may enter into separate agreements with certain investors allowing such investors to invest on different terms than those described in the respective Private Investment Fund's offering memorandum, including without limitation, with respect to fees to be paid by such investors and the payment of incentives to the GPs.

AAF

Management Fee: DFM ceased earning a management fee on July 1, 2021.

Other Accounts

Other Account relationships are subject to terms that are individually negotiated between DFM and the respective Account. A complete description of all fees for the Accounts is disclosed within the relevant advisory or investment management agreement which is entered into by DFM and the Account. Each Account compensates DFM with an advisory fee that typically ranges from 0.75% to 1.55% of assets under management.

It is critical that investors refer to the relevant confidential private offering memorandum, explanatory memorandum, and other governing documents for a complete understanding



of how DFM is compensated. The information contained herein is a summary only and is qualified in its entirety by such documents.

5.C. Description of other fees or expenses

In addition to the fees described above, Private Investment Funds (and therefore Private Investment Fund investors) will also be subject to other costs and expenses related to such Private Investment Fund's activities. Such costs and expenses may include:

- Accounting fees, legal fees, custodial expenses, auditing expenses, appraisal expenses, and other reasonable costs and expenses incurred in the operation of the Private Investment Funds.
- Fees, costs, and expenses relating to investments, including the acquisition, holding and disposition thereof, including travel-related expenses, and expenses related to organizing and maintaining entities through or in which investments will be made, including fees and expenses of the specified agent.
- Reasonable premiums for insurance protecting the Private Investment Funds, the GPs, any of its affiliates, and any of their respective officers, directors, members, partners, employees, and agents from liabilities to third persons in connection with the Private Investment Funds' affairs.
- Taxes or other governmental charges payable by or on behalf of the Private Investment Funds.
- Costs of reporting to the investors.
- Costs of winding up and liquidating the Private Investment Funds.

The Private Investment Funds or Accounts may make parallel investments in the same entity (under the same or different terms), a Private Investment Fund or Account may buy or sell participations in a transaction to another Private Investment Fund or Account, or two or more Private Investment Funds or Accounts may participate in a syndicated transaction, all subject to the approval of the respective Investment Committee(s) as relevant. In the case of parallel loans, participations or syndications, investment-related costs, expenses or fees are generally allocated pro rata to the amount invested by each of the Private Investment Funds and/or Accounts involved in the transaction, except for participation which are entered into more than two months after the original transaction date, in which case expenses incurred and fees earned at or prior to the date of the original transaction are allocated only to the Private Investment Funds or Accounts which undertook the original transaction.

In addition, purchase and sale transactions (including swaps) may be effected between the Private Investment Funds and the Accounts subject to the following guidelines: (i) such transactions shall be effected for cash consideration at the current market price of the securities, and (ii) no extraordinary brokerage commissions or fees (i.e., except for customary transfer fees or commissions) or other remuneration shall be paid in connection with any such transaction.

5.D. Payment of fees in advance

MV-EDF pays management fees monthly in advance and, prior to July 1, 2021, AAF paid management fees quarterly in advance. None of the other Advisory Clients pay fees in advance.

5.E. Compensation for sales of securities

DFM supervised persons do not accept any compensation for the sale of securities or other investment products.



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

As described in Item 5.B above, DFM and certain of the GPs may receive performance-based compensation from certain of its Advisory Clients.

It should be noted that the possibility that DFM and certain of the GPs could receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for DFM to effectuate larger and riskier transactions for those particular Advisory Clients than would be the case in the absence of such form of compensation. Further, DFM faces a potential conflict of interest in managing the Advisory Clients who are subject to performance-based fees alongside Advisory Clients who are not subject to such fees. DFM may have an incentive to favor the Advisory Clients for which it will receive this additional compensation over the Advisory Clients that are not subject to such performance-based fees.

DFM recognizes that, as a fiduciary, it must act in the best interests of the Advisory Clients. Further, DFM recognizes that it must treat all Advisory Clients fairly and must refrain from favoring one Advisory Client's interests over another's. DFM regularly assesses the allocation of its resources, including investment personnel, among its Advisory Clients to ensure adherence to its fiduciary duties.

ITEM 7 – TYPES OF CLIENTS

DFM provides investment advisory services to pooled investment vehicles operating as private investment funds and separately managed accounts, which may include advisory contracts with other clients.

Each investor in the Private Investment Funds must meet certain eligibility provisions. Interests/shares in MV-SD and MV-EDF are generally offered to U.S. Investors who are (i) accredited investors within the meaning of Regulation D of the Securities Act of 1933, as amended ("Accredited Investors") and (ii) Qualified Purchasers within the meaning of Section 2(a)(51) of the Investment Company Act of 1940, as amended ("Qualified Purchasers"); and are also offered to non-U.S. Investors.

Subscriptions in MV-SD are subject to a minimum investment of \$500,000 and \$100,000 for any additional investment per investor. Subscriptions in MV-EDF are subject to a minimum investment of \$250,000 and \$100,000 for any additional investment per investor. The GPs may waive such minimum requirements in their sole discretion. MVII-A, MVII, MV+Plus and MV+Plus Ltd are no longer accepting subscriptions, as previously noted.

In the case of MV-SD, the GP SD may, in its discretion, prohibit a partial withdrawal/redemption with respect to an investor unless the remaining value of the investor's capital account is greater than \$100,000.

In the case of MV-EDF, the GP EDF may, in its discretion, prohibit a partial withdrawal/redemption with respect to an investor unless the remaining value of the investor's capital account is greater than the initial capital contribution or \$250,000.

The Accounts are subject to different terms and fees than the Private Investment Funds. Such fee arrangements and terms are individually negotiated. It should be noted that any Account relationships are generally subject to significant account minimums.



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

8.A. Methods of analysis and investment strategies

DFM has broad discretion (subject to approval by the respective Investment Committee) in making investments for the Private Investment Funds. The investment strategies summarized below are set forth in detail in the governing documents for each Private Investment Fund.

Methods of Analysis

DFM seeks to invest in microfinance companies or other pro-poor finance institutions that it believes demonstrate some or all of the following criteria: well-governed, sustainable, efficient, good portfolio quality and/or solid growth prospects. Some candidates may solicit DFM directly for capital. In most cases, DFM will leverage its market network (members of the Investment Committee, DFM founders and investors, microfinance networks, rating agencies and other investment funds, etc.) to locate preferable investments. DFM may also utilize inspections of corporate activities, research materials prepared by others and corporate rating services to assist in analyzing investments. Prior to approaching any particular investment opportunity, DFM will typically first conduct country analyses to identify appropriate markets for the relevant Advisory Client based on: political stability/risk, economic risk, financial sector risk, transparency/corruption, business environment, enforceability of contract and investor rights, financial sector supervision, demand for microfinance and SME bank finance, and maturity of the low-income finance sector.

Once country risk is reviewed and deemed acceptable by DFM (either directly or through the GPs), analysis of a specific prospect begins with a desk study involving some or all of the following: reference checks, analysis of financial statements and liquidity position, review of ratings, and business plan/projections. The next step would typically involve DFM initiating negotiations to structure a financing facility. Upon reaching an agreement with the prospect on a term sheet, additional analysis is required prior to submitting an investment proposal to the Private Investment Fund's Investment Committee or the Account's authorized representative or committee. This includes a review of the institution's credit policy: loan products, exposure limits, collateral requirements, approval authority, permitted restructuring/parallel loans, reserves, write-offs, collections, internal audit procedures, etc.

In most cases, an on-site due diligence visit of the prospect will also be required. In select circumstances and as pre-determined by the Investment Committee or Account (i.e., with a limited loan size and tenor, minimum rating, and/or loan renewal for an existing client in good standing) a proposed loan can be structured which does not require an on-site due diligence visit.

Investment Strategy

MV-SD and MV-EDF: MV-SD and MV-EDF are designed to provide short- and medium-term debt financing and term deposits to RFIs. MV-SD and MV-EDF seek to provide current income and capital appreciation alongside positive social impact by investing in a diversified portfolio of private debt securities issued by RFIs. MV-EDF seeks to further enhance return to investors by leveraging the fund.

It is anticipated that MV-SD's and MV-EDF's investment portfolios will be diversified. The tenor of investment will be varied and laddered to provide natural liquidity. The original tenor of the investments is expected generally to be 6 to 36 months, though some transactions may have longer maturities. Investments will be in U.S. dollars, euros, and local currencies, and DFM will seek to hedge all exposure to euros and the local currencies at a reasonable cost. There can be



no guarantee that DFM will be able to enter into hedging transactions or that such transactions will successfully hedge MV-SD's exposure to euros and the local currencies.

MV-SD's portfolio will be subject to certain portfolio allocation limits: (i) no more than 50% of assets (measured at the time of investment) may be invested in a single region; (ii) no more than 20% of assets (measured at the time of investment) may be invested in a single country (with the exception of the United States, Brazil, Russia, India, and China); (iii) no more than 30% of assets (measured at the time of investment) may be invested in the United States, Brazil, Russia, India or China; and (iv) no more than 10% of assets (measured at the time of investment) may be invested in a single organization.

MV-EDF's portfolio is subject to the following, more restrictive portfolio allocation limits (subject to waivers granted by the Advisory Committee): (i) no more than 50% of assets may be invested in any single region; (ii) no more than 10% of assets may be invested in any one country (except that up to 15% of assets may be invested in India); and (iii) no more than 5% of assets may be invested in any single counterparty or obligor.

MV+Plus¹: MV+Plus will invest in financial institutions around the globe with a clear focus on the extension of credit and other financial services to the working poor and seeks to make investments in those RFIs with strong credit profiles, sound operations, and favorable strategic and financial prospects, so as to maximize MV+Plus' risk-adjusted return on capital. MV+Plus holds certificates of deposit and similar term deposit instruments ("CDs"), debt instruments (from 1-5 years term), common and preferred equity shares, and quasi-equity instruments.

MV+Plus has diversified its portfolio in various ways. Generally, MV+Plus will not invest more than 20% of MV+Plus' total assets in any one country or more than 10% of MV+Plus' total assets in any one institution.

MV+Plus is no longer making new investments and has commenced a gradual wind-down. During the wind-down period, its portfolio exposure may exceed the diversification limits noted above.

MVII²: MVII holds common shares, preferred shares, and other quasi-equity instruments of MFIs it has identified based on strong management teams, good fundamental operations, and future strategic and financial prospects. Additionally, MVII may invest in other pro-poor financial services institutions, including but not limited to remittance companies, leasing companies, and other financing vehicles in developing countries.

MVII currently holds a portfolio of investments in RFIs. The Investment Period has expired, no new investments will be made, and the fund has commenced wind-down.

AAF: AAF seeks to provide current income and capital preservation by lending to, and investing in, MFIs and other financial and industry-supporting institutions that create access to capital and financial services for the working poor in sub-Saharan Africa.

AAF is no longer making new investments and has commenced a gradual wind-down.

Accounts: The Account relationships have methods of analysis and investment strategies that are individually negotiated between DFM and the respective Account, as disclosed within the relevant advisory or investment management agreement which is entered into by MicroVest and the Account.

¹ As previously noted, MV+Plus is no longer accepting new subscriptions of limited partnership interests.

² MVII's investment period has expired and the fund is no longer making investments.



THE ADVISORY CLIENTS MAY BE DEEMED TO BE A SPECULATIVE INVESTMENT AND ARE NOT INTENDED AS A COMPLETE INVESTMENT PROGRAM. THEY ARE DESIGNED ONLY FOR EXPERIENCED AND SOPHISTICATED PERSONS WHO ARE ABLE TO BEAR THE RISK OF SUBSTANTIAL IMPAIRMENT OR TOTAL LOSS OF THEIR INVESTMENT.

8.B. Material risks associated with DFM investment strategies

Long-Term Investment: Although the majority of investments by the Private Investment Funds and Accounts are expected to generate current income (primarily interest income), certain investments by MVII, MV+Plus, and AAF will generate only limited current income (dividends) and will only realize a return of capital and gains, if any, upon the disposition of the investment. While an investment may be sold, or redeemed at any time, certain investments generally are not expected to be sold for a number of years after the initial investment has been made. Prior to such time, there will generally be no current return on investments made by MVII, or on a portion of investments made by MV+Plus and AAF.

Difficulty in Valuing the Investment Portfolio of the Private Investment Funds: The GPs or DFM will value the investment portfolio of the Private Investment Funds, including AAF, from time to time based upon its best estimate of the value of each of the individual securities held. There is typically no public market for the securities of the RFIs in which the Private Investment Funds and AAF invest. Thus, portfolio valuation inherently is highly subjective and imprecise. In establishing the value of the Private Investment Funds' and AAF's investment portfolio, the GPs and DFM may also consult with accounting firms, investment banks, and other consulting firms when needed, to assist with the valuation of the investments. The value set by the GPs or DFM may not reflect the price at which the Private Investment Funds or AAF could dispose of its interests in a particular portfolio company at any given time.

Limited Transferability of Interests/Shares: Interests/Shares Not Liquid: The interests/shares have not been registered under the Securities Act or any state law and no such registration is contemplated. No public market for the interests/shares is expected to develop, and *no redemption right is being offered by MVII or MV+Plus*. Furthermore, any outside transfer or assignment of the interests/shares will be dependent on the consent of the GPs, which may be withheld in their sole discretion. The interests/shares are therefore not liquid and involve a high degree of risk. Subscriptions for interests/shares should be considered only by sophisticated investors who are financially able to maintain their investment and pay the taxes with respect thereto, and who can afford to lose all or a substantial part of their investment.

Use of Leverage: MV-EDF and MV+Plus will employ leverage in order to implement their investment strategies. The Investment Manager intends to limit leverage to a maximum of 400% of the net asset value of the master funds. MV-EDF and MV+Plus may enter into credit agreements which may be secured by fund assets. They may issue obligations under a private placement of notes to qualified purchasers, subject to terms of a respective offering document, which may be secured by fund assets.

Political and Economic Factors: The economies of the various countries in which the Private Investment Funds and Accounts invest will differ favorably or unfavorably from the U.S. economy in such respects as the rate of growth of gross domestic product, the rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position. Governments of some countries may have exercised and may continue to exercise substantial influence over many aspects of the private sector. Many leading RFIs are locally regulated financial institutions and are subject to the local government's rules and regulations for financial institutions, which are subject to change. Accordingly, government actions in the future could have a significant effect on economic conditions of different countries which could affect the Private Investment Funds' and Accounts' investments in RFIs. Expropriation, confiscatory taxation, changes in regulatory



structures, nationalization, political, economic, or social instability, or other developments could adversely affect the investments held in particular countries. The value of the Private Investment Funds' or Accounts' investments will be affected by, among other factors, inflation, interest rates, taxation, social instability, and other political, economic, or diplomatic developments in or affecting the various countries. Foreign investment in certain countries may be restricted or controlled to varying degrees. These restrictions or controls may at times limit or preclude foreign investment and increase the costs and expenses of the Private Investment Funds. Certain countries may require governmental approval prior to investments by the Private Investment Funds and Accounts, limit the amount of investment by the Private Investment Funds and Accounts or limit the investment by the Private Investment Funds and Accounts to only a specific class of securities of an entity that may have less advantageous terms than those available for purchase by nationals. The Private Investment Funds' and Accounts' investments that are situated in the various countries will also be subject to normal investment risks and, in addition, may be adversely affected by political developments and/or changes in the local laws, taxes, and exchange controls, which might be applicable to the Private Investment Funds and Accounts or to their investments.

Risk of Investing in Developing or Emerging Countries: Investing in developing or emerging countries and markets entails significant risk. Many emerging countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and markets of certain emerging countries. In addition, in many cases, governments of emerging countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may affect the capacity of borrowers in emerging countries and issuers of emerging country debt instruments to make payments on their debt obligations, regardless of their financial condition. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments, or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes will not cause the Private Investment Funds or Accounts to suffer a loss of any or all of its investments and interest thereon.

Investment Allocations and Cross Transactions: DFM recognizes that it is a fiduciary and as such must act in the best interests of the Advisory Clients. Further, DFM recognizes that it must treat all Advisory Clients fairly and must refrain from favoring one Advisory Client's interests over another's. DFM regularly assesses the allocation of investment opportunities which meet the investment strategy and objectives of more than one Advisory Client to ensure adherence to its fiduciary duties. In order to achieve desired diversification and investment return objectives of its Advisory Clients, DFM may use cross transactions to participate or assign a security from one Advisory Client to another Advisory Client. DFM recognizes that potential or perceived conflicts of interest may arise from such cross transactions and believes that it has appropriate policies and procedures in place to ensure the fair valuation of securities and fair allocation of related revenue and expense to meet its fiduciary duty to each Advisory Client.

8.C. Material risks associated with particular types of securities

DFM Advisory Clients, including the Private Investment Funds and Accounts, generally invest in the securities of MFIs or other RFIs who will extend credit to microenterprises, small businesses, microentrepreneurs or low-income individuals in developing countries. The risks associated with these securities include the following:

Developing or Emerging Countries: Changes in any country's economic and political conditions could have a significant impact on the results of DFM investments, depending upon the amount of investment with RFIs located in countries experiencing adverse economic and political conditions. These securities are speculative and entail a high degree of risk.



Credit Risks of Micro-Loans: Microfinance involves the provision of credit to microentrepreneurs and microenterprises in developing countries, many of whom have incomes below the applicable poverty level and have little or no previous credit history with commercial or other lenders. These micro-loans typically are not secured by any collateral or other type of traditional guarantee. There is no assurance that the micro-clients will be able to repay the micro-loans to the MFIs, and as a consequence, the Private Investment Funds or Accounts may be adversely affected. The Private Investment Funds' and Accounts' investments will typically not be backed by liens on the assets of the MFIs or any other types of guarantees and the Private Investment Funds and Accounts will not participate in the day-to-day operations of the MFIs.

Financial Information of RFIs: Financial and other information concerning MFIs/RFIs may be available through certain sources, including the MFIs/RFIs themselves. There may be no consistent means, however, of confirming the accuracy of such information. As a result, the financial condition of individual MFIs/RFIs, and their respective credit risk may be difficult to quantify.

MFI/RFI Operating Performance: MFIs/RFIs may face difficulties in providing services to microenterprises. These difficulties may include, among others: the vulnerability of microenterprises to socio-political and environmental changes; inadequate credit analysis and risk management procedures; high operating costs; and liquidity constraints due to the inability of the MFIs/RFIs to attract debt capital and deposits.

Liquidity of Equity Investments in RFIs: While MVII, MV+Plus and AAF will generally attempt to negotiate exit mechanisms for all of its investments, there can be no assurance that such mechanisms will be effective. These Advisory Clients may invest in unlisted equity securities, including investments that involve a high degree of business and financial risk, which can result in substantial losses. Due to the absence of any trading market for these investments, it may take longer to liquidate positions with regard to these investments than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the amounts received by these sales could be less than the prices originally paid. RFIs whose securities are not publicly traded may not be subject to public disclosure and other investor protection requirements that may be applicable to publicly traded securities. Given the nature of MVII, MV+Plus, and AAF's activities, all their investments may be in such unlisted securities. If such securities are required to be registered under the securities laws of one or more jurisdictions before being sold, the respective Advisory Clients may be required to bear the expenses of registration.

Currency Fluctuations and Foreign Exchange Controls: Certain Private Investment Funds and other Accounts (MVII, MV+Plus and AAF) may invest in equity securities of RFIs. Since a significant portion of such investments will be in securities denominated or quoted in currencies other than the US Dollar, changes in currency exchange rates will affect the value of securities, and the unrealized appreciation or depreciation of investments, because the Private Investment Funds and other Accounts maintain their accounts and compute and distribute its income in Dollars. It is possible that the diversity of the portfolio, containing assets denominated in several currencies, will serve to mitigate the overall effect of exchange rate movements on the portfolio's Dollar value. However, this diversification will not insure against losses in the value of any individual portfolio assets or in the aggregate value of the entire portfolio. Further, the Private Investment Funds and other Accounts may incur transaction costs in connection with conversions among various currencies.

All of the Private Investment Funds and other accounts may make loans to RFIs in US dollars or in local currency. Both the MFI and the Private Investment Funds are exposed to foreign currency exchange risks. The Private Investment Funds will seek to actively hedge foreign exchange



exposure related to loans to RFIs made in local currency with other financial instruments (ex: forward currency contracts).

Additionally, most RFIs exhibit some degree of mismatch between the denomination currencies of their assets and liabilities and may be exposed to foreign currency exchange risks. RFIs may receive funding in the local currency, US Dollars, or other currencies, and will generally extend credit to their clients in the local currency of their respective countries. Changes in currency exchange rates could impact the income of the RFI, and by extension, the income of the Private Investment Funds and other Accounts.

IT IS VERY IMPORTANT THAT INVESTORS REFER TO THE RELEVANT CONFIDENTIAL PRIVATE OFFERING MEMORANDUM AND OTHER GOVERNING DOCUMENTS FOR A COMPLETE UNDERSTANDING OF THE MATERIAL RISKS INVOLVED IN RELATION TO DFM'S INVESTMENT STRATEGIES AND METHODS OF ANALYSIS AND TO AN INVESTMENT IN THE ADVISORY CLIENTS. THE INFORMATION CONTAINED HEREIN IS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY SUCH DOCUMENTS.

ITEM 9 – DISCIPLINARY INFORMATION

There is no information applicable to this matter.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Certain employees, independent Board members, and Investment Committee members of DFM have other financial industry activities or affiliations as follows:

10.A. Broker-dealer or registered representative of a broker-dealer

There is no information applicable to this matter.

10.B. Futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person

There is no information applicable to this matter.

10.C. Relationships material to the advisory business that MicroVest or its management persons have with related persons listed below:

DFM serves as the investment manager to the Private Investment Funds and AAF. DFM, its employees or their related persons may also invest directly in the Private Investment Funds. It should be noted that investments in the Private Investment Funds made by such parties are subject to the same fees and liquidity as outside, unaffiliated investors.

The GP II serves as the general partner to MVII. The GP SD serves as the general partner to V-SD. The GP Plus serves as the general partner to MV+Plus. The GP EDF serves as the general partner to MV-EDF. The GPs, in conjunction with their respective Investment Committees and DFM, are responsible for all aspects of the Private Investment Funds' operations, including the identification of investment opportunities, the negotiating and structuring of investments, the active monitoring of portfolios and the disposition of investments.

AAF is governed by a Board of Managers appointed by the members of AAF. The members of AAF are also members of DFM Holding. The AAF Board of Managers, in conjunction with its



appointed Investment Committee and DFM, are responsible for all aspects of AAF's operations, including identification, negotiation, structuring, monitoring and disposition of investments.

In order to manage the below-referenced conflicts of interest, DFM's Code of Ethics requires employees of DFM to obtain prior written approval from DFM's Chief Compliance Officer before engaging in any transactions in limited offerings, which include but are not limited to the Private Investment Funds. Further, employees and independent Board and/or Investment Committee Members are required to disclose their outside business activities on an annual basis.

Generally, independent DFM board members are not directly involved in investment allocation decisions; if their involvement were required in any investment allocation decision that conflicted with the members outside activity, he/she would recuse himself or herself. Further, to the extent any independent Board and/or Investment Committee Member is invested, either personally or on behalf of a related party (i.e., their employer firm) in a security that is also held by a DFM Advisory Client, such parties will recuse themselves from any discussions and/or decisions involving the MFI/RFI in which they have an ownership interest in relation to the Advisory Clients.

DFM considers its "management persons" (as defined in the Form ADV instructions) to include certain of its employees, independent Board members and/or Investment Committee members. Such management persons have outside business affiliations as follows.

Independent Investment Committee Members of DFM

- Gilbert Crawford is a member of the Board of Directors of the Tunisian-American Enterprise Fund, a financing vehicle established by Congress and funded by the U.S. Agency for International Development.
- Angela Homsy serves as co-founder, investor & director of Ignite Power, a financier of clean energy-based solutions in Africa. Ms. Homsy is also founding partner at Kaenaat–Angaza Innovation Fund, an active investor in growth-stage tech companies and in African solar irrigation projects.
- Santiago Arias is a Portfolio Manager of Latin American Equities at Credicorp Capital Asset Management, a financial advisory and investment firm. In this role, Mr. Arias oversees the company's equity investments in Latin America.

10.D. Compensation for recommending or selecting other investment advisers

DFM does not recommend or select other investment advisers for Advisory Clients or receive compensation for such activity. This item is not applicable.

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

11.A. Code of Ethics

DFM believes that high ethical standards are essential to its success and to maintaining the confidence of its Advisory Clients. DFM is of the view that its long-term business interests are best served by adherence to the principle that Advisory Clients' interests come first. In that regard, DFM has adopted an Insider Trading Policy and written Code of Ethics designed to ensure the protection of non-public information about the activities of its Advisory Clients. The policies also impose certain personal transaction preclearance and reporting obligations on DFM's Access Persons.



Further, in compliance with the requirements of Rule 204A-1 of the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”), Access Persons are required to report their personal securities transactions on a quarterly basis and disclose their securities holdings upon employment (or being deemed an Access Person) and on an annual basis thereafter. Such information is reviewed by the Chief Compliance Officer on a periodic basis.

Clients or prospective clients may obtain a copy of DFM’s Code of Ethics by contacting the Chief Compliance Officer, Sothara Chin, at 301.664.6680.

11.B. Participation in Client Transactions

As previously noted: (i) MV-EDF LP and MV-EDF Cayman invest all of their investable assets in MV-EDF Master; (ii) MV-SD Ltd. invests all of its investable assets in MV-SD LP; (iii) MVII LP invests all of its investable assets in MVII-A, LP; (iv) MV+Plus Ltd. invests all of its investable assets in MV+Plus LP; and each (i), (ii), (iii) and (iv) through master feeder fund structures. The Advisory Clients may invest in other investment funds managed by DFM provided that (i) such investments are approved by the respective investment committee or other governing body (excluding any members of such committee or other governing body who are employees of DFM), and (ii) the value of such investments shall be deducted from the calculation of assets used to determine the Management Fee paid by the Advisory Client making the investment.

DFM may recommend, as investment manager, that one Advisory Client sell, assign or otherwise transfer an asset to another Advisory Client, for purposes of liquidity management, portfolio diversification, or other reasons, provided that: (i) the transaction is deemed to be in the best interest of investors in each participating Advisory Client; (ii) the underlying investment is approved by the relevant investment committee or other governing body of each Advisory Client; and (iii) the transaction is documented to be carried out on an arms-length basis. DFM has developed policies and procedures to document and monitor the potential conflicts of interest of investors in such “cross transactions”. Under certain circumstances, a cross transaction may constitute a principal transaction, and therefore, the provisions of Section 206(3) of the Advisers Act (requiring notice to and consent of the respective Advisory Clients prior to settlement of the transaction) would apply.

DFM serves as the investment manager to the Private Investment Funds. DFM, the GPs, DFM’s employees, Access Persons or their related persons may also invest directly in certain of the Private Investment Funds. It should be noted that investments in the Private Investment Funds made by such parties are subject to the same fees as outside, unaffiliated investors. The owners of the Holding Company (DFM’s parent) and individual members of the Board of Directors have financial ownership interests in the Private Investment Funds. In addition, DFM and the GPs receive management fees and in some cases, Investment-Based Fees and performance-based fees for their services to the Private Investment Funds. The fact that DFM, the GPs, its affiliates, its employees, or their related persons have a financial ownership interest in the Private Investment Funds creates a potential conflict in that it could cause DFM to make different investment decisions than if they did not have such financial ownership interest. DFM and the GPs charge the Private Investment Funds fees based on a percentage of assets under management and, in certain cases, performance-based fees. The management fees are payable without regard to the overall success or income earned by the Private Investment Funds and, therefore, may create an incentive on the part of DFM to raise or otherwise increase assets under management to a higher level than would be the case if DFM were receiving a lower or no management fee. The receipt of performance-based compensation may create an incentive for DFM to make investments that are riskier or more speculative than it otherwise would.

Employees of DFM and independent Board and/or Investment Committee Members of DFM and/or related parties thereto (i.e., their employer firm), may conduct outside business activities which may be investment advisory in nature. Independent Board Members of DFM may sit on boards for



outside companies that may have similar investment strategies and invest in similar transactions as DFM's Advisory Clients. Such outside companies may invest in the Private Investment Funds or may engage DFM to provide investment advice to an Account that is owned or managed by the outside company. It should be noted that in each case, there is no special treatment of such investors, but such investments may give rise to conflicts of interest.

Complete fee disclosures are provided to investors either in the form of confidential private offering memorandum, in an explanatory memorandum or other governing document and should be carefully reviewed by prospective investors.

Further, as noted above in Item 11.A, DFM has established a Code that sets forth a standard of business conduct that considers DFM's status as a fiduciary and requires employees to place the interests of the Advisory Clients above their own interests.

11.C. Conflicts of Interests – Personal Trading

DFM and the GPs may, at their sole discretion, offer to one or more investors (including, without limitation, strategic investors and unaffiliated financial investors) the opportunity to co-invest with certain of the Private Investment Funds in certain transactions.

DFM's employees are prohibited from investing in the portfolio companies that DFM recommends to its Advisory Clients. It should be noted that certain Access Persons, which generally include independent Board and/or Investment Committee Members of DFM and/or related parties thereto (i.e., their employer firm), may invest in the portfolio companies that DFM recommends to its Advisory Clients. As investors, such Access Persons would be participating in any capital gains (or losses) along with the Advisory Clients and their investors. To the extent, any independent Board and/or Investment Committee Members is invested, either personally or on behalf of a related party (i.e., their employer firm), such parties will recuse themselves from any discussions and/or decisions involving the portfolio company in which they have an ownership interest in relation to the Advisory Clients. Conflicts of interest are carefully monitored in respect of such investments.

Please also refer to Items 11.A and 11.B above.

11.D. Conflicts of Interests – Advisory Clients

DFM and its principals may give advice and recommend investment opportunities for certain Advisory Clients, which advice or opportunities may differ from advice given to, or an investment recommended or bought for, other Advisory Clients even though their investment objectives may be the same or similar. It should be specifically noted that DFM (for a wide variety of reasons) may decide to allocate a particular investment opportunity to one Advisory Client and not others. Accordingly, Advisory Clients with similar strategies may not hold the same investments or achieve the same performance returns. DFM has adopted procedures regarding the allocation of investment opportunities to its Advisory Clients.

DFM will endeavor to resolve conflicts with respect to investment opportunities in a manner which it deems equitable to the various Advisory Clients and their investors as a whole under the prevailing facts and circumstances.

Please also refer to Items 11.A, 11.B, and 11.C above.

ITEM 12 – BROKERAGE PRACTICES

DFM's investments are typically in MFIs, RFIs, and in other private transactions that are not traded on an exchange. As such, MicroVest uses brokers on an infrequent basis to execute



transactions. DFM has brokerage agreements with the following broker-dealers:

Stonex Financial Inc. (Winter Park, FL)

MMG Bank Corporation (Panama City, Panama)

DFM does not receive “soft dollar benefits” of any kind in connection with these or any broker-dealers. Neither DFM nor its related persons receive client referrals from these or any broker-dealers. In addition, none of our clients are permitted to have directed brokerage arrangements.

It should be noted that DFM has adopted an aggregation policy with respect to the types of investments it makes. In order to ensure that it treats all Advisory Clients fairly and equitably, it is DFM’s policy that when appropriate, based upon each Advisory Client’s investment/risk parameters, assets under management, available cash flow, liquidity and portfolio exposure, to purchase or sell the same investment opportunity for more than one of the Advisory Clients then it shall endeavor, but is not obligated, to aggregate the investment opportunity to seek more favorable terms.

ITEM 13 – REVIEW OF ACCOUNTS

13.A. Review of Client Accounts

Active accounts are under continuous review with regard to individual reporting and other requirements of the account. The performance, risk profile, and compliance with relevant governance provisions of each of the Private Investment Funds and Accounts are reviewed periodically, generally quarterly, by DFM’s senior management team.

DFM monitors all investments held in the Advisory Client’s portfolios on an ongoing basis, including periodic reviews of operating metrics and trends. Reviews of individual portfolio assets track current exposure and historical investment activity, current country situation, financial and operating performance, liquidity assessment, and other developments since the investment was made. The reviews are performed by the senior management team. Portfolio investments may be reviewed on a more frequent basis based on perceived credit risk. General trends in the market and the aggregate portfolio are reviewed by the senior management team on a quarterly basis.

13.B. Factors that trigger review

Please see Item 13.A above. The Advisory Clients’ accounts are under continuous review.

13.C. Content and frequency of regular reports

Generally, investors in the Private Investment Funds will receive the following written reports:

- monthly statement of their capital account
- unaudited monthly financial statements
- unaudited quarterly performance reports
- audited financial statements within 90-120 days of the end of the fiscal year, except AAF which is unaudited
- K-1s and other tax informational statements within the time period required by law.

It should be noted that MV-SD, MV-EDF, MVII and MV+Plus may enter into separate agreements with certain investors providing certain investors with different information and reporting that is otherwise provided pursuant to the respective offering memorandum. The frequency and type of



reporting to the Accounts is subject to terms that are individually negotiated.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

14.A. Compensation from someone who is not a client

DFM does not receive economic benefits from anyone who is not a client for providing investment advice or advisory services to our clients. This item is not applicable.

14.B. Compensation for client referrals

DFM may enter into written arrangements with third parties to act as solicitors for its investment management business. All such compensation will be fully disclosed to each client consistent with applicable law. All such referral activities will be conducted in accordance with SEC Rule 206(4)-3 under the Advisers Act, as well as relevant SEC guidance. In general, DFM may pay third party promoters out of the fees received by DFM with regard to the Private Investment Funds for investor referrals. Investors are not charged any additional fees as a result of the referral arrangements.

ITEM 15 – CUSTODY

With respect to the Private Investment Funds, DFM and the GPs are deemed to have custody by virtue of their status as investment manager and/or general partner, respectively. The qualified custodians presently utilized by DFM for the Private Investment Funds' cash and securities comprising the assets of the Private Investment Funds are:

ICBC Standard Bank
Plc. 29 Gresham
Street London EC2V
7JE England

Kotak Mahindra Bank
Unit Kotak Infiniti, 6th FLR
Gen A K Vasdya Marg. Malad
E. Mumbai – 400097
Maharashtra, India

Univest National Bank and Trust Co.
Trust Department
14 N. Main Street, P.O. Box 64559
Souderton, PA 18964

Wells Fargo Bank
1 Montgomery Street
San Francisco, CA 94104

StoneCastle Cash Management, LLC
152 W. 57th St., 37th Floor
New York, NY 10019

First Republic Bank



111 Pine Street
San Francisco, CA 94111

To ensure compliance with Rule 206(4)-2 under the Advisers Act, DFM reasonably believes that all investors in the Private Investment Funds will be provided with audited financial statements for the Private Investment Funds (except AAF which is unaudited), prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 days of the end of the Private Investment Funds' respective fiscal years. Investors should carefully review the audited financial statements of the Private Investment Funds.

It should be noted that DFM is of the view that it does not have custody of the Accounts' funds or securities.

ITEM 16 – INVESTMENT DISCRETION

DFM has discretionary authority to manage and is authorized to make purchase and sale decisions for the Private Investment Funds.

As explained in Item 8 above, each Private Investment Fund's investment strategy is set forth in detail in such Private Investment Fund's offering memorandum. Investors in the Private Investment Funds do not have the ability to impose limitations on DFM's discretionary authority. Prospective investors are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum or similar governing documents, along with all other relevant offering materials, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective investors should also consult with their legal, tax, or other advisors prior to making any investment. Prospective investors must also execute a subscription agreement, in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, prospective investors in the Private Investment Funds must execute a limited partnership agreement. Prospective investors in the Notes must execute a Note.

In the case of the Accounts, DFM has tailored the investment recommendations to meet the specific objectives/restrictions of each Account.

ITEM 17 – VOTING CLIENT SECURITIES

17.A. Voting policies and procedures

It should be noted that DFM's Advisory Clients generally do not invest in securities of publicly held companies. DFM's Advisory Clients may invest in the equity capital of private companies for which DFM may or may not have representation on the board of directors.

Therefore, the types of proxies that DFM would vote on behalf of Advisory Clients are expected to involve proposals put before the shareholders or before the board of private companies in which an Advisory Client has an ownership interest.

DFM understands and appreciates the importance of proxy voting. To the extent that DFM has discretion to vote on a proposal put before the shareholders or board members on behalf of Advisory Clients, DFM will vote in the best interests of Advisory Clients and investors (as applicable) and in accordance with set compliance procedures.



Prior to voting any proxies, DFM's Chief Investment Officer will determine if there are any conflicts of interest related to the vote in question. If a conflict is identified, the Chief Investment Officer will then consult with the Chief Compliance Officer, who will then decide (which may be in consultation with the Chief Executive Officer, Counsel or outside legal counsel or compliance consultants) as to whether the conflict is material or not.

If no material conflict is identified pursuant to its set procedures, the Director of Investments will decide on how to vote on the matter in question, in accordance with DFM's internal policy, which is in the best interest of the relevant Advisory Client.

If a conflict is identified and deemed "material" by the Director of Investments, in consultation with the Chief Compliance Officer, the proxy will be referred to the Private Investment Fund's respective Investment Committee to determine a vote.

The Director of Investments, or her/his designee, will ensure delivery of the shareholder or board vote, in a timely and appropriate manner. DFM keeps a record of its internal procedures, proposals received, votes cast, all communications received, and any internal documents created that were material to voting decisions. DFM also keeps a record of each client request for proxy voting records and DFM's response for the previous five years.

DFM does not vote proxies for the Accounts.

If you have any questions about DFM's proxy voting policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies are actually voted, please contact the Chief Compliance Officer, Sothara Chin, at 301.664.6680 or via e-mail at schin@microvestfund.com.

17.B. Authority to vote client securities

As stated in Item 17.A above, DFM does not vote proxies for the Accounts. Any proxy votes for such Advisory Clients will be immediately sent to such Advisory Client from DFM.

Such Advisory Clients may contact the Chief Compliance Officer, Sothara Chin, at 301.664.6680 or via e-mail at schin@microvestfund.com regarding their proxies.

ITEM 18 – FINANCIAL INFORMATION

18.A. Prepayment of fees

DFM does not require or solicit prepayment of fees. This item is not applicable.

18.B. Financial condition

DFM is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its Advisory Clients.

18.C. Bankruptcy petition

DFM has not been subject to a bankruptcy petition. This item is not applicable.