

Black Dragon Capital Investment Management, LLC

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This “**Brochure**” provides information about the qualifications and business practices of Black Dragon Capital Investment Management, LLC and other advisory entities affiliated with Black Dragon Capital Investment Management, LLC (hereinafter “**Black Dragon**”, “**we**”, “**us**”, “**our**” or the “**Firm**”). If you have any questions about the contents of this Brochure, please contact us at 212-257-6850 or info@blackdragoncap.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.

Black Dragon is a registered investment adviser. Registration as an investment adviser does not imply that Black Dragon or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business. This Brochure does not constitute an offer to sell or the solicitation of any offer to purchase any securities of any entities described herein.

Additional information about Black Dragon is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Brochure is Black Dragon's amended Form ADV Part 2A, which has been submitted to report certain information detailed in Item 9: Disciplinary Information. Additional information is below.

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Item 4: Advisory Business

A. General Description of the Firm

Black Dragon is organized as Delaware limited liability company with a principal place of business in Boynton Beach, Florida. Black Dragon was founded in 2014 and is solely owned by Louis Hernandez.

B. Description of Advisory Services

We serve as the investment adviser, with discretionary investment authority, to private, pooled investment vehicles, the securities of which are offered through a private placement memorandum to accredited investors, as defined under the Securities Act of 1933, as amended. We do not tailor our advisory services to the individual needs of any particular investor in any such pooled vehicles.

C. Availability of Tailored Services for Individual Clients

Black Dragon manages the following private, pooled investment vehicles: Black Dragon Capital Fund I, L.P., a Delaware limited partnership, Black Dragon Capital Series 1; Black Dragon Capital Series 10; and Black Dragon Capital Series 10A (each a “**Fund**,” and collectively, the “**Funds**”). Black Dragon also manages the following co-investment vehicle: BDC Fund I Coinvest 1, L.P., a Delaware limited partnership (the “**Co-Investment**”; the Fund and the Co-Investment may each be referred to herein as the “**Client**” or, collectively, as “**Clients**”).

Each Fund’s “**Limited Partners**” are hereafter collectively referred to as the “**Investors**” where appropriate.

Our investment decisions and advice with respect to each Fund are subject to such Fund’s investment objectives and guidelines, as set forth in its respective Private Placement Memorandum, Limited Partnership Agreement and related subscription documents as may be amended from time to time (individually or collectively referred to as the “**Offering Documents**”).

Our investment decisions and advice with respect to the Co-Investment are made in accordance with its Limited Partnership Agreement and related subscription documents as may be amended from time to time (individually or collectively referred to as the “**Co-Investment Documents**”).

In the future, the Firm may choose to take on more private fund Clients or manage or co-investment vehicles that will be managed in accordance with their respective governing documents. The Firm does not currently have or plan to manage any “**Separately Managed Account**” Clients; however, to the extent the Firm decides to manage any Separately Managed Account Clients, the Firm will manage those Clients in accordance with the corresponding “**Investment Management Agreements**,” negotiated between the Firm and the respective Client.

We do not currently participate in any Wrap Fee Programs.

We have \$453 million in regulatory assets under management as of December 31, 2023.

Item 5: Fees and Compensation

The fees and expenses applicable to each of the Funds are set forth in detail in the corresponding Offering Documents. A brief summary of such fees is provided below.

Management Fee

Black Dragon and/or its affiliates (e.g., the General Partners) will be paid an investment management fee ("**Management Fee**") currently anticipated to be 2.0% per annum of the committed or invested capital of a Client, dependant on where the Client is in its life cycle. The Investment Manager, in its sole discretion, may waive or modify the Management Fee for any Investor. The Management Fee will be payable in advance on a quarterly basis with the first payment being made as of the Initial Closing Date of the Fund and each quarterly payment thereafter occurring on the first business day of each calendar quarter.

Other Types of Fees or Expenses

The Funds:

Black Dragon and its affiliates may from time to time receive monitoring fees, consulting fees, closing fees, investment banking fees, director's fees, transaction fees, management contract termination fees, acceleration fees, financing fees, corporate services fees, commitment fees, professional services fees, advisory fees and certain other fees from portfolio companies or proposed portfolio companies and break-up fees. A Fund's obligation to pay the Management Fee will not be reduced or offset by any such fees in respect of a portfolio company as set forth in such Fund's Offering Documents. A Fund's share of any of the fees described above shall be allocated among the Limited Partners in proportion to their relative sharing percentages in the portfolio company with respect to which such fees are attributable, and the amount so allocated to each Limited Partner credited against the Management Fees payable with respect to such Limited Partner.

Black Dragon will be required to pay all Management Expenses associated with conducting its activities. "**Management Expenses**" shall mean the costs and expenses incurred by the Investment Manager in providing for its normal operating overhead, including, but not limited to, compensation of its employees and the cost of providing relevant support and general services (e.g., office rental, secretarial, clerical and bookkeeping expenses) but not including any Fund Expenses. A Fund will be responsible for all Organizational Expenses up to an aggregate cap in the Fund's Offering Documents and all Partnership Expenses, expenses associated with the Advisory Board and other advisory councils or investment committees (collectively, the "Fund Expenses"). The General Partners, each an affiliate of Black Dragon, will bear the cost (through an offset against the Management Fee or otherwise) of all Organizational Expenses in excess of the aforementioned cap, if any.

"**Organizational Expenses**" shall mean expenses in an amount equal to third-party and out-of-pocket expenses, including, without limitation, attorneys' fees, auditors' fees, consulting and structuring fees, incurred by a Fund, a General Partner or Investment Manager or any affiliates thereof in connection with the organization of the Fund (including the formation of the General Partner and the Investment Manager) and the first closing and subsequent closings of the Fund.

“Partnership Expenses” shall mean with respect to a Fund, to the extent not reimbursed by a prospective or actual portfolio company, if any, all expenses of operation of the Fund, including, without limitation, (i) Management Fees, (ii) any taxes, fees, duties or other governmental charges or costs imposed on the Fund and any fees and expenses for the preparation and filing of any governmental or regulatory reports relating to the Fund or any investment or proposed investment, (iii) commitment fees and other fees and expenses (including expenses of the lender which are required to be paid and legal, accounting, administrative, audit and other expenses incurred in connection therewith) and principal and interest payable in connection with any indebtedness, credit facility or other credit arrangement of the Fund, any portfolio company, or any Alternative Investment Vehicle (to the extent not reimbursed by a portfolio company or Alternative Investment Vehicle), (iv) accounting fees, third-party fees, fees of consultants, advisors, administrators and custodians, attorneys’ fees and any expenses related thereto, (v) due diligence fees and expenses, financing fees and expenses and all other costs and expenses related to the identification, evaluation, acquisition, holding, monitoring, valuation and disposition of securities (whether or not the transaction is consummated) (including out-of-pocket travel expenses, broken deal fees and expenses, legal accounting expenses, consulting expenses (including Dragon Performance or any other affiliates of the General Partner and/or Investment Manager) and any banking, brokerage, registration, qualification, finders’ and similar fees or commissions), (vi) all out-of-pocket fees and expenses incurred by the Fund, the General Partner, or Investment Manager in connection with any conference or meeting of the Limited Partners and any meeting of the Advisory Board (as defined below) (including services, food, lodging, transportation and entertainment provided at or in connection with any such meetings), (vii) premiums and fees, costs and expenses associated with D&O/GPL liability or other insurance coverage, (viii) any expenses associated with compliance with applicable laws, rules and regulations regarding registered investment advisers incurred by the Investment Manager and its affiliates (as defined in the Limited Partnership Agreement) (which such amounts will be allocated among the Fund, other pooled investment funds sponsored by affiliates of the Investment Manager and pooled investment funds sponsored by affiliates of the Investment Manager which are successors to the Fund pro rata based on assets under management at such time (it being understood that amounts will not be allocated to co-investment entities formed for the participation of affiliates of the Investment Manager persons or third parties in portfolio company investments), (ix) the costs and expenses of any litigation, audit, examination, investigation, indemnification or governmental proceedings involving the Fund or any investment or proposed investment and the amount of any judgments, settlements, indemnification or other amounts paid in connection therewith, (x) any expenses associated with the Fund’s reporting, financial statements, tax returns and K-1s, as well as fees, costs and expenses incurred in connection with any communications or inquiries with the Limited Partners (including with respect to reporting, capital calls and distributions), compliance with side letters, or the amendment or supplement of any documentation relating to the Fund and the Partners (xi) fees, costs and expenses incurred in connection with dissolving, liquidating, winding-up and terminating the Fund, (xii) any expenses associated with compliance with applicable laws, rules and regulations by the Fund or in respect of the Fund’s investment activities, (xiii) any expenses associated with the operation and actions of the Advisory Board, (xiv) expenses incurred in connection with the establishment of any Alternative Investment Vehicle (to the extent not reimbursed by such Alternative Investment Vehicle), (xv) in the discretion of the general partner, Excess Organizational Expenses (as defined in the Fund’s organizational documents, but not including (A) Organizational Expenses (as defined in the Limited Partnership Agreement) other than Excess Organizational Expenses, (B) ordinary overhead and administrative expenses which are payable by the General Partner and/or the Investment Manager and (C) any expenses included as part of the definition of “Investment

Contributions” in the Limited Partnership Agreement, and (xvi) all other fees, expenses and costs as may be described in the Limited Partnership Agreement.

The Co-Investment:

Black Dragon or an affiliate shall reduce the Management Fee payable in any quarterly period by the aggregate amount of all Co-Investment Organizational Expenses paid or reimbursed by the Co-Investment to third parties in excess of the aggregate cap in the Co-Investment Documents (such excess, “**Excess Organizational Expenses**”). If the Excess Organizational Expenses referred to in the preceding sentence exceed the Management Fee for the immediately succeeding quarterly period, such excess shall be carried forward to reduce the Management Fee payable in following quarterly periods.

The Co-Investment’s obligation to pay the Management Fee will be reduced or offset by Fees (with any excess to be carried forward) as set forth in the Co-Investment Documents. The Co-Investment’s share of any of the Fees described above shall be allocated among the Limited Partners in proportion to their relative sharing percentages in the portfolio company with respect to which such Fees are attributable, and the amount so allocated to each Limited Partner credited against the Management Fees payable with respect to such Limited Partner.

“**Co-Investment Organizational Expenses**” means all expenses incurred by Black Dragon, the Co-Investment, or any affiliates thereof in connection with the planning, formation, organization, documentation, funding, marketing and start-up of Black Dragon, the Co-Investment, any parallel funds, or relevant affiliates thereof, and in connection with the subscription for interests in the Co-Investment (including, without limitation, fund-raising, communication, marketing, travel (including, without limitation, transportation, accommodation and meal expenses), printing, legal, administrative and filing fees and expenses and accounting fees and expenses); but not including any private placement fees paid to third parties in connection with the organization, funding and start-up of the Co-Investment or any parallel funds.

“**Fees**” means (i) commitment fees, breakup fees and litigation proceeds from transactions not consummated by the Co-Investment in connection with the Co-Investment’s proposed investment in such transactions, (ii) consulting fees, directors’ fees and other similar fees (whether in the form of cash, securities or otherwise) received from Portfolio Companies in respect of the Co-Investment’s investment in such Portfolio Companies (but with respect to non-cash consideration, only to the extent of the net cash proceeds thereof as and when received by any Black Dragon and its affiliates), and (iii) closing fees, investment banking fees, placement fees, management agreement termination fees and other similar fees (whether in the form of cash, securities or otherwise) received from Portfolio Companies in respect of the Co-Investment’s investment in such Portfolio Companies (but with respect to non-cash consideration, only to the extent of the net cash proceeds thereof as and when received by Black Dragon or its affiliates); provided that such amounts are, in each case, net of any amount necessary to reimburse Black Dragon and its affiliates for all costs and expenses incurred by them in connection with all consummated or unconsummated transactions or in connection with generating any such fees which have not been previously reimbursed. “Fees” shall not include (i) monitoring fees, (ii) any amount received by Black Dragon and its affiliates from a Portfolio Company as reimbursement for expenses related to such Portfolio Company, including, without limitation, reimbursements in respect of legal work done for such Portfolio Company by the legal department of Black Dragon or its affiliates or (iii) any fees, retainers or

other amounts received by any consultant, advisor, executive or similar person who is not a Black Dragon affiliate.

Brokerage Fees:

Clients will incur brokerage and other transaction costs to the extent applicable to the purchase and sale of securities for a Client. Please see “Item 12: Brokerage Practices” below for more information.

Payment of Fees

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

We and our affiliates are entitled to a performance-based compensation from all clients and investors. The General Partner of a Fund and the General Partner of the Co-Investment are each entitled to receive a portion of the profits of the Client if certain thresholds for Client performance are met. This is typically referred to as “carried interest,” which is a type of performance-based compensation, which is defined and described in more detail in such Fund’s Offering Documents and the Co-Investment Documents, respectively. The carried interest is calculated as 20% of capital gains on a deal by deal basis, subject to return of capital and minimum return thresholds. All or a portion of carried interest may be waived or amended for a particular investor by a General Partner.

The Firm may engage in co-investments or other arrangements which, on a case by case basis, may result in one or more investors having different terms than Black Dragon’s other Clients regarding fees and carried interest.

From time to time, the Management Fees and carried interest are further modified, reduced, waived or rebated, both voluntarily and on a negotiated basis with selected investors via contractual side letter and other arrangements, which will typically not be disclosed to all other investors in the same Fund. Management Fees (and carried interest) may also differ from one Fund to another, in any co-investment vehicle, as well as among investors in the same Fund. In certain cases, the rate of Management Fees (and carried interest) payable by certain investors will be lower than other investors if the size of their investment in a Fund is larger than such others, or if such investor subscribed to a Fund prior to a designated date or for other reasons in the discretion of the Firm.

Performance-based allocation arrangements may create an incentive for us to recommend investments that may be riskier or more speculative than those that we would recommend under a different arrangement. However, Black Dragon will always endeavour to make investment decisions in the best interest of its Clients, without regard for fee types and fee percentages.

Item 7: Types of Clients

Our clients will be the Funds and the Co-Investment, as described in Item 4 above. The Funds and the Co-Investment are generally open to, among others, institutions, pension plans, endowments, and other sophisticated investors who are accredited investors, as discussed above, subject to the corresponding General Partner’s authority to waive any such requirements in its discretion.

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

The descriptions set forth in this Brochure of specific advisory services that we offer to Clients, and investment strategies pursued and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Client's investment objectives and guidelines as set forth in the Fund's Offering Documents or the Co-Investment Documents, as applicable. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

Fund Investment Objective and Strategy

Black Dragon Capital Fund I L.P. intends to invest in established small to mid-market technology companies in areas where Black Dragon has direct operating and investment expertise. The Fund's portfolio will be comprised of technology companies in industries disrupted by the impact of digitization on individuals, groups and enterprises such as retail commerce, financial services, healthcare, and sports and media.

Black Dragon Capital Series 1 intends to invest in financial technology software that focuses on cloud-based banking software.

Black Dragon Capital Series 10 intends to invest in digital commerce for food goods, retailers and similar type verticals.

Black Dragon Capital Series 10A intends to invest in follow on investments for Series 10.

BDC Fund I Coinvest 1, L.P. intends to invest in co-investment opportunities.

Risk of Loss Factors of the Fund and Series

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the clients advised by us. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by us.

An investment involves significant risks, and is suitable only for those persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment, and who have met the conditions set forth in the Fund's governing documents. There can be no assurances that we will achieve our investment objectives. An investment carries with it the inherent risks associated with investments in publicly-traded stocks and bonds, options, and related instruments, including, without limitation, the risks described below. Each prospective investor should carefully review the Fund's governing documents and the documents referred to herein before deciding to invest with Black Dragon.

No Assurance of Investment Return

Each Fund's investment portfolio will consist primarily of investments in privately held entities, and results in a specified period will be difficult to predict. While private equity investments offer the opportunity for capital appreciation, such investments also involve a

high degree of risk. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize a return on such investments successfully. There is no assurance that a Fund will be able to invest its capital with attractive terms or generate returns for its investors. The past investment performance of the Portfolio Manager and the BDC Prior Funds is not necessarily indicative of a Fund's future results. While the General Partners intend for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any rate of return will be achieved.

Past Results are not Indicative of Future Results

There can be no assurance that a Fund will achieve similar results to any of the results presented in its Memorandum, whether on an aggregated portfolio basis or an individual investment-by-investment basis. Although the Portfolio Manager may have achieved favorable returns with some of his previous investments, the performance of past investments (whether or not of the type and scope of the Fund's) cannot be relied upon to predict a Fund's success. There can be no assurance that a Fund will achieve its investment objective. A Fund's lack of an operating history and identified investments increase the risk and uncertainty an Investor faces in making an investment in such Fund. Investors cannot be assured that historic performance of the Portfolio Manager will be repeated with a Fund.

No Assurance of Projected Results

Black Dragon will generally determine the appropriate capital structure for each entity in which a Fund invests based upon financial projections for that company. Projected operating results will normally be based primarily on management judgments. In all cases, projections are only estimates of future results based upon assumptions made at the time the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projection. General economic conditions, which are not predictable, can have a material adverse impact on the accuracy of projections.

No Underwriter

There is no underwriter for this offering. Therefore, investors will not benefit from an underwriter's due diligence efforts, which typically would include involvement in the preparation of disclosures, pricing of the Interests and other due diligence investigations. As the Funds have never engaged in the sale of its Interests, they have no experience in the underwriting of any such offering. Accordingly, there is no prior experience from which prospective investors may judge a Fund's ability to consummate the offering described in each Fund's Memorandum.

Dilution

Investors admitted to a Fund at subsequent closings will participate in the then existing investments of the Fund, thereby diluting the interest of existing Limited Partners in such investments. Although any such new investors will be required to contribute their pro rata share of previously-made capital contributions, there can be no assurance that this contribution will reflect the fair value of a Fund's existing investments at the time of such contributions.

Limited Number of Portfolio Companies

The Funds will invest in a limited number of portfolio companies. Hence, the aggregate return of a Fund may be affected by the performance of a few holdings. To the extent that less capital

is raised than targeted, a Fund may make fewer investments and thus be less diversified. The identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. The Black Dragon has not yet identified any particular investments. The Black Dragon anticipates encountering competition in connection with its selection of investments from other investors, some of which have greater financial and other resources. While the Management Team has experienced a substantial pipeline of suitable investment opportunities in the past on a regular basis in connection with prior investment funds, there can be no assurance that the investments made by a Fund will generate the targeted rate of return on invested capital. Regardless of the timing of a Fund's investments and whether or not a Fund is ever fully invested, for the duration of the Investment Period, the Limited Partners will be required to pay the Management Fee based upon the entire amount of their Commitments. In addition, there can be no assurance that the General Partner and/or Black Dragon will be able to identify a sufficient number of attractive opportunities to meet the investment objectives of a Fund or deploy any amount of the Commitments, or that a Fund will be able to negotiate favorable terms with respect to the acquisition (or disposition) of any target portfolio companies.

Risk of Private Company Investments

The Funds' investment portfolios will consist primarily of investments in privately held entities, and results in a specified period will be difficult to predict. While private company investments offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. Among these risks are the general risks associated with investing in companies at an early or middle-stage of development, companies operating at a loss or with substantial variations in operating results from period to period and companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position. Such companies may face intense competition, including competition from entities with greater financial resources, more extensive development, manufacturing, marketing and service capabilities and a larger number of qualified managerial and technical personnel. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize a return on such investments successfully.

No Guaranteed Distribution

The date that distributions to the Partners will actually commence, or their subsequent timing or amount, cannot be accurately predicted. There is no guarantee that any such distribution will, in fact, be made or, whether they will be made when anticipated. Delays in making distributions could result from the inability of a Fund to make profitable investments or liquidate such investments at a gain once made. In addition, the terms of any Fund borrowings may also limit a Fund's ability to make distributions to Limited Partners. Income from the Funds will be taxable to the Limited Partners whether or not any amounts are actually distributed to them. There can be no assurance that distributions will be regularly made or that such distributions, if made, will exceed the amount of a Limited Partner's investment or the amount of taxes payable by a Limited Partner with respect to its investment in a Fund.

Limited Transferability of Fund Interests

There will be no public market for the Interests, and none is expected to develop. There are substantial restrictions upon the transferability of the Interests under the Fund Agreement and applicable securities laws. In general, withdrawals of the Interests are not permitted. In addition, the Interests are not redeemable.

Illiquidity of Investments; Long Term Investment

An investment in a Fund should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the initial investment. Prior to such time, there often will be no current return on the investments. Furthermore, the expenses of operating a Fund (including the annual management fee payable to the General Partner) may exceed its income, thereby requiring that the difference be paid from the Fund's capital. The Funds are not intended to be short-term investments. Even if the investment strategy of a Fund proves successful, it is unlikely to produce a realized return for the Limited Partners for a number of years.

Restricted Nature of Investment Positions

Generally, there will be no readily available market for a Fund's investments, and hence, most of a Fund's investments will be difficult to value. Disposition of such investments may require a lengthy time period or may result in distributions in kind to Limited Partners.

Restrictions on Transfer and Withdrawal

The Interests in the Funds have not been registered under the Securities Act or any other applicable securities laws. There is no public market for the Interests and none is expected to develop. Additionally, the Interests in the Funds are not transferable except with the consent of the corresponding General Partner, which generally may be withheld by the General Partner at its sole discretion, and are subject to the terms and conditions of the Fund Agreement. Investors generally may not withdraw from the Funds and the Interests are not redeemable. Consequently, investors may not be able to liquidate their investments prior to the end of a Fund's term.

Technology Sector Risk

The Black Dragon Capital Fund I will concentrate its investments in the securities of issuers engaged primarily in technology-related industries. Technology companies are subject to intense competition and their products are at risk of rapid obsolescence, which make the investment returns of these companies particularly volatile. Factors that may significantly affect companies in the technology sector include the failure to obtain, or delays in obtaining, financing or regulatory approvals, product incompatibility, changing consumer preferences, high required corporate capital expenditure for research and development or infrastructure and development of new products.

Undetected errors or other defects in software

Software products are complex. Software typically contains bugs or errors that can unexpectedly interfere with the operation of the software products. The software products of portfolio companies may contain undetected errors or flaws when first introduced or as new versions are released. These undetected errors may result in loss of, or delay in, market acceptance of their products and a corresponding loss of sales or revenues. Customers may depend upon a portfolio company's products for mission-critical applications, and these errors may hurt a portfolio company's reputation with customers. In addition, software product errors or failures could subject a portfolio company to product liability, as well as performance and warranty claims, which could materially adversely affect a portfolio company's business,

financial condition, cash flows and/or results of operation, which would, in turn, reduce the Fund's returns.

Technological improvements

A portfolio company's ability to increase sales may depend in large part on its ability to enhance and improve its products, services and/or applications; introduce new products, services and/or applications, in a timely manner; develop new use cases for its products, services and/or applications; and further penetrate its existing market. The success of any enhancement to new products, services and/or applications depends on several factors, including the timely completion, introduction and market acceptance of enhanced or new products, services and/or applications; the ability to maintain and develop relationships with channel partners and communications carriers; the ability to attract, retain and effectively train sales and marketing personnel; and the effectiveness of the portfolio company's marketing programs. Any new products, services and/or applications that are developed or acquired may not be introduced in a timely or cost-effective manner, and may not achieve the broad market acceptance necessary to generate significant revenue. Any new markets into which a portfolio company attempts to sell its products, services and/or applications, including new vertical markets and new countries or regions, may not be receptive. A portfolio company's ability to further penetrate its existing markets depends on the quality of its products, services and/or applications and its ability to design its products, services and/or applications to meet consumer demand. Any failure to enhance or improve a portfolio company's products, services and/or applications, as well as introduce new products, services and/or applications, may adversely affect its revenue growth and operating results, and, thus, could adversely impact a Fund's returns.

Increasing litigation over intellectual property rights

There has been a substantial amount of litigation in the software industry regarding intellectual property rights. Third parties may assert claims or initiate litigation related to exclusive patent, copyright, trademark or other intellectual property rights to business processes, technologies and related standards that are relevant to a portfolio company and its customers. These assertions may increase over time as a result of the general increase in patent claims assertions, particularly in the United States. Because of the existence of a large number of patents in the e-commerce field (and the other industries that a Fund will invest in), the secrecy of some pending patents and the rapid issuance of new patents, it is not economical or even possible to determine in advance whether a product or any of its components infringes or will infringe on the patent rights of others. Any claim against a portfolio company, with or without merit, could be time-consuming, result in costly litigation, cause product delivery delays, require a portfolio company to enter into royalty or licensing agreements or pay amounts in settlement, or require the portfolio company to develop alternative non-infringing technology.

Software product developers and providers of electronic commerce solutions could increasingly be subject to infringement claims, and third parties may claim that a portfolio company's present and future products infringe upon such third parties' intellectual property rights. Third parties may also claim that use by a portfolio company's customers of a business process method, which utilizes a portfolio company's products in conjunction with other products, infringe on the third-party's intellectual property rights. These third-party claims could lead to indemnification claims against a portfolio company by its customers. Claims against a portfolio company's customers related to the portfolio company's products, whether

or not meritorious, could harm the portfolio company's reputation and reduce demand for its products, which would adversely affect a Fund. Where indemnification claims are made by customers, resistance even to unmeritorious claims could damage the customer relationship with the portfolio company. A successful claim by a third-party of intellectual property infringement by a portfolio company or one of its customers could compel the portfolio company to enter into costly royalty or license agreements, pay significant damages, or stop selling certain products and incur additional costs to develop alternative non-infringing technology. Royalty or licensing agreements, if required, may not be available on terms acceptable to portfolio company or at all, which could adversely affect its business, and thus, a Fund.

Equipment failure

A portfolio company's success may be dependent on its ability to protect its computer equipment and the information stored in their databases (and the computer equipment and database information of certain suppliers and other third parties) from damage by, among other things, earthquake, fire, natural disaster, cyber-attacks, power loss, telecommunications failures, unauthorized intrusions, malicious or unintended insider actions that cause loss of data or loss of systems, including phishing schemes, and other events. Despite any contingency planning, events of this nature may still result in system failures and other interruptions in a portfolio company's operations, which could have a material adverse effect on its business, financial condition or results of operations.

Services provided by portfolio companies, including software-as-a-service or cloud offerings, may require a portfolio company to deploy or operate solutions for its customers, directly or through the use of third-party services providers, either on-premises at customer-selected data center facilities, or at third-party-hosted data center facilities selected by the portfolio company. With respect to these cloud and software-as-a-service offerings, the portfolio company and such service providers have increased roles, responsibilities and risk exposures regarding some or all aspects of the data controls and security with respect to any confidential, private or otherwise sensitive information stored or processed through these solutions on a portfolio company's systems or those of selected third-party providers. If unauthorized access to or use of such information or systems occurs, despite data security measures and third-party commitments to protect them, a portfolio company's results of operation, reputation, and relationships with its customers, and thus a Fund's performance, could be adversely impacted.

Commitments

There is no minimum aggregate Commitments required to hold the initial closing and, thereafter, there is no assurance that a Fund will have a subsequent closing; to the extent it holds subsequent closings, there is no assurance that a Fund will be able to raise the targeted amount of Commitments. A Fund may not be able to raise sufficient additional Commitments to effectively execute on its portfolio strategy. If a Fund is not able to raise its targeted amount of Commitments, the Fund may make fewer investments and thus be less diversified. In addition, subject to the diversification restrictions described herein, to the extent a Fund makes fewer investments, the likelihood of its profitability being affected by the performance of any one of its investments will increase, and an investment in the Interests will be subject to greater risk. Furthermore, to the extent a Fund is not able to raise its targeted amount of Commitments, its expenses may increase in proportion to its assets, which may result in diminished returns with respect to the Interests.

Leverage

The Funds may make use of leverage by incurring debt directly, and there is no limit to the amount of leverage that the Funds may utilize as part of its investment strategy. Portfolio companies may also incur debt to finance growth. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The use of leverage will also result in interest expenses and other costs to a Fund or a portfolio company that may not be covered by distributions made to the Fund or by appreciation of its investments in a portfolio company. A Fund may incur leverage on a joint and several basis with one or more other investment funds and entities managed by Black Dragon or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts may be secured by capital commitments made by the Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of the Fund.

Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to finance future operations and capital needs. The amount of such borrowings or other leverage will be in the General Partner's sole discretion. The use of leverage involves a high degree of financial risk. The failure by a Fund or a portfolio company to obtain indebtedness on favorable terms (or at all) could adversely affect the returns of the Fund. In addition, the securities in which a Fund will invest may be among the most junior in any portfolio company's capital structure and thus subject to the greatest risk of loss.

The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of a Fund. Furthermore, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

The extent to which a Fund or a portfolio company uses leverage may have important consequences to investors, including, but not limited to, the following: (i) greater fluctuations in net assets, (ii) use of cash flow (including capital contributions) for debt service and related costs and expenses, rather than for additional investments, distributions, or other purposes, (iii) to the extent that revenues are required to meet principal payments, investors may be allocated income (and therefore incur tax liability) in excess of cash available for distribution, (iv) in certain circumstances it may be necessary to prematurely harvest investments to service its debt obligations, (v) limitations on flexibility to make distributions to investors or sell assets that are pledged to secure the indebtedness and (vi) increased interest expense if interest rate levels were to increase significantly. There can also be no assurance that a Fund or a portfolio company will have sufficient cash flow to meet its debt service obligations. As a result, a Fund's exposure to losses may be increased due to the illiquidity of its investments generally.

Prior or current funds of Black Dragon Capital Group, LLC have utilized leverage in connection with such funds' prior investment activities. However, there can be no assurance that a Fund or its portfolio companies will be able to obtain indebtedness on terms available to any predecessor or affiliated fund (or its portfolio companies) or to competitors, including terms that may be currently available in the market, or that indebtedness will be accessible by the Fund or a portfolio company at any time, and to the extent that it is available there can be no

assurance that such indebtedness will be on favorable terms, including with respect to interest rates, or that such indebtedness will remain available throughout the term of an investment.

Reliance on the General Partner, Black Dragon and the Portfolio Company Management

Control over the operation of a Fund will be vested entirely with its General Partner and Black Dragon, and the Fund's future profitability will depend largely upon the business and investment acumen of Black Dragon. The loss of service of any of the members of the Management Team could have an adverse impact on a Fund's ability to realize its investment objectives. Limited Partners generally have no right or power to take part in the management of a Fund, and as a result, the investment performance of a Fund will depend entirely on the actions of its General Partner and Black Dragon. Although each General Partner and Black Dragon will actively monitor the performance of each Fund investment, and a Fund will seek to have members of the Management Team participate on the board of most of the Funds' portfolio companies, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis.

Absence of Recourse, Exculpation and Indemnification

Each Fund's Fund Agreement limits the circumstances under which its General Partner and its affiliates will be held liable to a Fund. As a result, Limited Partners may have a more limited right of action in certain cases than they would have in the absence of such provision. Additionally, a Fund will be required to indemnify its General Partner, Black Dragon and their respective partners, principals, members, managers, employees and affiliates for liabilities incurred in connection with the affairs of the Fund. Members of the Advisory Board will also be entitled to the benefit of certain indemnification and exculpation provisions as set forth in the Fund Agreement. Such liabilities may be material and have an adverse effect on the returns to the Investors. The indemnification obligation of a Fund would be payable from the assets of the Fund, including the unpaid Commitments of the Investors. Additionally, if the assets of a Fund are insufficient, its General Partner may recall distributions previously made to the Limited Partners, subject to certain limitations set forth in the Fund Agreement.

Service on Boards of Directors or as Officers

One or more of the members of the Management Team may serve as directors or officers of certain of a Fund's portfolio companies. Such service could expose such Fund and its General Partner and its partners and affiliates to claims by a portfolio company, its security holders and its creditors as well as various potential governmental or regulatory claims. While the corresponding General Partner intends to manage each Fund in a manner that will minimize exposure to these risks, the possibility of successful claims cannot be eliminated and such events, if they occur, could lead to potential liability for a Fund and therefore could have an adverse effect on the Fund. Not all portfolio companies may obtain insurance with respect to potential director or officer liabilities, and the insurance that portfolio companies do obtain may be insufficient to adequately protect directors or officers from such liabilities.

No Protection Under the Investment Company Act

In reliance upon a statutory exclusion for privately offered securities by certain entities that would otherwise be deemed to be "investment companies," the Funds have not registered and do not intend to register as investment companies under the Investment Company Act, and have no intention of doing so. Among other things, the Investment Company Act generally requires investment companies to have a minimum of 40% independent directors, regulates the relationship between the investment adviser and the investment company and provides other substantive limitations on an investment company's portfolio. Such

protections, and others afforded by the Investment Company Act, will not be applicable to the Funds and the Limited Partners.

Pension Liability Risks

In a prior case decided by the United States Court of Appeals for the First Circuit, the Court determined that a private equity fund could be jointly and severally liable for pension and other employment related liabilities incurred by its portfolio companies. As a result, if a Fund and its portfolio companies are treated as part of the same controlled group, the Fund could be jointly and severally liable for its portfolio companies' obligations incurred in maintaining, contributing to, or participating in, employee benefit plan arrangements, including, but not limited to, the portfolio company's payment obligations for failing to meet pension plan funding requirements, termination of underfunded pension plans or withdrawal liability that could arise if the portfolio company withdraws from multiemployer pension plans. Furthermore, it is possible, that a court could aggregate other funds managed by Black Dragon or its affiliates with the Funds in determining whether a portfolio company is part of a controlled group with the Funds.

Recourse to the Fund's Assets

A Fund's assets, including any investments made by the Fund and any funds held by the Fund, are available to satisfy all liabilities and other obligations of the Fund. If a Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and not be limited to any particular asset, such as the asset representing the investment giving rise to the liability.

Impact of State and Federal Securities Laws

This offering has not been registered under the Securities Act in reliance upon Rule 506 of Regulation D promulgated by the SEC under §4(a)(2) of the Securities Act; and reliance will also be made on available exemptions from securities registration under the "blue sky" laws of states in which the Interests are offered and sold. There is no assurance that the offering presently qualifies or will continue to qualify under exemptive provisions. If suits for rescission are brought under the Securities Act and/or other applicable laws and successfully concluded for failure to register this offering (or other of a Fund's offerings, including concurrent offerings of Parallel Investment Entities or the like), or for acts or omissions constituting offenses under the Securities Act, the Exchange Act, or applicable state securities laws, both the capital and assets of such Fund and the Fund itself could be adversely affected, thus jeopardizing the ability of the Fund to operate successfully. Further, the time and capital of a Fund's personnel, including the Management Team, needed to defend an action by investigators of the SEC or state securities agencies of a particular state, even where the Fund is ultimately exonerated, could jeopardize the ability of the Fund to operate successfully.

Risks upon Disposition of Investments

The success of a Fund's exit strategies will depend upon favorable market conditions at the time of the desired exit. There can be no guarantee that such conditions will exist during the term of such Fund. In connection with the disposition of an investment, a Fund may be required to make representations about the investment typical of those made in connection with the sale of any investment. A Fund may also be required to compensate the purchasers of such investment to the extent that any such representations turn out to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by such Fund or its Partners.

Risk of Bridge Financing

If a Fund makes an investment with the intent of subsequently financing a portion of that investment, there is a risk that the Fund will be unable to successfully complete such a financing. This could lead to a Fund having a larger amount of capital invested in an investment than anticipated as well as reduced diversification.

Need for Follow-On Investments

Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company. There is no assurance that such Fund will make follow-on investments or that the Fund will have sufficient funds to make all or any of such investments. Any follow-on investment may reduce a Fund's diversification. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment or may result in a lost opportunity for the Fund to increase its participation in a successful operation.

Litigation Risks

A Fund and its portfolio companies may be subject to a variety of litigation risks, particularly in consequence of the likelihood that one or more portfolio companies will face financial or other difficulties during the term of the Fund's investment. For example, it is anticipated that representatives of a Fund (or affiliates of Black Dragon) will actively assist portfolio companies in differing capacities (including, without limitation, by serving as officers, directors and advisors). A Fund may also participate in portfolio company financings at implicit portfolio company valuations lower than the valuations implicit in preceding rounds of financing. In the event of a dispute arising from any of the foregoing activities (or other activities relating to the operation of a Fund, its General Partner or Black Dragon), it is possible that a Fund, its General Partner, Black Dragon or their respective representatives may be named as defendants. Under most circumstances, such Fund will indemnify its General Partner, Black Dragon and their respective affiliates and employees for any costs they may incur in connection with such disputes.

Non-U.S. Investments

A Fund may invest in portfolio companies located outside of the United States. Such investments may be subject to certain additional risk due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of such Fund), the application of complex United States and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on such Fund and/or the Limited Partners with respect to the Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or the Limited Partners.

Certain of a Fund's investments may be made in currencies other than U.S. dollars. The value of an investment may fall substantially as a result of fluctuations in the currency of the country in which the investment is made as against the value of the U.S. dollar. A General Partner may (but is not obligated to) endeavor to manage currency exposures, using appropriate hedging techniques where available and appropriate. A Fund may incur costs related to currency hedging arrangements. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis.

Additional risks include: (i) risks of economic dislocations in the host country, (ii) less publicly available information, (iii) less well-developed regulatory institutions, (iv) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction, and (v) risk of war and or other instabilities. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to United States' companies.

Use of Alternative Investment Vehicles

To the extent necessary to address legal, tax or regulatory considerations, a General Partner or its affiliates has the authority to structure, and to cause Limited Partners to participate in, particular investments through Alternative Investment Vehicles other than the Funds. While the economic and other substantive provisions governing any Alternative Investment Vehicle are intended to be the same as those of the corresponding Fund, the rights of the Limited Partners as investors in, and the obligations and duties of the General Partner, Black Dragon or their respective affiliates as general partner or manager of, the Alternative Investment Vehicle may differ from those applicable to the corresponding Fund by virtue of the specific terms, jurisdiction of, or establishment of the Alternative Investment Vehicle. In addition, the structural attributes of certain Alternative Investment Vehicles may result in divergent return characteristics for certain Limited Partners.

Significant Adverse Consequences for Default; Risk of Default by Other Investors

The Fund Agreement provides for significant adverse consequences in the event a Limited Partner defaults on its Commitment or other payment obligations. If a Limited Partner fails to pay any portion of its Commitment to a Fund when required, such Limited Partner's Interest may be reduced or sold at a price below cost or fair market value and the Limited Partner may be precluded from further investment in the Fund. Additionally, a General Partner may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount, including attorneys' fees, to be paid by the defaulting Partner. The General Partner will be granted additional powers to deal with defaulting Partners in the Fund Agreement. Also, such Limited Partner may be required to indemnify such Fund and the other investors against the consequences of the Limited Partner's default.

Additionally, if a Limited Partner defaults on its obligation to make required capital contributions, it may be difficult for a Fund to make up the shortfall from other sources. Limited Partners may be required to make additional contributions to replace such shortfall, but in no event, shall any such additional capital contributions by a Limited Partner exceed, in the aggregate, that Limited Partner's Commitment to a Fund. Any default by one or more Limited Partners could have a deleterious effect on a Fund, its assets and the interests of the other Limited Partners. For example, a default could impair a Fund's ability to conclude a transaction, fund a value-enhancement program or meet a financial or other contractual obligation and may, in some circumstances, result in a Fund incurring damages to third-parties.

Income Tax Risks

An investment in a Fund entails significant tax risks, including: (i) the possibility that certain deductions claimed by such Fund may be disallowed and that any audit of the Fund's tax return may result in an audit of any Limited Partner's tax return; (ii) the possibility that such Fund may have taxable income allocable to Limited Partners in an amount greater than the cash available for distribution; and (iii) the possibility that future legislative, administrative or judicial interpretations of current law or future legislation will change the tax treatment of

investors described herein. Each investor should consult its own tax advisor prior to its investment in a Fund.

If a Fund has taxable income in a fiscal year, each Limited Partner will be taxed on that income in accordance with its allocable share of the Fund's profits, whether or not such profits have been distributed. Accordingly, an investor may incur tax liability with respect to activities of a Fund without receiving sufficient distributions from the Fund (if any) to defray such tax liabilities. In order to satisfy its tax liability in such a case, a Limited Partner would need sufficient funds from sources other than such Fund. Furthermore, a Fund may make investments with respect to which the Fund recognizes income for U.S. federal income tax purposes prior to receiving the cash or realizing the income as an economic matter. In addition, a Fund may recognize income for U.S. federal income tax purposes that does not reflect income as an economic matter. Such recognition of income prior to receipt of an economic benefit, if any, may result in increased tax liability for the Limited Partners.

A Fund may not be able to provide final Schedule K-1s to Limited Partners for any given fiscal year until after April 15 of the following year. Limited Partners may be required to obtain extensions of the filing dates for their federal, state, and local income tax returns. Each prospective investor should consult with its own advisor as to the advisability and tax consequences of an investment in the Fund.

Non-U.S. Investors

Prospective investors that are non-U.S. persons that invest directly in a Fund generally will be subject to U.S. federal income tax each year on their distributive share of the taxable income of the Fund that is deemed to be "effectively connected" with a U.S. trade or business ("ECI") as if they were U.S. citizens or residents, and, to the extent that the non-U.S. Limited Partner is a corporation for U.S. federal income tax purposes, may also be subject to U.S. branch profits taxes. A Fund may generate material amounts of ECI, which includes operating income from any portfolio investment that is treated as a partnership for U.S. federal income tax purposes and gain from sale of equity interests in, or the assets of, such a portfolio investment. A non-U.S. Limited Partner generally will be required to file a U.S. federal income tax return with respect to the non-U.S. Limited Partner's share of a Fund's effectively connected income. A Fund will be required to withhold U.S. federal income tax with respect to the non-U.S. Limited Partner's share of the Fund's income that is effectively connected income. Further, a non-U.S. Limited Partner will generally be subject to U.S. federal withholding taxes at the rate of 30% (or such lower rate provided by an applicable tax treaty) on its share of a Fund's income from dividends, interest (other than interest that constitutes "portfolio interest" within the meaning of the Code), and certain other income that is not treated as effectively connected with a U.S. trade or business. **Non-U.S. investors are urged to consult their own tax advisors prior to an investment in a Fund.**

Investors in Parallel Investment Entities

Under the terms of the Fund Agreement, a General Partner will be authorized to create one or more funds that invest in parallel with a Fund. Investors in such funds are cautioned that the limited partnership agreement or other similar governing document of such parallel funds may contain terms and conditions that deviate significantly from those described in such Fund's Memorandum or in the Fund Agreement.

Side Agreements Not Available to All Investors

In accordance with common industry practice, a General Partner may enter into one or more "side letters" or similar agreements with certain Limited Partners pursuant to which the

General Partner grants to such Limited Partners specific rights, benefits or privileges that are not made available to Limited Partners generally, including, without limitation, relating to economic terms contained in the Fund Agreement. Such agreements will be disclosed only to those actual or potential Limited Partners that specifically have the right to review such agreements. Except to the extent permitted by the Fund Agreement, a General Partner will have no authority to enter into side letters or similar agreements that are materially detrimental to a Fund.

Limited Partners May Incur UBTI

A Fund's investments may generate UBTI for tax-exempt Limited Partners, perhaps in material amounts. Investment in a Fund made by a Limited Partner through an individual retirement account (IRA) will be subject to income tax on the amount of UBTI attributable to such investment. In order to maximize pre-tax returns, a General Partner may take actions that result in tax-exempt Limited Partners recognizing more UBTI than might otherwise have been the case. For example, the nature of the assets selected for acquisition and the type and the extent of any financing used to acquire such assets will affect the amount of UBTI realized by tax-exempt Limited Partners. Each prospective Limited Partner should consult with its own tax advisor regarding the federal, state, local and non-U.S. tax considerations applicable to an investment in a Fund. See Section V – Legal and Tax Matters. U.S. tax-exempt investors should consider investing through the Offshore Fund.

Prevention of Money Laundering

The USA PATRIOT Act, signed into law on and effective as of October 26, 2001, requires that financial institutions establish and maintain compliance programs to guard against money laundering activities. The USA PATRIOT Act requires the Secretary of the U.S. Treasury to prescribe regulations in connection with anti-money laundering policies of financial institutions. It is possible that legislation or regulations could be promulgated that would require a General Partner or other service providers to a Fund, in connection with the establishment of anti-money laundering procedures, to share information with governmental authorities with respect to Limited Partners. In this regard, on August 24, 2015, the U.S. Treasury published for comment the RIA AML Rules that, if adopted into final regulations, would require any person who is registered or required to register with the SEC under Section 203 of the Advisers Act, such as Black Dragon, to adopt an anti-money laundering program, file currency transaction reports with the U.S. Treasury, file suspicious activity reports with the U.S. Treasury, share anti-money laundering related information with federal law enforcement agencies upon requires, and comply with related recordkeeping obligations. The General Partner reserves the right to request such information as is necessary to verify the identity of a Limited Partner and the source of the payment of subscription monies, or as is necessary to comply with any customer identification programs required by FinCEN and/or the SEC. In the event of delay or failure by the applicant to produce any information required for verification purposes, the subscription monies relating thereto may be refused.

Changes in Business Environment

Each Fund's investment program is intended to extend over a period of years, during which the business, economic, political, regulatory, and technology environment within which the Funds operate may undergo substantial changes, some of which may be adverse to the Funds. Furthermore, in recent years, significant economic, regulatory, and political changes have had a significant impact on the market as a whole. The General Partner will have the exclusive right and authority (within limitations set forth in the Fund Agreement) to determine the manner in which a Fund shall respond to such changes, and Limited Partners generally will

have no right to withdraw from such Fund or to demand specific modifications to such Fund's operations in consequence thereof. Prospective investors are particularly cautioned that the investment sourcing, selection, management and liquidation strategies and procedures exercised by members of the General Partner in the past may not be successful, or even practicable, during a Fund's term. Within the limitations set forth in the Fund Agreement, the General Partner will have the right and authority to cause a Fund's investment sourcing, selection, management and liquidation strategies and procedures to deviate from those described in this Memorandum.

Developments Concerning Financial Markets

Difficult market conditions and economic trends have adversely affected the financial services industry and the securities markets, which were materially and adversely affected by significant declines in the values of nearly all asset classes and by a pronounced lack of liquidity. These trends caused the global markets to have increased volatility and had a negative impact on investor confidence in both financial institutions as well as a number of other industries and in the broader financial markets. Furthermore, general downward economic trends, reduced availability of commercial credit and increased unemployment have negatively impacted the performance of commercial and consumer credit. Although concerns over the stability of the financial markets and the global economy have diminished over the last few years, the market has not yet fully stabilized and governments throughout the world, including the United States, continue to carry a significant amount of debt, partially, as a result of the 2008 financial crisis. Therefore, there can be no certainty that another financial crisis, like the one that occurred in 2008, will not occur in the future. If such a crisis were to occur, the resulting economic pressure on consumers and businesses and the lack of confidence in the financial markets may adversely affect the business, financial condition, and operating results of a Fund.

More generally, the risks arising from the current financial market and economic conditions are applicable to all of the investments that a Fund may make. Disruptions in the financial markets and deteriorating economic conditions may also impact the market for a Fund's investments and the volatility of its investments. The returns available to investors in a Fund's targeted investments are determined, in part, by: (i) the supply and demand for such investments and (ii) the existence of a market for such investments, which includes the ability to sell or finance such investments. During periods of volatility, the number of investors participating in the market may change at an accelerated pace. As liquidity or "demand" increases the returns available to investors will increase. Conversely, a lack of liquidity will cause the returns available to investors to decrease.

A Fund may use leverage to acquire portfolio companies. If a Fund is not being able to obtain debt financing on attractive terms, its General Partner may be forced to use a greater proportion of the Fund's offering proceeds to finance acquisitions and originations, reducing the number of investments the Fund would otherwise make. In addition, if a Fund does use leverage to acquire portfolio companies and the value of the Fund's investments decline, the Fund could be forced to dispose of portfolio companies at inopportune times to repay debt or use capital commitments to repay debt.

All of the factors described above could adversely impact the General Partner's ability to implement a Fund's business strategy and make distributions to investors and could decrease the value of an investment in the Fund.

Economic and Political Conditions

The current global economic and political climate is one of uncertainty. The Funds anticipate the potential for increased regulation of the financial markets, compliance with which may increase costs and limit a Fund's ability to pursue business and investment opportunities. Any further material change in the economic environment (See "Developments Concerning Financial Markets" above), including a slow-down in economic growth, potential trade wars, and/or changes in interest rates or non-U.S. exchange rates, could have a negative impact on the performance and/or valuation of a Fund's investments in portfolio companies. A Fund's performance can be affected by deterioration in public markets and by market events, such as the onset of the credit crisis, which can impact the public market comparable or other valuation metrics used to value the Fund's investments in portfolio companies. Movements in non-U.S. exchange rates may or may not adversely affect the value of investments in portfolio companies and a Fund's performance. The rate of future investment by private investment funds has slowed and may continue to slow as the pricing of new transactions adjusts to reflect the current economic uncertainty and the lack of credit in the markets. Holding periods are also likely to be longer as the rate of realizations slows in light of the deterioration in market conditions for investment realizations. The impact of the credit crisis may also affect a Fund's ability to raise funding to support its investment objective and also the level of profitability achieved on realizations of investments.

Changes in Law; Regulation of Private Investment Funds

In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") was signed into law. Dodd-Frank created a number of new regulatory, supervisory and advisory bodies and affects the regulation of virtually every aspect of the U.S. financial markets. Dodd-Frank mandated the preparation of studies of a wide range of issues that led to, and could lead to additional, regulatory change. New legislation may be enacted into law or interpretations, rulings or regulations could be adopted, any of which could impact the Funds, the General Partners, Black Dragon, or their affiliates or Fund investors, potentially with retroactive effect. Dodd-Frank could adversely affect the Funds by increasing transaction and/or regulatory compliance costs. In addition, greater regulatory scrutiny may increase the Funds' and General Partners' exposure to potential liabilities. Dodd-Frank creates a new framework for, amongst other things, over-the-counter derivatives markets which could impact various activities of the Funds. The impact of Dodd-Frank and other regulatory initiatives could adversely affect the Funds, the General Partners, Black Dragon, their affiliates, or Fund investors in substantial and unforeseen ways. As of the date of this filing, the previous Republican administration and Congress have proposed various measures to rescind or reverse parts of Dodd-Frank, although the passage of any such measure is uncertain.

Government measures to regulate the financial industry and in particular private investment funds, including, but not limited to, Dodd-Frank, in combination or in the aggregate have increased and will likely continue to increase compliance costs, force change of business practices, impose significant unforeseen costs, limit the products that private investment funds can offer, limit the ability to pursue opportunities in an efficient manner, require an increase in regulatory capital, affect the value of the assets that private investment funds hold, reduce revenues and generally adversely affect the business, financial condition and results of private investment funds, their managers, their counterparties and the companies in which they invest.

Cybersecurity Risk.

With the increased use of technologies such as the Internet to conduct business, Black Dragon, the General Partners, the Funds and their portfolio companies are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

Cyber incidents affecting Black Dragon, General Partners, the Funds or their service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses or interference with the ability to transact business, prepare reports or financial statements, and protect confidential information under applicable privacy and other laws. This could expose Black Dragon, General Partners or the Funds to regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting the Funds’ portfolio companies. A cyber event could cause a drop in the value of the portfolio company and, in extreme cases, cause a Company to cease doing business.

Cyber events can affect vendors and other parties with which Black Dragon, General Partners or the Funds engages in transactions, governmental and other regulatory authorities, banks, brokers, dealers, insurance companies and other financial institutions, and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. Black Dragon and the General Partners maintain a computer security incident response plan managed by the Chief Financial Officer. This plan seeks to provide an immediate, effective and informed response to any event involving Black Dragon’s information systems, networks or workplace. This plan is part of the broader business continuity plan maintained by Black Dragon. Notwithstanding Black Dragon’s measures to prevent and address cyber incidents, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Furthermore, Black Dragon may be able to influence, but cannot control, the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect the Funds.

In addition, the Funds’ portfolio companies may also be subject to security breaches and computer viruses. A portfolio company may electronically receive, process, store, and transmit sensitive business information of its customers. Unauthorized access to a portfolio company’s computer systems or databases could result in the theft or publication of confidential information or the deletion or modification of records or could otherwise cause interruptions in their operations or expose them to liability. If a portfolio company is unable to prevent security breaches or computer viruses, their existing customers may lose confidence in their systems and terminate any agreements with them, and could inhibit their ability to attract new customers, and thus negatively affect a Fund’s returns.

Item 9: Disciplinary Information

1. On September 3, 2024, Black Dragon Capital, LLC, Black Dragon Capital Investment Management (collectively, “Black Dragon Capital”), and Mr. Hernandez reached a settlement agreement with the staff of the Division of Enforcement of the SEC. The SEC’s complaint alleges that from at least December 2021 to March 2024, Black Dragon Capital and Mr.

Hernandez improperly failed to register as investment advisers with the SEC. The complaint further alleges that Black Dragon Capital and Mr. Hernandez violated the SEC's Marketing Rule through their use of certain performance data on their website, provided misleading performance information in Black Dragon Capital's marketing materials, and failed to maintain certain books and records, among other violations.

The SEC's complaint, filed in U.S. District Court for the Southern District of Florida, charges Black Dragon Capital and Mr. Hernandez with violating Section 203(a), 204, and 206(4) of the Advisers Act and Rules 204(b)-1(a), 206(4)-1(a)(6), and 206(4)-8, thereunder. The complaint also alleges Black Dragon Capital violated Sections 204(a), 204A, and 206(4) of the Advisers Act and Rules 204-2(a)(16), 204A-1, and 206(4)-7, thereunder, and that Black Dragon Capital and Mr. Hernandez violated Section 206(4) of the Advisers Act and Rule 206(4)-8, thereunder.

Black Dragon Capital and Mr. Hernandez have consented, without admitting or denying the SEC's allegations and subject to court approval, to be permanently enjoined from violating the charged provisions of the federal securities laws and have agreed to pay civil penalties. Black Dragon Capital and Mr. Hernandez take the allegations in the complaint very seriously, and have already taken concrete steps to remediate any mistakes that have been made.

2. Separately, but based on the same facts and circumstances as detailed above, on September 25, 2024, a final judgment was entered by consent against Black Dragon Capital, permanently enjoining them from future violations of Section 203(a) of the Advisers Act, Section 204 of the Advisers Act and Rules 204(b)-1(a) and 204-2(a)(16) thereunder, Section 204A of the Advisers Act and Rule 204A-1 thereunder, and Section 206(4) of the Advisers Act and Rules 206(4)-1(a)(6), 206(4)-7, and 206(4)-8 thereunder.

The SEC's complaint alleged that Black Dragon Capital failed to register as investment advisers until April 2024, failed to file a report on the SEC's Form PF, violated the SEC's marketing rule through their use of certain performance data on their website, and included an unsupported performance figure on their website. The SEC's complaint further alleged that Black Dragon Capital Investment Management included misleading performance data in marketing materials. The SEC's complaint also alleged that Black Dragon Capital failed to maintain certain books and records regarding performance data. Finally, the SEC's complaint alleged Black Dragon Capital failed to enforce their code of ethics, and violated the SEC's compliance rule by failing to enforce their compliance policies and procedures, and failing to conduct and document, in writing, an annual compliance review.

Black Dragon Capital have consented, without admitting or denying the SEC's allegations, to the entry of the Order Instituting Administrative Proceedings pursuant to Section 203(e) of the Investment Advisers Act of 1940. Black Dragon Capital takes the allegations very seriously, and have already taken concrete steps to remediate any mistakes that have been made.

Item 10: Other Financial Industry Activities and Affiliations

Neither Black Dragon nor its management persons has, holds, or has an application pending, or has any relationship material to the Firm's advisory business, required to be disclosed under this Item.

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

Code of Ethics

Black Dragon has adopted a “**Code of Ethics**” that establishes the high standard of conduct that we expect of our employees and procedures regarding our employees’ personal trading of securities. Our employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and annually thereafter. Employees also are required to provide quarterly certifications of compliance with certain Code of Ethics provisions.

The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Employees must at all times place the interests of the Funds and Investors first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics’ Employee Personal Investment Policy (described below); and
- Employees should not take inappropriate advantage of their position at the Firm.

Employees may maintain personal brokerage accounts for the purpose of trading “**Reportable Securities**” (as defined in the Code of Ethics, and which includes a wide variety of investments such as stocks, bonds, fixed income, options, warrants, futures, and derivatives). Employees may trade in ETFs freely and all other Reportable Securities freely, with certain securities subject to pre-clearance by the CCO. Employees are also prohibited from personally, or on behalf of a Client, purchasing or selling securities that appear on the Firm’s Restricted List.

Employees must obtain pre-approval from the CCO before: (i) engaging in any outside business activities; or (ii) making any private investments.

We will provide a copy of our Code of Ethics to our Investors, or any prospective investor, upon request, to be viewed on the premises.

Client Transactions

Any partner, officer, director (or other person occupying a similar status or performing similar functions), or employee of Black Dragon (each a “**Supervised Person**”) must consult with the CCO regarding appropriate procedural, disclosure, and consent requirements if a principal transaction (i.e. a transaction in which Black Dragon, acting for its own account, buys a security from, or sells a security to, a client) is contemplated, and obtain final written approval from the CCO (in consultation the managing member) before consummating the principal transaction. The CCO will maintain documentation of any principal transactions and approval thereof.

Transactions between two clients where Black Dragon has investment discretion for both clients (“**Discretionary Cross Trading**”) is permitted only if Black Dragon believes it is in the best interest of both clients, adequate disclosure is provided in each client’s governing documents or disclosure documents, the clients involved receive best execution, and no brokerage commission or mark-up/mark down is charged.

Supervised Persons may not, without prior authorization of the managing member, cause any client to: (i) purchase from or sell any securities to Black Dragon or its affiliates or any other client; (ii) purchase securities issued by another client; or (iii) invest the assets of one Black Dragon client in another Black Dragon client. The managing member will seek outside legal

counsel when necessary and maintain documentation of any principal transactions and the approval thereof. The above does not apply to rebalancing of any parallel funds in accordance with a fund's governing documents.

Personal Trading

It is the responsibility of each Supervised Person to ensure that a particular securities transaction being considered for his or her personal account is not subject to a restriction contained in the Code of Ethics or otherwise prohibited by any applicable law. Personal securities transactions may be effected only in accordance with the provisions of the Code of Ethics.

No Supervised Person or related person thereof may acquire any security in an Initial Public Offering ("IPO") without the prior approval of the CCO, or in the absence of the CCO, the managing member. A request for approval of participation in an IPO should generally be submitted at least one week in advance of the proposed date of investment. Preclearance does not preclude subsequent reporting of transactions.

Securities issued in private placements (including investments in limited partnerships such as buyout, venture capital, oil and gas, real estate, and hedge funds or funds of funds) may only be acquired by a Supervised Person or related person thereof with the advance written approval of the CCO. If approved, such investments will be subject to continuous monitoring for possible future conflict. A request for approval of a private placement or limited offering should generally be submitted at least one week in advance of the proposed date of investment. A Supervised Person need not pre-clear any private placement investments in which such Supervised Person's only "beneficial ownership" is through the general partner of a fund sponsored by Black Dragon or its affiliates. Certain limited partnership investments may not be securities, such as a partnership created to invest in a building. Supervised Persons are urged to consult the CCO with any questions about limited offerings. Preclearance does not preclude subsequent reporting of transactions.

Black Dragon may from time to time establish a restricted security list that includes certain securities where Black Dragon has, or may receive, material non-public information about such companies because of a special relationship between Black Dragon or a Supervised Person and such companies or otherwise. No Supervised Persons or related person thereof can trade or invest in any securities listed on the restricted security list without the prior consent of the CCO. This restriction covers all instruments of the issuer, including equity, debt, and derivative instruments.

If any Supervised Person or related person thereof already holds a security that is on the restricted security list and has not received consent from the CCO, such Supervised Person or related person must continue to hold and may not execute any buy or sell orders for the relevant security until such security is removed from the restricted security list. This requirement covers all instruments of the issuer. All Supervised Persons are responsible for knowing the contents of the restricted security list prior to effecting or soliciting a transaction in a security. Any Supervised Person with access to the restricted security list is prohibited from disclosing the securities listed on the restricted security list to third parties (except related persons to facilitate their compliance with this policy) without the authorization of the CCO.

The CCO will determine whether a security should be placed on the restricted security list and maintain and update the restricted security list as necessary. The CCO will periodically monitor transactions by Supervised Persons and their respective related persons that are reported to the CCO pursuant to the Code to ascertain any pattern of conduct which may violate the restriction requirements or evidence front-running, scalping, or other inappropriate behavior.

Allocation of Investment Opportunities

Black Dragon generally may allocate investment opportunities among multiple clients that are actively seeking investments to the extent that prospective investment opportunities meet the respective clients' investment guidelines, and Black Dragon seeks to remove or mitigate all conflicts of interest associated with allocation practices.

It is Black Dragon's policy that all investment opportunities shall, to the extent practicable, be allocated among its clients on a basis that, over a period of time, is fair and equitable to each client relative to other clients, taking into account all relevant facts and circumstances, including without limitation: (i) the investment objectives, strategies, guidelines and restrictions of each client, (ii) the relevant allocation of investment opportunity provisions in a client's governing documents, (iii) differences with respect to available capital (e.g., current or anticipated capital available for investment, including anticipated follow-on investments, if applicable), size, and remaining life of the fund; (iv) potential conflicts of interest, including whether a client has an existing investment in the opportunity in question; (v) the nature of the investment opportunity, including the size, minimum investment amounts and source of the opportunity; (vi) current and anticipated market conditions; (vii) portfolio diversification; (viii) the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals for a particular client; (ix) tax, legal or regulatory considerations; or (x) any other factors Black Dragon believes to be relevant in making an allocation decision. Clients that have a strategy that focus on a specific region (or sector) may be given a priority with respect to invest opportunities with respect to such region (or sector).

Follow-On Investment Opportunities

A follow-on investment opportunity in an existing portfolio company shall first be considered as an opportunity for the client that has an existing investment in that company. If more than one client has an existing investment in the company, the follow-on opportunity will first be considered as an opportunity for those clients, in proportion to their pre-existing investments in the company (based on the relative equity carrying values of their existing investments). If Black Dragon determines that a non-pro rata follow-on investment is appropriate, in its sole discretion, (e.g., because one of the clients does not have enough unreserved capital left to invest or would exceed certain limitations in the client's governing documents if it were to invest its pro rata amount), the CCO shall be consulted regarding other considerations applicable to a non-pro rata follow-on investment. Any such determination shall be documented and maintained by the CCO.

Allocation with Respect to Co-Investment Opportunities

After the applicable client(s) has received its desired portion of a new investment or follow-on investment opportunity, Black Dragon, in certain cases, may make additional amounts with respect to such investment opportunity (if any) available for co-investment to one or more of the client's investors or other third parties. Black Dragon may offer co-investment

opportunities to any potential Investor in its sole and absolute discretion and is not required to offer the opportunities to its client's investors.

Unless otherwise stated in the governing documents for a client, Black Dragon will handle co-investment opportunities in a fair and reasonable manner and may consider factors that include, among others: (i) Black Dragon's perception of the strategic value of a prospective co-investor to the underlying investment opportunity; (ii) how quickly a prospective co-investor is able to conduct its own due diligence and provide a commitment with respect to an investment opportunity; (iii) whether Black Dragon believes that the prospective co-investor has the financial and other resources to make the investment; (iv) whether the prospective co-investor has indicated a desire to make investments of the type offered by the investment opportunity; (v) whether the prospective co-investor will represent a good syndicate partner in connection with the client's investment, including by exuding confidence that it will be able to meet future investment needs of the business; (vi) any requirements or restrictions relating to such matters in the client's governing documents or "side letters"; (vii) the likelihood that an investor may invest in a future client sponsored by Black Dragon; and (viii) other factors relevant to the relationship of a particular investment opportunity to a given prospective co-investor. The managing member, in consultation with the CCO, and the advisory board as necessary, will follow requirements set forth in governing documents, to resolve any material conflicts of interest associated with co-investors.

Disposition Opportunities

To the extent that multiple clients hold an interest in the same asset, it is Black Dragon's policy that disposition opportunities with respect to that investment shall, to the extent practicable, be allocated among such clients on a basis that is fair and equitable to each client relative to other clients, taking into account all relevant facts and circumstances, including without limitation: (i) the strategies, guidelines and restrictions of each client; (ii) relevant provisions in a client's governing documents or in other agreements related to the client's investment in such company (including "tag-along" or "piggy back" rights); (iii) liquidity needs for each client and the investment cycle of a particular client; (iv) respective holding periods for the investment; (v) the nature of the disposition opportunity, including the size and source of the opportunity; (vi) current and anticipated market conditions; and (vii) tax, legal or regulatory considerations. Black Dragon will seek guidance from the CCO and the client's advisory board(s) if and as necessary, following requirements set forth in governing documents, to resolve any material conflicts of interest associated with investment disposition.

Item 12: Brokerage Practices

Black Dragon is authorized to determine the service providers, including broker-dealers, to be utilized in executing transactions for the Funds. In selecting broker-dealers to execute transactions, we do not need to solicit competitive bids and do not have an obligation to seek the lowest available commission cost. It is not our practice to negotiate "execution only" commission rates; therefore, the Funds may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

We shall also have the authority to select and appoint custodians of the assets of the Funds. The Firm's authority is limited by its own internal policies and procedures and each Fund's investment guidelines.

Best Execution

In selecting an appropriate service providers to effect a client transaction, we seek to obtain “**Best Execution**,” which is a combination of price, quality of execution and other factors. Accordingly, in seeking Best Execution, we will take into consideration a number of judgmental factors, including, without limitation, clearance and settlement capabilities; quality of confirmations and account statements; the ability of the broker to settle the trade promptly and accurately; the financial standing, reputation and integrity of the broker-dealer; the broker-dealer's access to markets, research capabilities, market knowledge, any “value added” characteristics, the Firm's past experience with the broker-dealer, the Firm's past experience with similar trades, and other factors.

Item 13: Review of Accounts

Our Portfolio Manager and investment professionals monitor and analyze on at least a quarterly basis the transactions, positions, and investment levels of the Funds and the Co-Investment to ensure that they conform with the investment objectives and guidelines that are stated in the Funds' Offering Documents and Co-Investment Documents, respectively. In these reviews, the Firm pays particular attention to any changes in the investment's fundamentals, overall risk management, and changes in the markets that may affect price levels.

Account Reporting

We will distribute an audited financial report, prepared in accordance with GAAP principals by an accountant subject to registration and regular inspection by the PCAOB, with respect to the previous fiscal year to all Clients and Investors within 120 days of fiscal year end. In addition, upon the final liquidation of any such Fund, Black Dragon will obtain a final financial audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all Investors promptly after completion of the audit. We may also distribute quarterly unaudited net asset value statements, quarter-end performance reports, and a quarterly investor letter to all Clients.

Item 14: Client Referrals and Other Compensation

We do not receive economic benefits from non-clients for providing investment advice and other advisory services. Neither we nor any of our related persons, directly or indirectly, compensate any person who is not a supervised person for client referrals.

Item 15: Custody

All Client Account assets are physically maintained by a broker dealer, bank or other qualified custodian, and monthly statements are prepared and made available online and/or distributed by the administrator and/or custodian to the client. VIS Advisors urges its clients to carefully review such statements.

We will be deemed to have custody of the Client and Client securities because our affiliates, each Client's General Partner, has the authority to obtain Client funds or securities, for example, by deducting advisory fees from a Client's account or otherwise withdrawing funds from a Client's account. Account statements related to the Clients are sent by qualified custodians to Black Dragon. Black Dragon encourages clients to carefully review statements

received from a qualified custodian and compare such qualified custodian statements to the portfolio performance reports received from Black Dragon.

We will comply with Rule 206(4)-2 of the Advisers Act (i.e., the “custody rule”) by meeting the conditions of the pooled vehicle annual audit approach. Upon completion of the relevant Fund’s annual audit by an independent auditor that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board (PCAOB), we will distribute the Fund’s audited financials to Investors within 90 days of such Client’s fiscal year end.

Item 16: Investment Discretion

Pursuant to our Investment Advisory Agreement, we will have full discretionary investment authority with respect to the Clients, including authority to make decisions with respect to which transactions to participate in, as well as the price of those assets.

Item 17: Voting Client Securities

In compliance with Rule 206(4)-6 of the Advisers Act (i.e., the “proxy voting rule”), we have adopted proxy voting policies and procedures. The general policy is to vote all proxy proposals, amendments, consents or resolutions (collectively, “**Proxies**”) in a prudent and diligent manner that will serve the applicable Client’s best interests and is in line with the Client’s investment objectives. Our voting policy requires that material conflicts of interest for a particular vote as it pertains to the interests of the general partner and those of one or more Limited Partners to a Fund be identified and appropriately disclosed and managed.

We may take into account all relevant factors, as determined by us in our discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

Generally, clients may not direct our vote in a particular solicitation, unless a conflict of interest is apparent. Prior to exercising its voting authority, the managing member (or the investment committee, if applicable), or representative thereof, reviews the relevant facts and determines whether a material conflict of interest may arise due to business, personal, or family relationships of Black Dragon, its owners, its employees, or its affiliates, or a relationship with any persons having an interest in the outcome of the vote. If a material conflict exists, Black Dragon takes steps to ensure that its voting decision is based on the best interests of the Fund and is not a product of the conflict.

Black Dragon may, at its discretion, (i) seek the advice of the applicable Advisory Board of a Fund, if any, in voting such security; (ii) disclose the conflict of interest to all Investors or the applicable Advisory Board of a Fund and defer to their voting recommendation; and/or (iii) take such other action in good faith (in consultation with Black Dragon’s outside counsel, if necessary) that would serve the best interest of the Fund. Depending on the unique circumstances involved, the appropriate resolution of one conflict of interest may differ from the resolution of another conflict of interest, even though the general facts underlying both conflicts may be similar (or identical).

Clients may obtain a copy of our Proxy voting policies and our Proxy voting record upon request at 212-257-6850 or info@blackdragoncap.com.

Due to our investment strategy, these actions are expected to be limited in nature.

Item 18: Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the Adviser's financial condition. We are not required to include a balance sheet for our most recent fiscal year, are not aware of any financial condition reasonably likely to impair our ability to meet contractual commitments to Clients, and have not been the subject of a bankruptcy petition at any time during the past ten years.